Case Number: 2017-0413-F

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Folder Title: POTUS Trip to Brussels, Belgium; Prague Czech Republic; Moscow, Russia; Kiev, Ukraine; Minsk, Belarus; and Geneva, Switzerland (January 8-16, 1994) [6]
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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 4, 1994

PRESS BRIEFING
BY CHAIRMAN OF THE JOINT CHIEFS OF STAFF
GENERAL JOHN SHALIKASHVILI

The Briefing Room

4:35 P.M. EDT

GENERAL SHALIKASHVILI: Well, thank you very much for letting me come by. As you know, it was reported today that Ambassador Albright and I will be going to Poland and to Hungary and to the Czech Republic and to Slovakia in advance of the President's trip to help explain, among others, the Partnership For Peace and to answer any particular questions that might still be lingering out there. And so I thought it might be useful if I came by and tried to see if I could answer any of your questions.

Q Can you give us an idea of what you'll be telling the East Europeans to allay their security concerns? They seem to feel that this does not go far enough in helping contain what they fear is either rising communism or a threat again from Russia.

GENERAL SHALIKASHVILI: I think it's, for me, very important that we all understand that what this is all about is bringing stability and security to all of Europe. And I think one of the things that would probably run most counter to that and would probably be more destabilizing than many of the things I could think of is, if somehow, we now establish new divisions in Europe. We have worked for so many years to try to break down the division between East and West that existed, and what a shame it would be, now with this extraordinarily historic moment, if the first step that we took towards bringing stability and security to all of Europe were started with the reestablishment of a new line.

And so I think it is important that everyone understand -- and I hope that our newfound friends in the East will understand that the reason that partnership is defined as it is, is to avoid at all costs the establishment of a new line, a new division that in turn, then, would create new tensions and fuel new conflicts.

Q General, and yet President Walesa of Poland seems to think that if they didn't -- if his country did not become a full member of NATO, rather, it could lead to the reemergence of communism in his country.

GENERAL SHALIKASHVILI: Certainly, I think there are two things that I would point out. First of all, that President Walesa does not reject Partnership For Peace, and I think is quoted in that article in The Washington Post, as a matter of fact, as accepting Partnership For Peace, but wishing to have an evolutionary process that leads to membership. The only thing I would tell you is that Partnership For Peace in itself is, in fact, an evolutionary process. And while it does not, by itself, have membership for any specific country under any specific circumstances as its end point, it is clear that those partners who enter into the Partnership for Peace with all of the energy that I think it deserves, that those partners, then, at the end of that process will be in a much better position to seriously discuss with the Alliance the issue of partnership.

Q How long is the process, and do you eventually see a point in which Poland and Hungary and the Czech Republic are members of NATO?

GENERAL SHALIKASHVILI: I cannot tell you how long the process will take, because the reason that you don't want to establish criteria or specific timelines right now is not to fuel those tensions that I just talked about. And so for us now to establish those kinds of timelines would be really counter to the very strength of what I think is, in fact, the strength of the Partnership For Peace.

What countries would or would not be members at the end of it, again is an issue that needs to be left open, because it is up to how the process develops, how security and stability in Europe develops, how the paranoias that now exist about the establishment of new divisions and lines and how those are dissipated over time, those will then answer who might be a strong candidate for membership, and at what time and under what circumstances.

Q In the absence now of a Cold War enemy, who is really the enemy? And would NATO intervene in what would be the inevitable -- would seem to be the new conflicts arising from nationalism, ethnic hatred and so forth? I mean, what's the purpose?

GENERAL SHALIKASHVILI: I think the enemy is this feeling of instability, of insecurity that our European partners feel, particularly our East European partners feel. And rightfully so. Because as they look at the landscape that they see, they see those flash points all around the rim -- whether that's from Nagorno-Karabakh to Bosnia and what not. And so it's that uncertainty, it's that instability that they see against which they want some sort of protection.

I submit that if there is a lesson that we have learned in Europe, it is that no one can feel safe and secure in Europe until we all -- Europe feel safe and secure. And we cannot achieve that end if we include small numbers and exclude large numbers.

At this time of this very delicate period of time when we're going through extraordinarily difficult times of building democracies and market economies not just in Russia, but in other countries of the former Soviet Union and as East European countries struggle to do the same, I think this is not the time to set up those divisions and add to the problems that already exist, and that bring those instabilities and those frictions that we now see. This is the time, I think, not to fuel those fires. And membership to some and exclusion to others would be counter to what I think we all, and certainly the President desires to see, which is a secure and stable Europe. I think all of them share that.

Q Eventual membership is being offered to everyone, isn't it?

GENERAL SHALIKASHVILI: I think the issue has always been that NATO -- and you've all heard it said NATO has never been a closed society. We look at their Partnership For Peace as a evolutionary process. It is our hope that that process in fact can lead to an extension of membership; but who, when and how is not -- it's a premature question today.

If there is a point that I could make is that in this whole discussion, it is useful to remember that we are talking so much less today about whether extension of the Alliance, but so much more about how and when.

Q Isn't there a risk for the U.S. to pay too little attention to the danger of a Russian nationalism, something that

President Walesa is already aware of? He knows the danger that Russia represents if you look back at history.

GENERAL SHALIKASHVILI: I think that there is this danger, and therefore I think we need to be extraordinarily careful that we do not, by intent, or, worse yet, inadvertently fuel those ultranationalistic feelings in Russia or other parts of the former Soviet Union. So I think the Partnership For Peace tries to deal with exactly that issue by not making the situation worse, but giving the chance to the democrats in Russia who are working so very hard to build market economies and to strengthen the democratic institutions there.

Q Yes, but if I may follow up, it does at the expense of giving these countries a protection in the next few years against any potential threat by -- I don't know who will be in power in Moscow in two or three years -- these threats for the next few years?

GENERAL SHALIKASHVILI: I do not believe that we would be strengthening security in Central and Eastern Europe by excluding people. At this time, this kind of exclusion would run counter to what it is that we're trying to accomplish, which is to strengthen stability. I think it would be running counter to that.

Q General, given Western Europe's sort of vacillation on the eve of World War II, how realistic is it to assume that NATO would expand and bring countries threatened under its security umbrella if a threat were to arise?

GENERAL SHALIKASHVILI: I certainly don't want to speculate on the issue. Only to tell you that I see that the circumstances are vastly different today than they were then at the eve of World War II, that I really don't see a comparison. Right now, it is to integrate Europe. It is not to divide ourselves into two or more camps. That's the issue, and if there are points of debate, it is how best to accomplish that integration and how best to accomplish a Europe whole and stable and free and secure.

Q The argument that President Walesa made this morning seemed to be the opposite of what you're saying about exclusion. He was talking about inclusion, that that would do more in terms of drawing those countries closer to the West and telling the Russian nationalists and others with nationalistic designs that they are not going to be able to advance. How do you counter that argument?

GENERAL SHALIKASHVILI: I'm not sure that, and I don't mean to be flippant at all, I'm not sure that President Walesa would be making the same argument if the question were of including some countries but not Poland, whether he would not see that as very divisive. So I would ask you only those that he did not include in that group to be for immediate admittance in the Alliance, if they see that step that he proposes as strengthening stability in Europe or whether they see that as threatening because they are left on the outside. It is that issue, it is accepting some and leaving some out at this critical period of time that I think is counter to building stability and security in all of Europe.

Q General, how can NATO be talking about a safe and secure Europe when right now there is a war, a war of aggression going on right in its midst, right in its back yard and it seems to be helpless to do anything about it, let alone possible problems in Nagorno-Karabakh? Isn't it -- shouldn't NATO be discussing how to provide security where it's promised to provide securities and an end to a siege rather than be discussing, simply discussing the possibility of extending itself to Central Asia?

GENERAL SHALIKASHVILI: I think clearly the tragedy that's ongoing in former Yugoslavia and Bosnia is a frustration not only to all members of the Alliance, certainly all members of the United Nations who are trying to deal with this, to the EC who are trying to deal with it. The only exception I would take with your remark, if I may, is that NATO is not doing anything about it. NATO members, in great numbers, are in the midst of Bosnia, in the midst of Croatia, are sitting in Macedonia trying to use military forces, if not military force, to bring humanitarian assistance to those who are tragically caught up in that struggle.

There are -- NATO military forces are probably the most effective forces in the Adriatic in running the regime that ensures sanctions against Serbia, which I think are having a considerable effect, at least reading from the sort of things that you all write about, having a considerable effect. And NATO, of course, as well, is involved in the various no-fly regimes.

Clearly, the other thing that NATO is prepared to do and has been prepared to do that, should those warring factions reach an agreement to bring hostilities to an end, NATO has indicated that, if asked by the United Nations and by the warring factions that they would be prepared to consider providing the forces necessary to implement a peace plan.

