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For Immediate Release

May 20, 1994

STATEMENT BY THE PRESS SECRETARY

US-UNHCR Cooperation on Haitian Migrants

The Clinton Administration and the United Nations High Commissioner for Refugees reached agreement last night on cooperative arrangements for processing Haitian migrants. The Agreement was reached at a one-hour meeting in Washington between the President's Special Adviser on Haiti, William Gray, and the UN High Commissioner for Refugees, Mrs. Sadako Ogata.

Under these arrangements, the UNHCR will assist in implementing the President's newly announced effort to provide refugee processing outside of Haiti for Haitian boat migrants. The processing will take place within the region, and the U.S. is in intensive discussions with a number of governments on the placement of processing sites and provision of protection for bona fide refugees.

The UNHCR will counsel Haitians, make training available for U.S. officials involved in refugee determination, monitor the overall process and assist in seeking third country cooperation in placement of bona fide refugees. The UNHCR will also provide technical assistance in facility construction at land-based processing sites that are identified.

The United States, in cooperation with host third country governments, will be responsible for establishing interview procedures in accordance with internationally recognized criteria, and for return of those deemed not to be refugees.

The U.S. will continue to assist non-refugees upon return and to monitor returnees. The U.S. and UNHCR will also seek the assistance of the UN/OAS mission in Haiti in efforts to monitor returnees.

After reaching this cooperative arrangement with UNHCR, Special Adviser Gray said:

"We warmly welcome this agreement with the UNHCR and are deeply grateful for Mrs. Ogata's quick response to the President's request for UNHCR advice and assistance. UNHCR involvement is in keeping with the President's pledge to secure international cooperation in providing Haitians with fundamental fairness and humane treatment."

(more)

Mrs. Ogata made the following comments:

"As I indicated last week, the UNHCR deeply appreciates the President's recent announcement on U.S. migration policy, which affirms U.S. support for important principles of refugee protection. We want to be as helpful as possible in ensuring successful implementation, as we understand the substantial challenges that the Administration confronts in developing a system that is characterized by fairness without encouraging boat departures in unseaworthy vessels. I am confident that we can develop such a system, as it is clear that this issue is of the highest priority for the Administration. In this respect, we are also grateful for the substantial Administration efforts being made to put this system in place without delay."

HAITI SANCTIONS**New Developments**

- There were no interdictions on Friday, June 17. However, 38 Haitians were interdicted over the weekend -- 20 on Saturday, June 18, and 18 on Sunday, June 19. They are currently en route to the USNS Comfort, to arrive tomorrow.
- Since the third country/shipboard processing began on June 15, 73 Haitians have been interdicted.
- State will announced today that on June 18, Bill Gray and representatives of the Turks and Caicos Islands signed a Memorandum of Understanding establishing a land-based refugee processing facility on Grand Turk Island. We hope that the facility will be operational by early July.

Points:

- The U.S. has worked with the other "Friends of Haiti" to impose steadily tougher sanctions against the Haitian leadership since the 1990 coup. Beginning with the OAS trade embargo extending through targeted sanctions against the military leadership.
- Last month following a policy review and with our support, the UN imposed sanctions designed to increase pressure on the military to step down.
- We are determined that Haiti's military leaders must step down so that democracy may be restored and Aristide can return.
- The President announced June 10 two additional steps that will help remove from power the military leaders who control Haiti in order to restore democracy and return Aristide to power:
 - o He signed an Executive Order banning private financial transactions between Haiti and the United States and through the United States between Haiti and other countries. This does not apply to humanitarian activities.
 - o He directed Secretary of Transportation Pena to instruct all U.S and Haitian air carriers to cease scheduled services between our two nations. In order to allow those Americans and others who wish to leave to Haiti to do so in an orderly fashion, this measure will take effect as of June 25.
- Because of the ban on commercial passenger flights and
- McLain-Graham: said ~~readiness~~ "combined capability... outstanding"
- 6 mos: taken steps to improve readiness, response time, intelligence ~~asset~~ capabilities, etc.

North KoreaNew Developments:

- Kim Young Sam accepts proposal to meet Kim il Sung.
- President said on Today show Carter's visit to Pyongyang offers "hopeful signs".
- Sanctions consultation continue today in New York.
- Senators Gramm and McCain, in Seoul, offer twelve-point program to beef-up our force posture on the peninsula.