So I think it's -- all of us -- all of us should feel the frustration that we cannot get those three to stop fighting. But we also need to recognize that an awful lot of them are trying to do their level-best to mediate the process and to at least provide humanitarian assistance. And if you don't think that's significant, then please look what was reported in the press just last year, how many hundreds of thousands you all prophesized would die in Bosnia. And, yet, those casualties did not occur because of really the extensive humanitarian effort that continues -- and continues today, and Americans that are flying every day today into Sarajevo and are airdropping food into the eastern part of Bosnia together with our European colleagues who are escorting convoys on the ground.

Q General, if Russia rather than NATO were to draw a line, if Russia became in the next few years more totalitarian again, more imperialistic, would not accept Partnership for Peace, could those events prompt an acceleration of the move of Poland and these other countries from partnership to membership in NATO?

GENERAL SHALIKASHVILI: Again, I simply cannot stand here before you and speculate on those kinds of decisions. I would tell you, though, that clearly such event that you forecast would have an impact on all of us and would cause us to reevaluate an awful lot of things that have to do with our relationship with Russia, with our relationship with our Eastern European partners, Central European partners, and would, I'm sure, impact us well on how we consult with each other. So it would have an impact. What the end result would be, I certainly cannot say.

Q General, I'm a little bit curious. Your assessment of the Bosnia situation makes me wonder. The question seems to be whether the situation in Bosnia indicates that NATO can be trusted to limp up to things that it says it will do for these new nations who would be coming into the PFP. Did NATO not warn the Serbs that they would do nasty things to their militia if they kept up bombarding Sarajevo and attack U.N. convoys, didn't they do so and didn't NATO not do so? Things of that sort seems to suggest to some people that even if you get assurances, they may not have any particular effect or any value. How do you --

GENERAL SHALIKASHVILI: Let me answer -- two words. First of all, if people had that perception, then I don't know why so many in the East want to join NATO, point one. Point two, I would

tell you that I see things differently. NATO has taken on any request that was passed onto the Alliance by the United Nations whether that was enforcing sanctions in the Adriatic which was the first operation in no-fly regime, the secure areas, close air support, sending peacekeepers into Macedonia, and so on.

You have to remember the procedures that are established first of all for close air support. NATO has airplanes 24 hours a day over Bosnia ready to respond to requests by United Nations personnel on the ground. Today, the United Nations has not yet requested close air support from those airplanes, not a single time. NATO maintains airplanes over Bosnia 24 hours a day to respond to the secure areas. As soon as that fire is called for by United Nations personnel on the ground, it has not yet happened.

The only thing that NATO executes on its own, but in coordination with the United Nations is the enforcement of the no-fly regimes; that is, take on fixed-wing and helicopters that might be flying over Bosnia. In the case of helicopters, repeatedly the United Nations commanders on the ground have indicated that the helicopter flights that are being observed are not militarily significant and that their recommendation is that NATO not take on the helicopter flights. Different with the fixed-wing aircraft and I don't think you have any reports of any fixed-wing aircraft flying, unauthorized fixed-wing aircraft flying over Bosnia.

So, the point that I'd like to make is, it isn't that NATO is not living up to what it said it would do, it is frustrating to NATO that their offer to do those things has not yet been taken up. But more importantly, I think, we all feel this frustration, that, despite our efforts, whether it's NATO, the United Nations, the EC or any other friends of the Alliance, we have been unable to bring the fighting to an end. And I just hope that the three warring factions will finally come to some sort of agreement so the suffering and the misery in that country can be brought to a halt and that some forces can go in to help implement a peace plan, providing a peace plan meets the criteria that we, of course, so very often talked about.

Q General, if I understand correctly, what you're saying is that NATO's bite is actually dependent, in the Yugoslavian case, on the will of the United Nations. What would be the situation in Partnership For Peace? Would NATO be, sort of, self-supporting or would it have to have the agreement of many of the people to make a decision? For example, in the situation where two guest members would start ill behaving between each other.

GENERAL SHALIKASHVILI: First of all, Partnership For Peace is not a guarantee of one against the other. Partnership For Peace is an agreement between individual countries and the Alliance and is a qualitative step forward in the relationship between those countries that wish to join the Partnership For Peace and the Alliance and brings their militaries in a significantly closer relationship through joint training, through joint exercises, and yes, through joint operations in the future Bosnias, if that were to be the case. So that they can benefit from the same sort of things that we have benefited from in the Alliance. That is, the close working relationship, the shared experiences, the shared procedures.

So, when it is time to talk about extended membership, those countries that have really thrown their heart into the Partnership For Peace will be in so much better a position to do so because the Alliance, after all, depends so much on its militaries being able to work together. So, I think that is a terribly important first step that the Partnership For Peace calls for and offers the opportunity to do.

MS. MYERS: We'll take one more question.

Q General, do you anticipate the Russians deciding to join the partnership?

GENERAL SHALIKASHVILI: Do I see that?

Q Do you think they will?

GENERAL SHALIKASHVILI: Oh, I don't want to speak for Russia, but it is certainly my expectation that they might do so. And we would welcome them.

Q When do you leave?

GENERAL SHALIKASHVILI: Thursday afternoon.

Q Where do you go first?

GENERAL SHALIKAShVILI: We go to Warsaw first, I believe.

Thank you.

END 4:58 P.M. EDT

Fact Sheet

Implementation of Vancouver Initiatives*

At the Vancouver summit, the United States announced a $1.6-billion package of assistance for Russia for FY 1993.

Progress on Obligations

As of January 6, 1994, the United States has obligated the entire Vancouver assistance package. Expenditures of these obligations now total $1.1 billion. Some programs such as Private Sector Development and Democracy Corps were funded at higher levels than originally planned. (Obligations are based on formal contracts, grants, or cooperative agreements signed between the U.S. Government and the Russian Government, U.S. firms, non-governmental organizations, or universities.) Program obligations include:

Grant Food Aid and Concessional Food Sales: The agreements for grant food aid and Food for Progress credit sales, totaling $700 million, have been signed. Under the $194-million Grant Food Aid initiative, additional agreements between governments and with private voluntary organizations totaling $145 million have been signed. Contracts for grant food aid for mothers and children also are signed and, since July 1, 1993, about 3,400 metric tons of commodities have been delivered.

Medical Partnerships: Medical partnerships have been signed with St. Petersburg, Vladivostok, Stavropol, and Moscow.

Privatization: The U.S. Agency for International Development (USAID) is providing technical assistance for the implementation of the Russian Government's national voucher auction program, which is privatizing 600 medium- and large-scale enterprises each month. In addition, USAID contractors are assisting in the privatization of small retail shops and the transport, wholesale, and distribution sectors.

Fiscal Summary, January 1994

Assistance Category	Obligations		Expenditures
	Planned ($ millions)	Actual ($ millions)	Actual ($ millions)
Humanitarian/ Health and Food Sales	924.5	923.7	778.2
Private Sector Development	148.4	153.0	55.1
Democracy Corps	48.0	54.6	24.8
Energy and Environment	38.0	40.0	5.6
Officer Resettlement	6.0	6.0	0.9
Trade and Investment	243.0	243.8	237.4 [a]
Security Assistance	215.0	215.0 [b]	0.5 [c]
TOTAL	**1,622.9**	**1,636.1**	**1,102.5**

[a] Most obligations were in the form of OPIC and Eximbank guarantees.

[b] Implementation requires agreement by the Russian Government; the U.S. continues to work to achieve a successful outcome.

[c] Nunn-Lugar funds have been approved for disbursement via three separate bilateral agreements for which implementation has yet to begin, due in part to Russian requests for amendments.

Bankers' Training: On August 13, 1993, 240 Russian bankers completed eight weeks of training in the U.S. and returned to Russia.

Eurasia Foundation: Since mid-May, when the grant agreement was signed with USAID, the Eurasia Foundation has awarded 40 grants totaling nearly $2.2 million in the areas of management training and democratic institution-building.

Farmer-to-Farmer Program: In response to specific requests, 340 volunteers have been placed in Russia. They have completed assignments in areas such as food production, processing, wholesaling, and distribution.

Democracy Summer (Exchanges): The United States Information Agency (USIA) has completed recruitment of candidates for its high school exchange program: 350 Russians participated in four- to six-week programs, and 617 have begun studying in American high schools for a full academic year. Selection of candidates for the university programs has also been completed: 98 graduate students are enrolled in one- and two-year graduate programs, and 89 undergraduate students began one-year programs in U.S. universities in the fall of 1993.

Environmental Non-Governmental Consortium: USAID awarded a cooperative agreement in May to the Institute of Soviet-American Relations to administer a non-governmental organization small grants fund. This program is being expanded to bring in Russian NGO consortium partners.

Trade and Development Agency Grants: Grant agreements totaling the $3.8 million contained in the Vancouver package were signed with seven Russian organizations, and several feasibility studies already are underway.

U.S. Department of State
Bureau of Public Affairs
Office of Public Communication

This Fact Sheet supersedes that dated December 22, 1993.

January 6, 1994

Eximbank Loan: Eximbank completed an $82-million loan to finance the sale of Caterpillar pipeline construction machinery for Gazprom. The equipment will be used on construction of a gas pipeline in the Yamal Peninsula region of Russia.

OPIC Guarantees: The $50-million loan guarantee supporting Conoco's Polar Lights project was signed in Moscow on May 25, 1993. OPIC also has signed a guarantee for $75 million with Paine Webber and one for $28 million with Texaco.

Officer Resettlement: Agreements have been signed to construct 460 housing units in 5 municipalities for recently demobilized Russian officers from the Baltic states and elsewhere. Construction began in August. ■

FOREIGN POLICY: RE-AFFIRMING AMERICA'S LEADERSHIP

"The United States occupies a unique position in world affairs today. Yet with the Cold War over, many people ask whether the United States plans to retreat or remain active in the world; and if active, to what end. Let me answer that question as clearly and plainly as I can. The United States intends to remain engaged and to lead. We cannot solve every problem, but we must and will serve as a fulcrum for change and a pivot point for peace." (United Nations General Assembly, September 27, 1993)

EXPANDING WORLD TRADE, JOBS AND EXPORTS

- Served interests of American workers and businesses by **making economic issues a foreign policy priority**; passed the North American Free Trade Agreement, co-ordinated G-7 growth policies at Tokyo Summit, agreed with Japan on framework for trade talks, convened first-ever Asia-Pacific Economic Cooperation leaders meeting and made efforts to reach a successful GATT agreement.

PROMOTING DEMOCRACY, MARKET REFORM, AND HUMAN RIGHTS

- Led support for democracy and market reform in **Russia and other former Soviet states** through bilateral/multilateral aid and firm support for reformers. Created Gore-Chernomyrdin Commission to cooperate in space, energy, defense conversion and other areas. Secured repeal of many outdated Cold War laws.

- Restored U.S. consensus on **China** policy for the first time since Tiananmen Square, setting the basis for dialogue to secure improved Chinese behavior on human rights, non-proliferation and trade

- Supported **South Africa's** transition from apartheid to democracy, including non-racial elections in April 1994, through diplomacy, aid and lifting of sanctions.

- Promoted efforts to restore democracy and President Aristide to **Haiti** through helping to negotiate the Governor's Island agreement; adopted tough international sanctions when the military in Haiti reneged on its commitments.

- Proposed summit meeting of democratic leaders from this hemisphere for 1994.

- Introduced reorganization of **international broadcasting**, continuing support for Radio Free Europe/Radio Liberty and creation of new Asian Democracy Radio service, while achieving substantial budgetary savings.

- Led efforts to resist the "auto-coup" in **Guatemala**, resulting in the safeguarding of democracy and the naming of human rights activist de Leon as President.

- Stood up for **human rights** through actions at U.N. Conference on Human Rights, insisting on a single standard for human rights world-wide. Condemned repression in Burma. Met with **Dalai Lama, Desmond Tutu and Salman Rushdie**. Supported creation of a U.N. High Commission for Human Rights.

- Achieved increase in funding for **National Endowment for Democracy** to support essential efforts to promote democracy and human rights worldwide.

MIDDLE EAST PEACE

- Reinvigorated **Middle East** peace process, leading to historic White House signing between Israel and the PLO. Enlisted international support for process, including $2 billion pledged at the Washington Conference.

RELIEVING HUMAN SUFFERING

- Provided relief to **Bosnia** through longest humanitarian airlift in our history; promoted peace talks, enforced the "no-fly zone" and sanctions against Serbia, and secured NATO's commitment to airstrikes if needed to ensure relief flows and prevent Sarajevo's strangulation.

- Resisted calls for precipitous pull-out from **Somalia**, allowing Somalia the opportunity to prevent a return to the chaos which caused 350,000 deaths before our entry. Attacks on US/UN forces have declined and a commission of inquiry has been established to hold accountable those responsible for attacks on U.N. forces. Praised the Army Rangers heroic actions in this humanitarian effort.

COMBATTING TERRORISM

- Attacked **Iraqi** intelligence headquarters in response to Iraqi sponsored plot to assassinate President Bush; imposed new US/UN sanctions on **Libya** to press for those implicated in Pan Am 103 bombing to be brought to justice; adopted policy of "double containment" of **Iran and Iraq**.

TOUGH STAND ON ILLEGAL IMMIGRATION

- Adopted new policies to combat **illegal immigration** through cooperation with foreign governments and new enforcement, while facilitating legal immigration.

ENHANCED ANTI-DRUG EFFORTS

- Devised policies to more effectively combat international **drug trafficking**, moving away from interdiction strategy to a more balanced approach targeting drug cartels and cooperating with democratic governments in the hemisphere.

STREAMLINING AND REFORM OF AID

- Proposed the most comprehensive **restructuring of foreign aid** since the Kennedy Administration, leaving behind Cold War baggage and promoting economic growth, democracy, peace, sustainable development and humanitarian relief. Committed to maintain assistance at current levels to Israel and Egypt.

PROTECTING THE GLOBAL ENVIRONMENT

- Signed the **Biodiversity Convention** and sent it to the Senate for ratification; prepared a national action plan on **global climate change**; agreed to meet the goals of sustainable **forest management** by the year 2000; proposed new structure for the **Global Environmental Facility**, which funds effort by developing countries on global climate, biodiversity and oceans issues, to make it more environmentally responsive and democratic; negotiated replenishment of multilateral fund for **ozone** protection.

COMMITMENT TO A STRONG NATIONAL DEFENSE

"The changes of recent years allow us to be hopeful. But common sense reminds us to be prepared. One way we must be prepared is by ensuring that our Forces have what they need to get the job done, the equipment and the quality people needed to ensure that we can achieve decisive victory should we be called to battle once again." (West Point, May 29, 1993)

ENSURING STRONG ARMED FORCES

- Completed the **"Bottom Up Review,"** the first comprehensive strategic review of defense needs for the post-Cold War world. The process provides a road-map to maintaining strong national security while identifying substantial defense savings.

- Ensured **adequate funding** for national security by resisting precipitous cuts in defense spending proposed by some members of Congress.

- Initiated the first **review of nuclear posture** since the end of the Cold War, including policy doctrine, force structure, operations and safety.

- Visited military installations of every service branch and selected Army General John **Shalikashvili** as Chairman of the Joint Chiefs of Staff.

STRENGTHENING SECURITY TIES

- Proposed a **"Partnership for Peace"** -- embraced by allies, Russia and others -- to adapt NATO to our new European security requirements by offering former Soviet republics and Central/East European nations closer ties with NATO. Called for NATO Summit, to take place in January 1994.

- Reaffirmed our commitment in East Asia and laid out a vision of future **Asian security** during visit to Tokyo, Seoul and DMZ.

DETERMINED EFFORTS TO STOP WEAPONS PROLIFERATION

- Adopted a comprehensive **non-proliferation** and export control policy, and acted firmly to combat the spread of weapons of mass destruction by North Korea, Iran, Iraq, China and others. Announced counter proliferation initiative to combat emerging missile, nuclear, biological and chemical weapons threats.

- Signed framework with Russia for military partnership and accelerated **destruction of further nuclear weapons**. Worked with other former Soviet states on securing their commitment to control and deactivate nuclear weapons.

- Suspended nuclear testing and began serious work with other governments to achieve a **Comprehensive Test Ban treaty** by 1996. Obtained Senate approval for Open Skies Treaty and sent to Senate the Chemical Weapons Convention, which would ban an entire class of weapons of mass destruction.

POW/MIA's

- Pursued aggressively the fullest possible accounting of our **POW/MIA's** with Vietnam, including return of remains, release of documents, and cooperation on discrepancy cases and with Laos. Sent two Presidential missions to Vietnam to pursue this issue.

TALKING POINTS ON THE PARTNERSHIP FOR PEACE

How the Partnership Will Work

- The Partnership will be open to all former members of the Warsaw Pact and Europe's neutrals.

- The Summit will launch the Partnership by inviting prospective Partners to sign a Framework Declaration. The Declaration spells out the political and military obligations of signatories.

    - We expect that these obligations will include a commitment to democracy, peaceful settlement of disputes, civilian control of the military, defense budgets open to public scrutiny, and the development of forces capable of operating with NATO forces.

- Partners will then file "Commitment Documents" indicating what forces and other assets they intend to make available for Partnership activities and they will indicate how they intend to enhance civilian control of the military and transparency of defense budgets.

- Partners will send representatives to the appropriate political and military bodies at NATO headquarters and to a Partnership Coordination Cell in Mons, Belgium, where SHAPE is located.

- The Partnership Coordination Cell, under the political guidance of authorities at NATO headquarters, will plan Partnership activities and coordinate which countries participate in given activities.