Key themes:

- We are resolved to meet the North Korean nuclear challenge with firmness and steadiness.
- We have been building an international consensus to meet this challenge and must work to sustain it.
 - There is no daylight between us and our treaty allies, South Korea and Japan. Coordination with Russia has been good. Like Russia, China shares our interests in a nonnuclear Korean peninsula and peace and stability in the region; we have consulted extensively with the Chinese and urge them to join the international community in a firm response to the North Korean challenge.
- We are informally circulating a draft resolution and consulting with allies and Security Council members on the substance of possible sanctions and their timing.
- The purpose of UN sanctions is to increase the pressure on North Korea to return to compliance with international nonproliferation norms.
- Our approach is a phased, step-by-step approach to resolve the situation. It is important not only to act with regard to past actions and behavior but also to create leverage for possible future actions by the North, such as further actions to impede the activity of the IAEA or withdrawal from the Nuclear Non-Proliferation Treaty.
- The door remains open to North Korea to better relations with the outside world, but only if it acts to restore the basis of dialogue.
- President Carter has reported that the North Koreans offered new steps to resolve the international community's concerns. In this connection we note North Korea's assurances that IAEA inspectors and monitoring equipment would be kept in place.
- The basis for a resumption of dialogue would be restored if

these statements mean that North Korea is committed to freezing the major elements of its nuclear program while new talks took place, that will not refuel the reactor or reprocess the spent fuel and will maintain continuity of IAEA safeguards.

- We are in the process of determining their meaning in this regard. *HOW?*
- In the meantime, we are continuing to consult on a sanctions resolution at the UN Security Council.
- Our security commitment to South Korea and Japan is unshakable. We will take whatever prudent measures are necessary for the defense of our forces in South Korea and to assist in the defense of that nation.

Points

a. On Jimmy Carter Meeting

- As the President said this morning, Carter's trip offers "hopeful signs". Carter travelled to North Korea as a private citizen. We briefed him before he departed, so that he could communicate the U.S. position clearly. We have always believed it important that our position get through to the top levels of North Korea's government.
- President Carter has reported that the North Koreans promised to freeze their nuclear program during further talks with the United States.
- We need confirmation and clarification of these remarks directly from North Korean authorities.
- If North Korea's statements to President Carter mean that they are willing not to reprocess their spent fuel or refuel their reactor and allow IAEA inspectors to continue activities needed to maintain continuity of safeguards, then this would restore the basis for U.S.-DPRK dialogue.
- If talks with North Korea resume, we would expect the principal focus of our efforts to resolve the North Korean nuclear situation to be placed on those talks.
- (IF PRESSED) President Carter has said that he clearly understands US policy on this.

b. On Kim-Kim Summit

- We fully support the initiative of President Kim Young Sam of South Korea to resume North-South dialogue.

c. On Sanctions

- As the President has said, consultations on sanctions are continuing in New York.
- We must determine whether North Korean is committed to freezing the major elements of its nuclear programs while new talks took place, that it is not refueling the reactor or reprocessing the spent fuel and is maintaining continuity of IAEA safeguards.
- If that is the case, we would be willing to resume high-level talks and our focus would move away from a UN sanctions resolution.
- We would continue those talks only as long as they were productive.
- The question is whether North Korea is willing to take real steps to restore the basis for dialogue. If it is not, then if anything it will reinforce the case for sanctions.
- If there is a basis for dialogue, however, we have always said we would be willing to pursue it.
- (ON CONSULTATIONS WITH CHINA) We continue to consult with the Chinese and note they share our interest in a nonnuclear peninsula. We continue to work to enlist their support in the international effort to resolve the nuclear problem in North Korea. (IF PRESSED) The Chinese have always been clear that they could prefer to solve this issue through dialogue. If a sanctions resolution were to come to a vote in the Security Council, however, we cannot predict how they would vote.

d. On Overall Policy

- Our policy remains unchanged. Our goals remain a nonnuclear peninsula and a strong nonproliferation regime. That still requires full implementation of NPT obligations, IAEA safeguards and the North-South denuclearization agreement.

The only issue here is whether North Korea may have re-established the basis for dialogue. We are in the process of determining whether North Korea is committed to freezing the major elements of its nuclear program while new talks take place; that is, not refueling the reactor, or reprocessing the spent fuel that was just removed and permitting the IAEA to maintain a continuity of safeguards.

[FYI - That would include permitting IAEA inspectors and their monitoring equipment to stay in North Korea and perform their duties and North Korea committing not to reload its 5 MW

reactor or to separate any more plutonium.]

e. On Need to Account for Past Nuclear Activities

- We need to account for past nuclear activities. Now that North Korea has destroyed one method for doing that -- nondestructive analysis -- they need to agree with the IAEA on an alternative, such as special inspections.