- Through the Partnership, eastern militaries will plan, train, exercise and, if necessary, operate with NATO forces to carry out missions such as peacekeeping, search and rescue and delivery of humanitarian assistance.

- Partners participating in activities will receive a commitment to consult with NATO if there is a direct and immediate threat to their security.

The Objectives of the Partnership

- The Partnership represents NATO's opening to Europe's new democracies and is intended to help build toward a Europe that is stable and secure.

- The Summit will express the expectation and hope that NATO membership will expand, by means of an evolutionary process.

- The Partnership is part of that evolutionary process to NATO membership. It is also important in its own right because it serves as the vehicle for immediate, concrete military cooperation between NATO and the new democracies.

- Active participation in the Partnership will not guarantee admission to NATO. But it will enable the new democracies to develop the habits of cooperation, the routines of consultation, and the standard operating procedures that can prepare them for membership down the road.

- The Partnership avoids drawing new formal dividing lines in Europe. Such dividing lines could destabilize Russia or other states in the NIS, which would run counter to the interests of all European countries. At the same time, each Partner will be able to determine the level of its participation in Partnership activities and thus the closeness of its relationship to NATO.

- Partners will engage in military cooperation not only with NATO members, but also with each other. Active participation will therefore promote regional cooperation among the new democracies, reducing mutual suspicions and building new levels of trust and transparency.

- The Partnership will facilitate democratic reform in the east by: (1) providing for joint review of defense programs and of plans to increase civilian control of the military and transparency in budgets; (2) providing tangible expression of NATO's interest in eastern security, which can boost the domestic political fortunes of democratic leaders; (3) facilitating the integration of the militaries of former communist states into democratic society; and (4) promoting cooperation among the new democracies themselves.

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Q Can you give us an idea of what you'll be telling the East Europeans to allay their security concerns? They seem to feel that this does not go far enough in helping contain what they fear is either rising communism or a threat again from Russia.

GENERAL SHALIKASHVILI: I think it's, for me, very important that we all understand that what this is all about is bringing stability and security to all of Europe. And I think one of the things that would probably run most counter to that and would probably be more destabilizing than many of the things I could think of is, if somehow, we now establish new divisions in Europe. We have worked for so many years to try to break down the division between East and West that existed, and what a shame it would be, now with this extraordinarily historic moment, if the first step that we took towards bringing stability and security to all of Europe were started with the reestablishment of a new line.

And so I think it is important that everyone understand -- and I hope that our newfound friends in the East will understand that the reason that partnership is defined as it is, is to avoid at all costs the establishment of a new line, a new division that in turn, then, would create new tensions and fuel new conflicts.

Q General, and yet President Walesa of Poland seems to think that if they didn't -- if his country did not become a full member of NATO, rather, it could lead to the reemergence of communism in his country.

GENERAL SHALIKASHVILI: Certainly, I think there are two things that I would point out. First of all, that President Walesa does not reject Partnership For Peace, and I think is quoted in that article in The Washington Post, as a matter of fact, as accepting Partnership For Peace, but wishing to have an evolutionary process that leads to membership. The only thing I would tell you is that Partnership For Peace in itself is, in fact, an evolutionary process. And while it does not, by itself, have membership for any specific country under any specific circumstances as its end point, it is clear that those partners who enter into the Partnership for Peace with all of the energy that I think it deserves, that those partners, then, at the end of that process will be in a much better position to seriously discuss with the Alliance the issue of partnership.

Q How long is the process, and do you eventually see a point in which Poland and Hungary and the Czech Republic are members of NATO?

GENERAL SHALIKASHVILI: I cannot tell you how long the process will take, because the reason that you don't want to establish criteria or specific timelines right now is not to fuel those tensions that I just talked about. And so for us now to establish those kinds of timelines would be really counter to the very strength of what I think is, in fact, the strength of the Partnership For Peace.

What countries would or would not be members at the end of it, again is an issue that needs to be left open, because it is up to how the process develops, how security and stability in Europe develops, how the paranoias that now exist about the establishment of new divisions and lines and how those are dissipated over time, those will then answer who might be a strong candidate for membership, and at what time and under what circumstances.

Q In the absence now of a Cold War enemy, who is really the enemy? And would NATO intervene in what would be the inevitable -- would seem to be the new conflicts arising from nationalism, ethnic hatred and so forth? I mean, what's the purpose?

GENERAL SHALIKASHVILI: I think the enemy is this feeling of instability, of insecurity that our European partners feel, particularly our East European partners feel. And rightfully so. Because as they look at the landscape that they see, they see those flash points all around the rim -- whether that's from Nagorno-Karabakh to Bosnia and what not. And so it's that uncertainty, it's that instability that they see against which they want some sort of protection.

I submit that if there is a lesson that we have learned in Europe, it is that no one can feel safe and secure in Europe until we all -- Europe feel safe and secure. And we cannot achieve that end if we include small numbers and exclude large numbers.

At this time of this very delicate period of time when we're going through extraordinarily difficult times of building democracies and market economies not just in Russia, but in other countries of the former Soviet Union and as East European countries struggle to do the same, I think this is not the time to set up those divisions and add to the problems that already exist, and that bring those instabilities and those frictions that we now see. This is the time, I think, not to fuel those fires. And membership to some and exclusion to others would be counter to what I think we all, and certainly the President desires to see, which is a secure and stable Europe. I think all of them share that.

Q Eventual membership is being offered to everyone, isn't it?

GENERAL SHALIKASHVILI: I think the issue has always been that NATO -- and you've all heard it said NATO has never been a closed society. We look at their Partnership For Peace as a evolutionary process. It is our hope that that process in fact can lead to an extension of membership; but who, when and how is not -- it's a premature question today.

If there is a point that I could make is that in this whole discussion, it is useful to remember that we are talking so much less today about whether extension of the Alliance, but so much more about how and when.

Q Isn't there a risk for the U.S. to pay too little attention to the danger of a Russian nationalism, something that

President Walesa is already aware of? He knows the danger that Russia represents if you look back at history.

GENERAL SHALIKASHVILI: I think that there is this danger, and therefore I think we need to be extraordinarily careful that we do not, by intent, or, worse yet, inadvertently fuel those ultranationalistic feelings in Russia or other parts of the former Soviet Union. So I think the Partnership For Peace tries to deal with exactly that issue by not making the situation worse, but giving the chance to the democrats in Russia who are working so very hard to build market economies and to strengthen the democratic institutions there.

Q Yes, but if I may follow up, it does at the expense of giving these countries a protection in the next few years against any potential threat by -- I don't know who will be in power in Moscow in two or three years -- these threats for the next few years?

GENERAL SHALIKASHVILI: I do not believe that we would be strengthening security in Central and Eastern Europe by excluding people. At this time, this kind of exclusion would run counter to what it is that we're trying to accomplish, which is to strengthen stability. I think it would be running counter to that.

Q General, given Western Europe's sort of vacillation on the eve of World War II, how realistic is it to assume that NATO would expand and bring countries threatened under its security umbrella if a threat were to arise?

GENERAL SHALIKASHVILI: I certainly don't want to speculate on the issue. Only to tell you that I see that the circumstances are vastly different today than they were then at the eve of World War II, that I really don't see a comparison. Right now, it is to integrate Europe. It is not to divide ourselves into two or more camps. That's the issue, and if there are points of debate, it is how best to accomplish that integration and how best to accomplish a Europe whole and stable and free and secure.

Q The argument that President Walesa made this morning seemed to be the opposite of what you're saying about exclusion. He was talking about inclusion, that that would do more in terms of drawing those countries closer to the West and telling the Russian nationalists and others with nationalistic designs that they are not going to be able to advance. How do you counter that argument?

GENERAL SHALIKASHVILI: I'm not sure that, and I don't mean to be flippant at all, I'm not sure that President Walesa would be making the same argument if the question were of including some countries but not Poland, whether he would not see that as very divisive. So I would ask you only those that he did not include in that group to be for immediate admittance in the Alliance, if they see that step that he proposes as strengthening stability in Europe or whether they see that as threatening because they are left on the outside. It is that issue, it is accepting some and leaving some out at this critical period of time that I think is counter to building stability and security in all of Europe.

Q General, how can NATO be talking about a safe and secure Europe when right now there is a war, a war of aggression going on right in its midst, right in its back yard and it seems to be helpless to do anything about it, let alone possible problems in Nagorno-Karabakh? Isn't it -- shouldn't NATO be discussing how to provide security where it's promised to provide securities and an end to a siege rather than be discussing, simply discussing the possibility of extending itself to Central Asia?

GENERAL SHALIKASHVILI: I think clearly the tragedy that's ongoing in former Yugoslavia and Bosnia is a frustration not only to all members of the Alliance, certainly all members of the United Nations who are trying to deal with this, to the EC who are trying to deal with it. The only exception I would take with your remark, if I may, is that NATO is not doing anything about it. NATO members, in great numbers, are in the midst of Bosnia, in the midst of Croatia, are sitting in Macedonia trying to use military forces, if not military force, to bring humanitarian assistance to those who are tragically caught up in that struggle.

There are -- NATO military forces are probably the most effective forces in the Adriatic in running the regime that ensures sanctions against Serbia, which I think are having a considerable effect, at least reading from the sort of things that you all write about, having a considerable effect. And NATO, of course, as well, is involved in the various no-fly regimes.

Clearly, the other thing that NATO is prepared to do and has been prepared to do that, should those warring factions reach an agreement to bring hostilities to an end, NATO has indicated that, if asked by the United Nations and by the warring factions that they would be prepared to consider providing the forces necessary to implement a peace plan.

So I think it's -- all of us -- all of us should feel the frustration that we cannot get those three to stop fighting. But we also need to recognize that an awful lot of them are trying to do their level-best to mediate the process and to at least provide humanitarian assistance. And if you don't think that's significant, then please look what was reported in the press just last year, how many hundreds of thousands you all prophesized would die in Bosnia. And, yet, those casualties did not occur because of really the extensive humanitarian effort that continues -- and continues today, and Americans that are flying every day today into Sarajevo and are airdropping food into the eastern part of Bosnia together with our European colleagues who are escorting convoys on the ground.

Q General, if Russia rather than NATO were to draw a line, if Russia became in the next few years more totalitarian again, more imperialistic, would not accept Partnership for Peace, could those events prompt an acceleration of the move of Poland and these other countries from partnership to membership in NATO?

GENERAL SHALIKASHVILI: Again, I simply cannot stand here before you and speculate on those kinds of decisions. I would tell you, though, that clearly such event that you forecast would have an impact on all of us and would cause us to reevaluate an awful lot of things that have to do with our relationship with Russia, with our relationship with our Eastern European partners, Central European partners, and would, I'm sure, impact us well on how we consult with each other. So it would have an impact. What the end result would be, I certainly cannot say.

Q General, I'm a little bit curious. Your assessment of the Bosnia situation makes me wonder. The question seems to be whether the situation in Bosnia indicates that NATO can be trusted to limp up to things that it says it will do for these new nations who would be coming into the PFP. Did NATO not warn the Serbs that they would do nasty things to their militia if they kept up bombarding Sarajevo and attack U.N. convoys, didn't they do so and didn't NATO not do so? Things of that sort seems to suggest to some people that even if you get assurances, they may not have any particular effect or any value. How do you --

GENERAL SHALIKASHVILI: Let me answer -- two words. First of all, if people had that perception, then I don't know why so many in the East want to join NATO, point one. Point two, I would

tell you that I see things differently. NATO has taken on any request that was passed onto the Alliance by the United Nations whether that was enforcing sanctions in the Adriatic which was the first operation in no-fly regime, the secure areas, close air support, sending peacekeepers into Macedonia, and so on.

You have to remember the procedures that are established first of all for close air support. NATO has airplanes 24 hours a day over Bosnia ready to respond to requests by United Nations personnel on the ground. Today, the United Nations has not yet requested close air support from those airplanes, not a single time. NATO maintains airplanes over Bosnia 24 hours a day to respond to the secure areas. As soon as that fire is called for by United Nations personnel on the ground, it has not yet happened.

The only thing that NATO executes on its own, but in coordination with the United Nations is the enforcement of the no-fly regimes; that is, take on fixed-wing and helicopters that might be flying over Bosnia. In the case of helicopters, repeatedly the United Nations commanders on the ground have indicated that the helicopter flights that are being observed are not militarily significant and that their recommendation is that NATO not take on the helicopter flights. Different with the fixed-wing aircraft and I don't think you have any reports of any fixed-wing aircraft flying, unauthorized fixed-wing aircraft flying over Bosnia.

So, the point that I'd like to make is, it isn't that NATO is not living up to what it said it would do, it is frustrating to NATO that their offer to do those things has not yet been taken up. But more importantly, I think, we all feel this frustration, that, despite our efforts, whether it's NATO, the United Nations, the EC or any other friends of the Alliance, we have been unable to bring the fighting to an end. And I just hope that the three warring factions will finally come to some sort of agreement so the suffering and the misery in that country can be brought to a halt and that some forces can go in to help implement a peace plan, providing a peace plan meets the criteria that we, of course, so very often talked about.

Q General, if I understand correctly, what you're saying is that NATO's bite is actually dependent, in the Yugoslavian case, on the will of the United Nations. What would be the situation in Partnership For Peace? Would NATO be, sort of, self-supporting or would it have to have the agreement of many of the people to make a decision? For example, in the situation where two guest members would start ill behaving between each other.

GENERAL SHALIKASHVILI: First of all, Partnership For Peace is not a guarantee of one against the other. Partnership For Peace is an agreement between individual countries and the Alliance and is a qualitative step forward in the relationship between those countries that wish to join the Partnership For Peace and the Alliance and brings their militaries in a significantly closer relationship through joint training, through joint exercises, and yes, through joint operations in the future Bosnias, if that were to be the case. So that they can benefit from the same sort of things that we have benefited from in the Alliance. That is, the close working relationship, the shared experiences, the shared procedures.

So, when it is time to talk about extended membership, those countries that have really thrown their heart into the Partnership For Peace will be in so much better a position to do so because the Alliance, after all, depends so much on its militaries being able to work together. So, I think that is a terribly important first step that the Partnership For Peace calls for and offers the opportunity to do.

MS. MYERS: We'll take one more question.

Q General, do you anticipate the Russians deciding to join the partnership?

GENERAL SHALIKASHVILI: Do I see that?

Q Do you think they will?

GENERAL SHALIKASHVILI: Oh, I don't want to speak for Russia, but it is certainly my expectation that they might do so. And we would welcome them.

Q When do you leave?

GENERAL SHALIKASHVILI: Thursday afternoon.

Q Where do you go first?

GENERAL SHALIKAShVILI: We go to Warsaw first, I believe.

Thank you.

END 4:58 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript January 5, 1994

REMARKS BY THE PRESIDENT
IN LUNCHEON WITH COLUMNISTS

The Old Family Dining Room

1:22 P.M. EST

THE PRESIDENT: Thank you for coming to lunch and welcome. I'd like to make a couple of opening remarks and then just answer questions about the upcoming trip.

I think this is a very -- potentially, at least -- a very important trip for the United States and for Europe. I see several objectives. First of all, I think it's important that having been in office a year and having gone to Asia and had the APEC leaders here and having emphasized NAFTA so much and our relationship with Russia, that I take this opportunity to reach out to Europe, both to the European Union and to NATO.

This is a difficult time for the Europeans with their economy in the doldrums. And, while I believe they were happy that we were successful in concluding the GATT Agreement, they're still not as optimistic about their own future and potential as I wish they were. So I think it's very, very important to reaffirm the connection of the United States to Europe through NATO and in terms of our support for our economic relationships. In this century, anyway, every time the United States has gotten away from or withdrawn from Europe, it's lead to real trouble. So I want to reaffirm that.

The second thing that I hope to do -- and the one that has been most publicized and discussed -- is to reach out to Central and Eastern Europe, to the market democracies on economic and security grounds and to emphasize this whole Partnership For Peace concept, which we proposed that the NATO allies agree to make available to all the former Warsaw Pact countries, including Russia and any neutrals in Europe as a way of inviting people into a partnership that could well lead to full membership in NATO, but that has some merits on its own and reinforces our objectives in that area, particularly with the new democracies of Central and Eastern Europe.

Anyone who will make a commitment to democracy, to the peaceful resolution of disputes, to civilian control of the military, to opening defense budgets to public scrutiny, and to developing forces capable of operating with the NATO forces and working with us in joint exercises can participate in this. I think it is a very significant thing. And I think it's important to emphasize that we view it not as putting a limit on NATO membership, but as opening the door to fuller partnerships, and of having merit on its own -- and I'll come back to that.

The third thing that I want to do is to continue our work toward and our emphasis on the effort at denuclearization. That's why we're going to Minsk, because Belarus has been so supportive of its own denuclearization move, even though it doesn't have a new constitution and hasn't done as much in democracy as some of the other states. And we continue to work with Russia and with Ukraine in the hope that we can resolve that issue.

Fourth, of course, I'm going to Russia to reaffirm the support of the United States both for democracy and for reform. We were thinking of a slogan today -- we were trying to think of what our bumper sticker would be about the message that we feel about Russia because, in reaction to the last election there, there are some people who are questioning whether, well, has reform gone too fast or not fast enough, or whatever. I think our slogan would be there needs to be more reform and more social service support -- more attempts to build a safety net to deal with the consequences of reform, but not an attempt to slow down the reform effort.

So I'm hoping that we can -- (laughter.) No, no: "More reform, more support". Or you could say, "More reform, more therapy" -- how's that? (Laughter.) Then if you said therapy, then you'd have all kinds of other ambiguous things you could get in there. (Laughter.) But "more reform, more support".