That will be a subject of the third round, as it has always been.

- We told North Korea from the start ^{ON JUNE 3} that if they defueled the reactor outside of agreed IAEA procedures, we would not go to a third round. When the IAEA reported that North Korea had irretrievably damaged its ability to perform its historical analysis, we called off the third round.
- But we never said we would define the problem in such a way that there was no solution. That is why, in canceling the third round, we said that it was up to North Korea to restore the basis for a dialogue.
- Again, we are in the process of determining whether North Korea is committed to freezing the major elements of its nuclear program while new talks take place; that is, not refueling the reactor, or reprocessing the spent fuel that was just removed and permitting the IAEA to maintain a continuity of safeguards.

f. On IAEA

- IAEA Director General Blix has called on North Korea to resume cooperation with the Agency. We will not go to a third round unless North Korea is committed to freezing the major elements of its nuclear program while new talks take place; that is, not refueling the reactor, or reprocessing the spent fuel that was just removed and permitting the IAEA to maintain a continuity of safeguards.

Don't we
need to
be careful
here?

g. On Troop Deployments

- I will not comment on the specifics of any such actions.
- We will take whatever prudent measures are necessary for the defense of our forces in South Korea and to assist in the defense of that nation.
- We will keep under review any further measures necessary.

g. On International Conference

- (IF ASKED) We believe that President Yeltsin's proposal for an

international conference can be useful at some point but should not delay a serious international response to the problem.

- Secretary Christopher and FM Kozyrev will be meeting tomorrow in Brussels. They are expected to consult on the North Korean nuclear issue.

STAFF SHAKEUPSNew Developments:

- Time Magazine to report rumors of Bentsen replacing Christopher.
- Washington Post reports lack of confidence in State Department's political team.

Points:

- Rumors about Secretary Christopher are just that: rumors. They have no basis in fact.
- The President has full confidence in his foreign policy team and appreciates the dedicated hard work of the thousands of civil servants who work in national security affairs throughout the government.
- (IF PRESSED) Steve Oxman's move at State is a normal, routine staff shift, nothing more.

Gore-Chernomyrdin Meetings

- Vice President Al Gore will host Russian Prime Minister Victor Chernomyrdin to a series of meetings June 21-23 in Washington. This will be the third time the two have met (Sept 1-2, 1993, Washington and Dec. 15-16, 1993, Moscow).
- President Clinton will also meet with Prime Minister Chernomyrdin, June 23.

US-RUSSIAN RELATIONS

- US-Russians relations are on track and in good shape.
 - Partnership built by Presidents Clinton and Yeltsin is secure and strong.
 - Russian economic reform continues. It is more important than ever for US to support reform and Yeltsin/Chernomyrdin.
 - VP's meeting and President's meeting with Yeltsin in Naples are important to continue to forward movement in relationship.

GORE-CHERNOMYRDIN COMMISSION

- Commission responsible for major progress on key issues:
 - Space Cooperation, especially Space Station partnership.
 - Progress in arresting nuclear proliferation (whole spectrum of activities, including reciprocal visits to warhead storage sites and signing agreement to shutdown military plutonium productions reactors.
 - Anticipate significant breakthrough on private trade and investment deal (see next page for info on Sakhalin Island oil deal.)
 - Environmental agreement (mostly US technology).

Business and Investment Opportunities in Russia

- Economic assistance for Russia and NIS important means to support reform. But in the long run, trade and investment - not aid -- will provide the fuel to make reforms durable.
- Promoting trade and investment in Russia thus a key priority. Secretary Brown led a successful trade mission to Moscow in March. Took along 28 US CEO's from major firms. Message: America ready to do business with Russia, if Russia will establish environment conducive to doing business.
- Under Gore-Chernomyrdin Commission, we are working to convince Russian government to lower tariff barriers, quotas, and tax laws that act as disincentives.
- Message is getting through. Yeltsin decrees of last week indicate realization that climate for investment in Russia needs to be improved.
- President and VP have also pushed major oil and gas projects. Tremendous potential for resource-rich Russia to earn hard currency using technology and know-how of US firms.
- Anticipate signing of contract when Chernomyrdin visits next week between Russian government and international consortium (50% share by US firms Marathon & McDermott) to develop offshore oil fields near Sakhalin Island.
- Total investment estimated to be \$10 billion.
- Signing of this deal of this size important signal to other would be investors. Also blazes the trail for the next mega-project, Texaco development of oil field at Timan Pechora worth more than \$2 billion.
- Many obstacles to completion of deal overcome through direct intervention by President and VP with Yeltsin and Chernomyrdin.