I think the Western countries have to -- I should have said when the bumper sticker stops. (Laughter.) That would be the newest rap on me: Clinton endorses wrap-around bumper stickers. Safety device for automobiles. (Laughter.)

Anyway, I think the trip to Russia offers us a real opportunity to say that we share the aspirations of Russians to be full partners in the community of nations and we support a continuation of democracy and a continuation of reform, recognizing that reform is tough, has adverse consequences, and that we need to help them develop mechanisms to deal with these economic dislocations just the same way we tried to develop them.

And I guess the last thing I'd like to say is that what I hope we can do is to develop a policy toward Europe as a whole, toward a policy which supports political and economic and strategic integration; not one which draws different dividing lines in Europe and prejudges what the future will be in any of these nations, but one which supports democracy and reform throughout.

And the thing I want to emphasize again, because there's been a lot of discussion about it, is I don't see this Partnership For Peace concept as just a simple compromise between nothing or all, between NATO membership or just turning a deaf ear to the security and other aspirations of the Eastern Europeans. I think that it has merit in and of itself. It gives us a chance to continue to push for democracy, for economic reform and progress, and for strategic partnerships within the context of the possibility, at least, of a united Europe -- a Europe that is free of the dividing lines of the past, instead of just moving them a little bit further east.

So I see it as a dynamic concept. I think it clearly will lead, ultimately, to some more countries coming into NATO at some point in the future. But I think the idea has merit in itself.

Well, anyway, those are our objectives -- to sort of reaffirm and strengthen our relationship with Europe through the European Union and through NATO; to reach out to the Eastern European and Central European countries; to promote denuclearization; to support reform in Russia and all the reformist elements; as well as to help, as a nation, the country become a full partner with us and with others; and to try to deal with Europe as a whole and support the integration of our objectives there.

Q Mr. Clinton, as you go to Europe, do you think the U.S. this week is somewhat embarrassed by what's happened in Mexico in light of the complaint made by critics of NAFTA that we weren't doing enough in regard to Mexican human rights policies compared to what the European Community did in regard to their human rights policies of their member countries? Was this something of embarrassment now for the U.S. as regards to Mexico, and how do you feel about our policy toward Mexico at this point?

THE PRESIDENT: I don't think it's an embarrassment for the United States because we never proposed a political union with Mexico. I mean, that is very different. When Europe integrated and took in other nations, they agreed to a level of political and financial unification that is far beyond what was in the North American Free Trade Agreement. And also, the wealthier countries of Europe provided significant cash transfers and major investments in the poorer countries to help to facilitate that change over time.

So I am instead -- I'm proud of the fact that we got the labor and the environmental agreements that we did. I still think that the evidence is that as the Mexicans have greater prosperity and continue to have free debates and elections, that a lot of these problems are going to have to be addressed that they have. And I think that NAFTA will contribute to that. So I don't believe that the trouble undermines either the wisdom of NAFTA or the energy we put behind GATT or anything we're trying to do in Europe.

Q If I may ask a quick follow-up. Doesn't this expose, though, that the two-tier economy in Mexico with one tier benefitting from NAFTA and the other out in rural areas, waiting for land reform, unable to benefit from NAFTA in the foreseeable future?

THE PRESIDENT: Well, I think that the trade will, by definition, benefit people who live in and around areas where they're producing things that they can sell, or where they're earning cash income which permits them to buy. But Mexico is by no means the only country in the world with which we trade that has a two-tier economy or a multitier economy.

Q Mr. President, the kind of message behind the message from the East Europeans I suppose would go something like this: We didn't ask to be considered part of Eastern Europe, we were coerced into it. We gave up two generations of freedom and prosperity. We've done everything right. What we want from you is some sense that you regard us as part of the West. Now, you can give us that in military security if you'd like, but you could also give us it in economic security. In similar situations, the United States offered a free trade agreement with Israel many years ago. And I just wonder whether as you've discussed this, you've ever thought of a free trade agreement between the United States and the Visegrad countries?

THE PRESIDENT: They just reached some agreements among themselves, as you know. And it's one of the issues that I want to take up with them when I go to Prague -- what our future trade relations ought to be. I think the United States needs to set a good example so that we can make as forceful an argument as possible that the Europeans ought to trade more with them.

Q That's the point.

THE PRESIDENT: Because obviously, they stand more to gain in the immediate future from having more access to the European markets.

Q But you could shame the Europeans into doing more.

THE PRESIDENT: I don't if I would use -- you can use that word. Maybe I could encourage them to do more. And we are looking at what our options are to do that. I agree with that.

I think -- on the security front, we want to engage them in common security endeavors, but we want to do it in a way that makes them more, not less, secure. We don't want to prejudge the future. I want to emphasize that. I think it's important that we have a dynamic concept on the security front that does not prejudge

the future in a way that is adverse to them and to us. But I do think we should be doing more economically, and we have some ideas and we'll be discussing that with them.

Q Mr. President, on the security front. You know the Central European objection -- is the flaw of the partnership -- is the lack of automaticity at the end. You're asking quite a lot of them, you're specifying it, and then at the end you're reserving the right -- or NATO is reserving the right to not admit them. Since this is all contemplated to be somewhat down the road and in the future, and they themselves have no argument with that, why is adding that feature so anathema to you? How does that become, as Tony said yesterday, part of the self-fulfilling prophecy about pessimism regarding Russia if you set up a regime that permits membership in NATO down the road if they've done their bit?

THE PRESIDENT: Well, I think it's anticipated that we will do that. Even though I think there are still some European countries that have some reservations about whether we should expand NATO, I think there is a consensus that at an appropriate time we will. I think that there was the feeling that the more specific we got, the more we might seem to be now, at this point in time, anticipating who would be in and who would be out. And so we thought what we needed to do was to leave the process open-ended, but to try to convince the Eastern Europeans of our good faith -- certainly my good faith on this score.

Q Just to follow up on that -- aren't you effectively then giving the Russians veto power?

THE PRESIDENT: No.

Q Can you elaborate on that?

THE PRESIDENT: Well, yes, I can just say that we're not. I mean, I think what we have to do is to see this relationship built up. We're giving the Russians a chance to participate in the Partnership For Peace if they want, and a chance to demonstrate that they want a future that is different from their past in terms of their relationship with their neighbors -- that they really are going to be a nation with a distinct identity, but in a more modern sense. And I think that that's what we're trying to do, but not to give them a veto.

What we have to do, however, as we move toward developing this relationship is to have all the NATO members, themselves, convinced that in terms of the security guarantees of NATO, that they all want to make those guarantees to whoever gets in, whoever is invited in. And I think -- I believe we're moving along at a pretty good pace here as long as everyone understands that it is anticipated that there will be membership for people as we go forward.

Q Let me turn around, sir -- what's the logic in talking about extending security guarantees to millions of more people at the time that they're cutting defense budgets? And what do you think would be the politics in this country both with the public and with the Senate on that two years from now?

THE PRESIDENT: Well, I think it would be difficult to do throughout NATO now to just grant membership, because you'd have all the questions about the consequences of security guarantees. You would have all the questions about who you were leaving out, as well as who you were putting in. Then you have the question of whether, if you do it now, whether you are making people more insecure by drawing a new dividing line in Europe when there at least is a chance to work for genuine regional respect and political integration -- That's what we want to do.

General Shali had a big impact on me talking about this, as we were trying to work through what our policy would be and what we could get the Europeans to agree to and NATO and all -- when he said, this needs to be a growing, dynamic concept, but we don't want right now in 1994 to draw a new line across Europe which will make the very people we're trying to support be, in effect, more insecure by raising all kinds of questions.

It's not just a question of Russia, by the way. You're dealing with Ukraine, the other states of the former Soviet Union, that from Russia's perspective may be the near abroad and from our perspective are potential allies, potential independent democracies, countries that have their own issues to work out.

And I just thought any line drawing at this time would raise more questions than it would answer. It would promote more insecurity than security. I felt it very strongly. I still believe that. And I think that we can put a lot of life into this Partnership For Peace and we have thought a lot about what could be done with it. So I believe it's a good thing.

I understand -- if you look at the history of Poland, I understand why President Walesa said what he did. But the whole purpose of what we're trying to do is to make the future different from the past, but to do it in a way that permits us to provide the necessary actions, should the past repeat itself. I mean, that's the whole element of dynamism in this idea.

Q How do you -- it's a goodwill trip, like all trips it's a goodwill trip for you. I wonder how you in a matter of a few days lessen this sense of the Russian people that they're being set upon by history. It's sort of a nationalistic struggle, not just an economic one. They have a lost sense of nationhood. How do you help that in a couple of days?