US-Russian-Ukrainian Trilateral Accord

- We are extremely pleased with the success of the Trilateral accord that President Clinton signed with Presidents Yeltsin and Kravchuk in January.
- Its implementation is far ahead of schedule: the Ukrainian side had promised to ship 200 warheads to Russian for dismantlement by mid-November of this year. By mid-June, they had already shipped 240 warheads from all three types of weapons deployed in Ukraine: SS-19 and SS-24 intercontinental ballistic missiles (ICBMs) and AS-15 air-launched cruise missiles (ALCMs).
- Ukraine has agreed to ship all of its warheads before the end of 1996. In return, Russia has agreed to compensate Ukraine for the value of the nuclear materials in the warheads. Ukraine has already received two shipments of fuel rods for its nuclear power plants in compensation from Russia.

Meeting with the Presidents of Slovakia and Hungary

- President Michal Kovac of the Slovakia and Arpad Goncz of Hungary are in the United States to receive an award from the Institute for East-West Studies.
- The President will meet with them for 1/2 hour in the Oval Office, Tuesday. (Photo spray at beginning of meeting.)
- President Clinton wanted to meet with them to continue their discussions from last January and to signal general US support for the democratic and economic/market reforms in the Slovak Republic and in Hungary.
- The meeting also underscores the important role the two presidents have played in these reforms.

Meeting with King Hussein

- The President will meet with King Hussein of Jordan on Wednesday in the Oval Office during the King's private visit to the US. (Photo Spray at beginning of meeting.)
- Following the meeting the President and First Lady will host a private lunch for the King and Queen Noor (2-on-2).
- He will express appreciation and support for the King's decision to re-engage in active negotiations with Israel.
- They will also review regional developments.

FYI ONLY: The King may raise the Jordanian economy and the need for international assistance. Given time, the President may also raise Iraq sanctions and the proposal to replace the MIF with another inspections regime.

Health Care Qs and As -- June 20, 1994

MOYNIHAN

Yesterday, Senator Moynihan said there was no chance that Congress will pass a health care bill this year with universal coverage. Would you accept a bill which provides universal coverage somewhere down the line?

As the President said this morning, our plan proposed a phase in. The President stands firm on his commitment that every American -- especially hard working middle class Americans -- should have guaranteed health care insurance that can never be taken away. The same health security as he, and members of Congress have. Plans which do not provide universal coverage at a time certain, would leave the middle class at the greatest risk of losing their insurance. Again, while we are flexible on how we get there, we must get there. And we believe that Senator Moynihan is committed to universal coverage.

HIAA - HARRY AND LOUISE

What do think about the latest ads from HIAA?

Harry and Louise are back because the insurance industry is frightened. It sees that health care reform is going to happen this year. HIAA would rather scare people than tell them the truth: if we do not achieve universal coverage, we will have failed to protect the millions of hard working Americans who will either remain uninsured or live at risk of losing their insurance.

UNIVERSAL COVERAGE

How do you define universal coverage?

The President has said from the beginning that he will not sign a bill that does not guarantee EVERY American private insurance that can never be taken away. Universal coverage means that every American will have a guarantee in law that they will have health care coverage that can never be taken away.

The Administration seems to be signalling that it would accept a phase in. Is this true?

We phase in coverage in our bill (January 1, 1998). The President has said all along that he would be flexible on how we got to universal coverage, but not whether we get there. But it must be within a reasonable period and by a date certain.

The Administration has to realize that you will never achieve 100% coverage. What is acceptable - 97, 98%?

We are not going to engage in a percentage debate. We will say that doing incremental reform and leaving 25 to 40 million hard-working Americans without health coverage is not acceptable. Millions of families would remain at risk and the middle class would take

the hardest hit. Universal coverage means that every American will have a guarantee in law that they will have health care coverage that can never be taken away.

Some say that it is sufficient to cover 91% or 92% of the population and 97% of total medical costs. Why is this not enough?

Those that would be hit hardest would be middle class working Americans.

- Millions of Americans would be left uninsured - 25 million Americans would be uninsured and as many as 40 million would be without health insurance for some period of time each year.
- The deficit would be increased from 1996-2004- the Federal deficit would increase by over \$300 billion. → Breanx - Durenburger
Cooper - Grandy
- It would place a heavy burden on middle income individuals - Many people will pay over 10% of their gross income for health insurance.
- It may encourage employers to drop coverage.

TRIGGERS

The Administration seems now to be signalling that it is willing to accept a trigger. Is this true?

From the beginning, the President has said that the bottom line is universal coverage. While we are flexible on how to get there, we are not flexible on whether we get there. An approach with less than universal coverage is not acceptable if it leaves millions of hard working middle class Americans without health security. But we cannot pass judgment on any one element without seeing the whole package.

What about this so-called fast track trigger approach?

The President has expressed his concern that he is not convinced that this type of so-called fast track trigger would achieve universal coverage.

CONGRESSIONAL MEETINGS/COMPROMISE

Doesn't it appear that Congress may be stalled and will be unable to produce an acceptable bill this session?

We have made great progress in a very short time. Senator Kennedy's Labor Committee has reported a bill that includes universal coverage, sound financing and cost containment. Senator Moynihan is working hard to craft a bill with universal coverage and, hopefully, with bipartisan support.

The House is making progress. Two subcommittees have approved legislation and 2 full Committees have approved shared responsibility provisions.

If the Senate Finance Committee fails to adopt a bill that provides for universal coverage, will it be possible to obtain bipartisan legislation in Congress that will provide for universal coverage?

Senator Moynihan is a very skillful legislator. He is committed to achieving universal coverage. He is working to achieve a bipartisan consensus. We are hopeful that he will produce a bill with universal coverage.

As you know, the Senate Majority Leader recently stated he would bring a bill to the floor of the Senate by no later than next month.

EMPLOYER MANDATES

Many on the Hill, especially Republicans, feel that employer mandates are dead. Do you think they seriously have the votes to pass?

We feel that health benefits guaranteed at work is the simplest, least disruptive means to achieve universal coverage. It builds on the existing system where nine out of ten working Americans get private insurance through the workplace.

Senator Kennedy's Committee reported out a bill with shared responsibility and 2 House committees have approved shared responsibility provisions. We are confident that as the debate moves through the Committees, they will reach the same conclusion that a form of shared responsibility is the best way to reach universal coverage.

- Education + Labor
- Energy + Comm

Why BRT?

Who Would Incremental Reform Really Hurt? Middle Class Families

Some propose an alternative to universal coverage: incremental reforms aimed not at guaranteed coverage for everyone, but at slowly increasing the number of people with insurance. This approach involves insurance reforms that force insurers to take all comers, to cover costly conditions formerly excluded, and to charge everyone a similar price for similar insurance. Poor people would receive subsidies or vouchers. Employers could continue to drop coverage, and individuals could continue to go without insurance.

All the evidence suggests this approach won't work; in fact, incremental reform could actually make things worse. Millions would remain uncovered, including some previously insured through their employer. Costs would not be controlled, leading to higher premiums for working families and a ballooning federal deficit. Selective participation would lead to continued abuse by "free-riders" and an increasingly unstable health care system. This approach has four main flaws:

1. Millions of families remain at risk of losing insurance
2. Middle class hit the hardest
3. New taxes or reduced benefits only available means of financing
4. Adds cost and instability to the system

1. Millions of families remain at risk of losing insurance

Millions remain uncovered:

- **ONE AND 1/3** million people will lose their health insurance every month. **FAMILIES USA** ~~[Arnold Bennett]~~
- Independent analyses of incremental reform bills estimate that between 24 million [Cooper] and 37 million people [Gramm/Michel] would remain uninsured.
- Nearly 40 million people -- one in six Americans -- will still lose their health insurance at some point during the year.

2. Middle class will bear the brunt of both the risk and the cost

Working families hardest hit; some lose what they've got now:

- Since the poor and non-working would get free coverage, and since wealthy Americans could afford coverage on their own even if costs continue to rise, those hardest hit by incremental reform would be middle-class, working families.
- Under a non-universal, managed competition-style reform plan [Cooper], an estimated 24 million people, more than two thirds of them in middle-class, working families, would remain uninsured. According to CBO, the main reason these families wouldn't be covered is the cost of insurance.

- About one in eight would be families who do have insurance today; and about 10 percent of workers with employer-sponsored insurance would lose their employer's contribution.

3. Higher taxes or reduced benefits the only financing options

- Incremental reform plans aim to extend coverage to low-income families and the unemployed by providing government subsidies to those Americans. The most ambitious plan falls \$300 billion short in financing the subsidies for low income Americans.