THE PRESIDENT: Well, what I hope to be able to do is to convince them, number one, that they're doing better than they were a year ago and they are making progress in food distribution and production and a number of other things -- in privatization; that we want to be a full partner with them and that we think they are a very important country with a very big future. And I think one of the things that I sensed in the last election over there was just a -- well, you just said it, but there was a lot of kind of disorientation, a lot of sense of where is Russia going and where am I going, what's happening to my family. And I think the United States needs to clearly be seen by the Russian people as a partner with that country, as long as the people stick with democracy and respect their neighbors and work toward market reforms. And that you can be a great nation without being an expansionist nation. You can be economic expansionist without being the military.

I think that -- of course, I've said this before -- my own sense is a lot of the votes Zhirinovsky got he got either in spite of or in total irrelevance to a lot of the comments he made about recreating a greater Russian empire, and had much more to do with making the streets safe and tackling crime and restoring some security and direction to the lives of ordinary people. That's my believe, anyway.

Q At the same time, aren't you, in the sense that you a few minutes ago, implicitly respecting their concern about Poland and their western border, their historic sense of a sphere of influence and protection against Western attack, historically, and seeking not to draw a new line closer to Moscow, aren't you in a sense respecting that sense of national fear of the West?

THE PRESIDENT: Yes, but there's more involved in that. There's not just Poland. What about Ukraine? How do they feel? What side of the line are they on? They're very important in this whole calculus. They still have their nuclear weapons, they have 60 million people, they have a good ways to go in their economic reform. They have an enormous potential impact in the whole future of the area. So it's not just as -- and what I was saying, yes, by not drawing a line does it make Russia feel better historically? Sure, it does. Does it make them feel more secure? But is that good or bad for Poland? I think that's good for Poland, not bad now.

In other words, if we start this partnership without prejudging the future we have a chance to make a better future. And if it doesn't work we have a chance to do what is right at the appropriate time.

Q Mr. President, let me just ask you something that Lech Walesa and other Eastern European leaders have said, which is that they, themselves, have their own -- or nationalist list or rear-guard forces in their own countries, and if there isn't some kind of concrete game plan laid out by which they can really -- these countries can become part of the West, that strengthens those forces within these countries.

THE PRESIDENT: I agree with that. But that goes back to the previous point that was made that there are two ways to do it. I mean, this is plainly a security outreach by the NATO nations to Eastern Europe. It may not be immediate membership, but it is plainly a security outreach. I do not believe it is enough. I believe that we must do more economically with those countries. I believe we have to do more.

And like I said, I don't want to use Michael's word because the Europeans have their own economic problems now. But I do think that we should -- they should become a part of the West, if you want to use those terms. I just think they can become a part of the West and feel more secure in terms of politics and economics without denying people to their east a possible role in the future of Europe. That's the -- we're in a period of transition now, and I think what the trick will be not to forget the lessons of the past, but not to be imprisoned by them. To set up a system which will permit us to make the best possible stab at the best possible future for Europe, but to be realistic enough about decades and centuries past to be able to do what is right if we lose that good future.

Q If I could ask about two meetings or perhaps a potential meeting -- will you be seeing Mr. Kravchuk in Moscow? And secondly, when you see President Assad in Geneva, what is it that would really justify your meeting with him? What is it what is it that he can bring that compensates us for a big prize that you've given him by meeting with him?

THE PRESIDENT: Well, the first question is, there is no meeting yet scheduled with Mr. Kravchuk. We are working, as you know, very hard with Ukraine and with Russia, and we have, the three of us, have been working very hard on this denuclearization issue. But we have not scheduled a meeting. I think that he will come here next year -- not next year, this is next year. (Laughter.) He will come here this year to see me. I'll be all right. (Laughter.) By Saturday I'll know what day it is, when I leave. (Laughter.)

On the Syrian issue, I think, first of all, it's important to recognize that when Israel signed the PLO Agreement and then began to work with Jordan, it was clear to everyone that there would never be a comprehensive peace in the Middle East until peace could also be made with Syria and with Lebanon, and that peace could not be made with Lebanon unless peace was made with Syria.

There are two things which the United States has consistently sought -- in this narrow context. Forget about all the other issues between us and Syria. Let's just talk about the peace process now -- there are two things that we have consistently sought from President Assad: One, a willingness to make a real peace with Israel and to make a gesture which would demonstrate to the people of Israel that he would proceed in good faith in a way that Sadat did. And then we could work through the details of all the issues that we know of.

The second and prior thing we have sought is an understanding of the situation of Israel in trying to work through a comprehensive peace and the extra burdens that were imposed on the Prime Minister of carrying this through when the breakthrough with the PLO came before a breakthrough with Syria, and the time it takes to go forward with that, to implement that, to take account of the inevitable slips that any process like that are predictable, as has happened now a little bit on the timetable. And to continue to sort of hold things in a posture that would permit the peace process to continue instead of undermining Prime Minister Rabin's ability to make peace.

I think, so far, on the latter thing, he has essentially done that. And I think it is appropriate, since the United States has clearly got to be active in trying to continue to support this peace process and whatever the aftermath might be, it is appropriate now to talk to him about where we are with the peace process and how to get on to the other steps. So I don't think that what I'm doing is inappropriate, given the centrality of Syria not only to the completion of the peace process, but just keeping it going at the present time.

Q Will you be pushing him to make a gesture as you mentioned --

THE PRESIDENT: There are a lot of things we will talk about in that regard. I don't want to prefigure the conversation.

Q Mr. President, could I ask you if you would talk to us a moment or two about North Korea? We appear to have settled for considerably less than we were asking, at least so I read. Is that true or not true, and can you tell us where we are and how we got there?

THE PRESIDENT: Well, I can tell you I guess just two things. One is we've had some pretty good talks in the last several days and we've worked very intensely on it. And I hope that we can reach a successful agreement. The second is that I read that story in the press today, but that's the first I ever heard of it, what I read in the paper, and I have no reason to believe that it is accurate.

The IAEA would have to say what is an accurate or adequate testing schedule for them to be able to certify the things that they certify. And so the United States, in the first instance, even if it were inclined to agree to a much more limited testing schedule, which we're not, we would have to -- whatever we agreed to would have to be certified by the IAEA as adequate. So I can honestly say I wish I knew. But I don't know where the story came from, but to the best of our knowledge, it is not accurate.

Is that a right, Tony? I just said, that the story, as far as we know, is not accurate.

MR. LAKE: Right.

Q -- that the United States did not agree to accept these single provisions?

THE PRESIDENT: Yes, that's right.

MR. LAKE: That is an issue between the IAEA and the North Koreans --

Q I understand.

MR. LAKE: -- and the IAEA will insist on carrying out whatever inspections are necessary to certify --

THE PRESIDENT: We didn't put that -- we didn't settle for less, put the offer on the table, do any of that stuff. And whatever the details -- there may be something the IAEA has said about that, but we are unaware of it. But in any case, we have not made that deal.

Q The story suggested, Mr. President, that we had said that's fine, and we were going to go to the IAEA with it.

MR. LAKE: That's not true.

THE PRESIDENT: No, no. Did not happen. Absolutely did not happen. Categorically.

Q I'd like to ask, sir, two questions relating to the visit with the Syrian President. One is, will you bring up the question of what happens to the Syrian support for various terrorist groups based in Syria now, after you leave or after there is some kind of provisional change? In other words, will bring up that whole question of Syria's participation in terrorism, for which it is -- (inaudible.)

And the second one is, and in a sense I was set up by the survivors of the -- the relatives and the survivors of the Pan Am 103 keep asking to ask this question any time I come near you -- which is that during the campaign you said that you would investigate and report on the possibility of Syrian involvement in Pan Am 103, initially -- (inaudible.) I don't know if we've done that or are planning to do that. But in any case, what would you reply? Because the assumption seems to be that if you go visit the President of Syria, you have reached some conclusion about that. So there are those two questions.

THE PRESIDENT: The answer to the first question is, yes. And the answer to the second question is that, based on the work -- the investigation that has been done since I have been President, we think the evidence against the Libyans is overwhelming and that there is no conclusive evidence that the Syrians were involved. And I have committed to the Pan Am 103 families that there will be no attempt to mute any investigation and we would look fully at whatever we had. And if it became apparent that there was some reason to believe that that had occurred, then I would deal with it in the appropriate fashion.

Q In your NATO meeting, will you bring up again your lift and strike suggestion on Bosnia, or do you think now that Bosnia is a dead letter?

THE PRESIDENT: Well, I don't think it's a dead letter, but I think that issue is a dead letter. I don't think there's any reason to believe that they would lift the embargo. They have a agreed to out-of-area actions, which would include actions necessary, in addition to what they're doing now in the Adriatic on the sanctions and what they've done with the no-fly zone, they've agreed to potential use of air power in defense of Sarajevo. And I think we will clearly discuss that, what the facts are of where we are and what other options are available to us. But I think on the embargo

issue, I think it is a dead letter. I don't think there's any way they'll do it.