4. Costs will go up, making the system less stable, less economical, and inherently unfair to those businesses and workers who do have coverage

System will become less stable, and care more costly:

- "By putting market pressure on providers to cut costs, market reforms promoting competition -- absent universal coverage -- could exacerbate access problems. It would be more humane, economical and rational simply to adopt a policy providing coverage to virtually everybody through an integrated financing and delivery organization that provides primary and preventive care as a part of a comprehensive benefits package." [Alain Enthoven, Health Affairs, 1993]
- "Some people . . . might drop their insurance coverage if premiums rose significantly. Healthy people . . . would be the most likely to withdraw . . . the loss of healthier people would [place] further upward pressure on premiums. An upward spiral of premiums might result." [CBO, p. xiv]
- *Note: a recent analysis of New York state insurance reforms and their effects of costs and coverage prove that the above CBO predictions are bear out: premiums rose for young, healthy people, who in turn disproportionately dropped coverage, which in turn further raised premiums by as much as 35% for all enrollees. The result: more people are without coverage in New York than before the reforms went into effect. [WSJ, May 27, 1994]*

Non-universal system costs insured people more:

- "With a portion of the population remaining uninsured, per capita insurance costs for the insured population would be higher, compared with universal coverage" [CBO on Cooper, p. 8]
- "[Lack of full coverage] leads to cost shifting from those who do not pay and those who provide free care to those who do pay for health insurance. [Alain Enthoven, Health Affairs, 1993]

People with coverage forced to pay for those without:

- "A system of universal coverage will not work if everybody is covered, but only those who choose to do so pay for it. Such a system would be destroyed by free-riders." [Alain Enthoven, Health Affairs, 1993]
- "If there's no mandate that people have to belong, then young healthy males who don't ride motorcycles aren't going to join and so the costs are going to be carried by those who are sick." [Sen. John Chafee, R-RI, 5/23/94]

Adds to the deficit:

- Without any change to the existing system, two-thirds of the growth in federal spending between 1993 and 1996 will be accounted for by health care spending.
- Under non-universal coverage, managed competition-style proposals, the CBO predicts there would be *over \$300 billion added to the deficit from 1996-2004.*
- By contrast: "CBO projects that national health expenditures would fall \$30 billion below the current CBO baseline by calendar year 2000, and would be \$150 billion (7 percent) below that baseline in 2004." ["An Analysis of the Administration's Health Proposal", CBO, 2/9/94, p. xii]

Conclusion: Universal coverage is the only way to guarantee controllable costs, and fair, equitable financing of health care.

Imagine a diner where everyone in a community goes for lunch. Most people have lunch, pay, and leave, but every eighth person who walks into the diner sits down, orders (usually the most expensive thing off the menu because they're famished), and gets up and walks out without paying. The cost of that patron is spread over the other seven who did pay. It only makes sense that when that eighth person pays for their lunch like everybody else, and orders like everybody else, the cost to the other seven paying diners will go down.

We don't think the solution is to charge working families through the nose for lunch, and let the poor eat for free by taxing everyone who orders a steak. We think the free lunch should end.

Coverage and costs in the state of Hawaii: the facts

- According to the Hawaii Dept. of Health, 98% of the population has health insurance. The small percentage not covered are family members of workers; employers aren't required to contribute for families under Hawaii's system.
- "The cost experience in Hawaii is seemingly anomalous because, while per capita health care costs are similar in Hawaii and the nation, insurance premiums are lower in Hawaii." [GAO]
- "Hawaii's requirement that employers provide health insurance has not resulted in large disruptions in Hawaii's small business sector." [GAO]
- "Most small businesses in Hawaii expressed general satisfaction with the Hawaii health insurance system, but they regard the mandatory provision of insurance as a burden." [GAO]
- "We found no evidence that the employer mandate resulted in large disruptions in Hawaii's small business sector." [GAO]
- "More than three-fourths of small businesses surveyed by Louis Harris reported that the mandate has had little to no effect on employment levels, salaries or other benefits." [GAO]
- "Hawaii's system of near-universal access has resulted in lower health insurance premiums, particularly for small business."

Danforth - tomorrow (tent)
last of group

Ways + means / Labor marking
up aggressively "
Potus to place chairs to move
quickly

Finance doing closed door mark
ups, to do some open stuff

House - floor... hard trigger

Senate - really unclear

President ... hasn't conceded
anything

re-launch bill... when/where?

H. bills
out;
way & means
mandate
Labor
likely
mandate
Dingell
less
likely
hard
trigger

**U.S. DEPARTMENT OF STATE
Office of the Spokesman**

For Immediate Release

June 20, 1994

**STATEMENT BY MICHAEL McCURRY, SPOKESMAN
AGREEMENT FOR PROCESSING HAITIANS ON
GRAND TURKS ISLAND**

On Saturday, June 18, President Clinton's Special Advisor on Haiti, William Gray III and representatives of the Government of the United Kingdom and the Government of the Turks and Caicos Islands signed a Memorandum of Understanding (MOU) which will govern the establishment of a land-based refugee processing facility on Grand Turk Island. This facility will be used to determine the refugee status of Haitian boat people and to facilitate their onward resettlement to the United States or third countries or repatriation.

The United States is very grateful to the Governments of the United Kingdom and the Turks and Caicos Islands for their cooperation in this humanitarian endeavor. A land-based center is greatly preferable to shipboard processing, which we have always conceived of as an interim measure adopted in order to implement the new, fairer policy as quickly as possible. We hope to have our Grand Turk land based facility before the middle of July. The United States has begun the construction process.

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The MOU defines the rights and respective responsibilities of its signatories for the implementation of a U.S. proposal to establish the processing facility. The United Nations High Commissioner for Refugees (UNHCR) will be closely involved in our Grand Turk operation, as in Kingston. UNHCR responsibilities are governed by the MOU.

I would like to stress that in-country refugee processing, at one of the three processing sites in Haiti, remains the best and safest alternative for those Haitians who believe they have a claim to refugee status.

U. S. DEPARTMENT OF STATE
Office of the Spokesman

For Immediate Release

June 20, 1994

STATEMENT BY MICHAEL MCCURRY, SPOKESMAN

AFRICA REFUGEE DAY

Today, the United States calls attention to Africa Refugee Day, an annual event on June 20, and the 25th anniversary of the Organization of African Unity's convention on refugees.

This is a day on which we must focus attention on the particular challenges which Africa faces because of refugees and the conflicts which produce them. Many parts of the continent are beset with humanitarian emergencies, population displacements, and their underlying political conflicts. From Angola to Liberia to Rwanda and Burundi, the scope of suffering challenges the international community in real and unrelenting terms.

In Rwanda, the mindless killing has been on such a large scale as to generate more than half a million refugees and to threaten the foundation of society. In Burundi, similar ethnic hatred has cost thousands of lives and forced hundreds of thousands to seek refuge outside the country. The total burden from these two problems has strained the capabilities of surrounding countries and the international community to provide assistance.

In Angola, which has known only a brief period of peace since its 1975 independence, a brutal civil war has killed hundreds of thousands and threatens millions more with hunger, disease, and war-related injuries. Over a million Angolans have been forced to flee their homes and seek refuge elsewhere. An escalation in the level of fighting, ironically coming as the peace talks in Lusaka approach an overall agreement, threatens the massive humanitarian relief operation which keeps millions of Angolans alive.

In response, the international community cannot allow assistance to become a substitute for political solutions. To alleviate and prevent the suffering of these millions of innocent people, governments must actively pursue respect for human rights, national reconciliation, social and economic progress, and lasting democratic institutions. Many governments, both within and outside the framework of the Organization of African Unity, are making sustained and deliberate efforts toward these goals.

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Fortunately, on this day, the successful efforts of the people of Mozambique to reconcile their differences and rebuild their country give us hope. With the assistance of the international community, the people of Mozambique have achieved peace after sixteen years of war and have already welcomed home half of their 1.6 million refugees. The Mozambicans' happiness and relief from suffering offer inspiration to others who are working on similar problems.

As we mark Africa Refugee Day and the 25th anniversary of the OAU convention on refugees, the United States affirms its hope for success of all efforts to end the suffering of refugees and to change refugee situations in Africa from a continuing problem to a part of history.

**PM Press Guidance
June 20, 1994**

NORTH KOREA: NUCLEAR ISSUE

Q. Has the U.S. given up on determining the operating history of North Korea's reactor?

A. – THE OPERATING HISTORY OF NORTH KOREA'S REACTOR IS A KEY FACTOR IN DETERMINING THE ACCURACY OF NORTH KOREA'S PLUTONIUM DECLARATION TO THE INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA).

– WHEN NORTH KOREA DISCHARGED SPENT FUEL FROM THE REACTOR, THE IAEA SAID THAT ONE METHOD OF RECONSTRUCTING ITS OPERATING HISTORY WAS IRREVOCABLY LOST. THERE ARE OTHER METHODS OF DETERMINING THE ACCURACY OF NORTH KOREA'S PLUTONIUM DECLARATION, PARTICULARLY THROUGH ACCESS TO NORTH KOREA'S SUSPECTED NUCLEAR WASTE SITES. THIS IS SOMETHING WE WILL WANT TO DISCUSS IN A THIRD ROUND OF HIGH-LEVEL TALKS.

– WITHOUT RESOLUTION OF THE ISSUE OF NORTH KOREA'S PAST PLUTONIUM PRODUCTION, NORTH KOREA CANNOT RETURN TO FULL COMPLIANCE WITH ITS INTERNATIONAL NONPROLIFERATION OBLIGATIONS.

Q. Is the crisis over?

A. -- PRESIDENT CARTER'S RECENT TRIP TO NORTH KOREA MAY HAVE PROVIDED A BASIS FOR FURTHER NEGOTIATIONS. WE WILL BE EXPLORING THIS WITH THE NORTH KOREANS IN OUR OWN CHANNELS IN THE COMING DAYS.

Q. Any comment on former President Carter's remarks that U.S. policy on sanctions was misguided?

A. -- WE TOOK A LEADING ROLE IN EFFORTS TO RESOLVE THE NORTH KOREAN NUCLEAR ISSUE THROUGH NEGOTIATIONS AT THE REQUEST OF THE UN SECURITY COUNCIL AFTER

AT THE REQUEST OF THE UN SECURITY COUNCIL AFTER
THE INTERNATIONAL ATOMIC ENERGY AGENCY REPORTED
THAT ITS SAFEGUARDS IN NORTH KOREA WERE
THREATENED.

- OVER THE PAST YEAR, WE HAVE BEEN TRYING TO
DETERMINE IF NORTH KOREA IS INTERESTED IN RESOLVING
THIS ISSUE THROUGH NEGOTIATIONS. WE SAID FROM THE
BEGINNING THAT IF OUR DIALOGUE DID NOT ADVANCE, WE
WOULD RETURN THE ISSUE TO THE SECURITY COUNCIL
FOR FURTHER ACTIONS, INCLUDING SANCTIONS.
- BASED ON PRESIDENT CARTER'S RECENT TRIP, WE WILL
BE EXPLORING THE POSSIBILITY OF A RETURN TO
DIALOGUE.
- WE THINK THIS POLICY HAS BEEN THE CORRECT ONE; WE
WILL CONTINUE TO FOLLOW IT.

EAP Press Guidance
June 20, 1994

NORTH KOREA: RECENT DIPLOMATIC DEVELOPMENTS

Q. Through which diplomatic channels are we seeking to verify former President Carter's discussions with Kim Il Sung?

A. -- WE WILL MOVE TO CONFIRM KIM IL SUNG'S OFFER THROUGH DIPLOMATIC CHANNELS THIS WEEK.

-- I HAVE NO DETAILS FOR YOU ON HOW WE WILL DO THIS.

Q. What is the State Department's view of the North-South summit?

A. -- WE WOULD WELCOME THE CONVENING OF A SUMMIT BETWEEN THE PRESIDENTS OF SOUTH AND NORTH KOREA.

-- IT COULD BE A CONSTRUCTIVE, FIRST STEP TO RESOLVE THEIR DIFFERENCES THROUGH DIALOGUE.

Q. Has South Korean President Kim called for a cabinet level meeting next week to plan a summit?

A. -- WE HAVE NOTED REPORTS THAT ON JUNE 20 PRESIDENT KIM YOUNG SAM PROPOSED TO PRESIDENT KIM IL SUNG VIA A TELEPHONE MESSAGE A MEETING OF DEPUTY PRIME MINISTERS AT 10:00 A.M. ON JUNE 28 IN PANMUNJOM TO DISCUSS PROCEDURAL MATTERS FOR A SUMMIT MEETING.

-- I WOULD REFER YOU TO SOUTH KOREAN AUTHORITIES FOR FURTHER DETAILS.

(MORE)

7 -- Dallucci en route to Brussels, meet w/ Chris, 102. will discuss sanctions

-- Dallucci onto Vienna (IAEA)

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-- msg sent last night thru NY → asks whether N. Korea will freeze nuke programs

-- no special envoy

-- We understand thru IAEA that NK has extended inspectors visas & conf. re: conf. of safeguards

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Q. Do you have any comment on South Korea moving 300 troops and heavy weapons into the DMZ? North Korea has accused South Korea of intensifying a war atmosphere.

A: - WE HAVE SEEN THE PRESS REPORTS ON SUCH NORTH KOREAN ACCUSATIONS.

- IT APPEARS TO BE NORMAL NORTH KOREAN PROPAGANDA, IN WHICH THE NORTH ROUTINELY ACCUSES SOUTH KOREA OF PROVOCATIVE ACTS.

-- WE HAVE NO REPORTS OF UNUSUAL SOUTH KOREAN MILITARY MOVEMENTS.

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