Q Mr. President, I was going to ask you about NATO. In the past, the United States has always carried the heavy load, both in troops and the cost and everything. And I wondered if you don't think it may be time that the alliance change somewhat, so that the Europeans bear more of the costs and we bear less?

THE PRESIDENT: Well, we're going from 326,000 troops in Europe to 100,000 -- that's a pretty big cut. I really don't believe we should go any lower than that. I don't believe we should because of our participation in the NATO alliance in Europe and what it does for them in fact and psychologically; and also because it puts 100,000 more troops an ocean closer to other potential trouble spots in the world. In other words, there's a forward deployment aspect of our presence in Europe that is almost independent of what we have to do in NATO. And so for those reasons I think it would be a serious mistake to go below 100,000. But we will -- when we finish this latest round of cuts, we will have gone from a high of 326,000 down to 100,000, and I think that's low enough.

Q Mr. President, do you see NATO as the permanent framework that necessarily is the underpinning of this broader European cooperation that you talk of? Is NATO an asset or is it a liability in trying to bring everything --

THE PRESIDENT: I think it's an enormous asset because I think it is the tie that binds more than -- even more than GATT, more than any of our economic relationships, I think it is still the tie that binds the United States to Europe. It makes us a European power in a way that is fully positive and not negative. It ties, indeed, North America to Europe. So I think it is very important. I understand the import of your question because then the whole -- if it is that, then you have all kinds of difficult questions that arise from the Central and Eastern European context and from the newly independent states and from Russia itself, which is still a great European nation. But I think we found a way to work out way through that. But I believe that it's still a big positive. I think the accumulated experience of the decades make it a reassuring fact and a reassuring symbol.

Q I appreciate that Russia does not have veto on NATO security decisions, but I was wondering if you could share with us your views of Russia's views as you understand them about this situation involving NATO, perhaps with some embellishment by the Vice President as a result of his trip.

THE PRESIDENT: He's been there since I have -- and I haven't been there as President -- so his views would be fresher than mine. But I can tell you that I think it goes back to the point that Chris was making to me when you were holding the -- book before the lunch. My own view of this is that at least the government there, Yeltsin and his crowd, they're trying to pursue an independent but noninterventionist policy, but dealing with all the ragged edges of that, around the edges of Russia, and the military issues and all the other issues they have to deal with.

I think they see what we have done. I think they see it for what it is, that we're reaching out to these democracies; we don't want them to feel threatened by a eastward pull anymore; but neither do we want to prejudge the future intentions and policies of Russia and other countries in the newly independent states, and especially Ukraine. And I think they appreciate that because it recognizes that they should be given the opportunity to develop a new sense of their national purpose that is not aggressive and that permits them to be part of an integrated European political, economic, and strategic system. That's the way I see it.

THE VICE PRESIDENT: I'll comment just very briefly on that. When Russia began this historic transition under Gorbachev, Gorbachev used frequently the phrase, "enemy image". And part of the change in the deep structure of the psychological relationship between the Soviet Union and then Russia proper and the rest of the world came about as part of Gorbachev's effort to redefine the perception of threat from the west to Russia and from Russia to the west.

The aftermath of World War II, of course, was successful not only because NATO but because of a conscience decision by the west to integrate the defeated -- nations into the structure of the world economy and pull them into the community of free nations. Russia is asking for that, wants that.

And now in the aftermath of the Cold War, what is our answer? We have a chance to bring about a democratic Russia. And part of the dialogue with Europe, as the President has said, is about the validity of that chance. Part of the genus of this particular proposal is that it preserves a future option to change to deal with other contingencies. But it does not undercut the best chance the world has to bring Russia into Europe and into the community of free nations.

THE PRESIDENT: And it leaves the direction the other newly independent states will take in the future open. I think strategically that is very important. That's been almost totally overlooked in the discussion of this -- how do these options that are before us affect Ukraine; how do they affect Kazakhstan; how do they affect these other countries. I think it's very important to focus on that because they matter, too. And they don't want to be pushed back into some pattern that reflects what was in their past but may not be what they wish for their future. So I do think that this -- we can do a lot with all these countries that sign up for this Partnership For Peace, and we can leave the future open of Central and Eastern Europe, of the near and abroad and the newly independent states and in Russia in a way that gives us the best chance to have the best result.

I guess we didn't answer more of your question -- the question about how the Russians view this. I can only speak again for how I think President Yeltsin and the people in his group cover it. And I will have a better feel for how others view it, I think, after the trip is over. But I don't know yet because I haven't had conversations with them.

Q Mr. President, you've read all these stories about European leaders being worried about a lack of American leadership and worried about your leadership, and also about America's inward-looking mood. I'd like to know just how you react to that. And also, how would you explain America's mood to the Europeans, and how do you intend to explain whatever our obligations are to the American people?

THE PRESIDENT: To deal with the first question, my perception is that in the beginning the Europeans were worried about us withdrawing altogether. There was some significant -- was America going to become isolationist; this guy got elected President on domestic platform, they've got their own problems. Then I think there was a period where they were worried about us being involved in the world but more interested in other parts of the world. That is, if there was some ambivalence in the NAFTA victory and the APEC summit and the other emphasis we put on Asia and calling for the Latin American summit next year.

So I hope very much that the simple fact that I scheduled three trips to Europe in 1994 and that there would -- and

that serious business would be conducted on those trips; and that I asked for this NATO summit so we could discuss these issues, these security issues; that these things would clearly reestablish the fact that the United States is committed to, interested in Europe.

I also believe, frankly, that one of the problems is that the European electorate are themselves somewhat inward looking. And in fact after the last year, they are probably more inward looking than we are because for all of our economic troubles, our economies are performing much better -- our economy is much better on the whole than theirs are. And you could see that a little bit in some of the tensions in these trade talks. When the Prime Minister of Spain came here to see me, he told me how his unemployment rate was, even though he was for GATT, and it's on and on.

So I think that -- one of the things I need to do is to try to make sure that the Europeans believe not only that we're going to be involved with them but that it is in our interest and in their interest for them to get their economy going again, and that that's what GATT was about. And I hope that we can do some other things to promote economic growth. And as you know, in a few months we're going to have a jobs conference here, a G-7 jobs conference, which came out of our meeting last year, which again I think the Europeans will be heavily involved in and deeply interested in because they're having terrible trouble creating new jobs and raising incomes just like we are.

In terms of the American people, I think it's a pretty easy sell for me. I mean, I can just simply say what I think is self-evidence, which is that a growing Europe that is open to our products and services is much better for us than a stagnant Europe that is closed to our products and services; that there have been times in the last few years when we've have very healthy trade surpluses with Europe because they've had open trade and we've had the opportunity to sell there, first; and second, that we have to remember the lessons of the 20th century. We simply cannot just walk away from Europe. Every time we have done it in this century it has been a huge mistake, and we should not do it now. I mean, that's my pitch to the American people. I'm going to Milwaukee, I guess tomorrow, to try to make that argument.

Q Mr. President, is there anybody in your administration who's making the opposite case to you and saying that if you do not bring in Eastern European countries into NATO now when Russia is weak that you will never have the opportunity to bring them in when Russia is strong and refuses to let them come in -- and making the case to you that you may be making a great historic blunder? Or is it just a consensus thing that sort of moves along?

THE PRESIDENT: The short answer to your question, I guess, is no. No one in the administration has. But I have really tried to listen to those views, to try to understand that position. And I think my response would be, Bill, that that development would not occur overnight. That is, it's not as if in 1994 we can make this decision and in 1995 this decision will be foreclosed. If that happens, what you've just said, it would have to be a develop over at least a few years if for no other reason than because of the enormous impact that the rampant inflation in Russia had on the military capacity of the country.

And I just believe -- that why we've tried to set this thing up so we could start doing military partnerships, joint maneuvers, having other kind of relationships that would permit us to move one way or the other in fairly short order if the signals for what was possible change dramatically. That is, this would be a much more difficult decision for me if I thought it really were an either/or decision within a very short time frame. It just seems to me rationally that we will have a couple of years to make the

judgment you just outlined. And it won't be -- where we'll wake up one morning and it will be too late. I think there will be several mornings when we'll have the chance to take a different course.

Q Mr. President, can you give us a measure of how -- to what extent you are going exert force or leadership on the Europeans, or are you really looking, as of last spring, just for consensus? Can you just give us some measure of the kind of mood you're going to bring with you in terms of leadership?

THE PRESIDENT: Well, the one thing I think I have to do is to try to sort of be a force for optimism. I mean, they weren't nearly as excited as they should have been after all the years we worked on it, when we finally got the GATT deal through because they thought that no matter what they did, they weren't going to get good growth next year. And there's a legitimate reason for that worry. But I think what -- I think that I am more likely to have more influence on them if I show them that, A, the United States is not about to leave them economically or militarily, but that, B, we need to have an aggressive attitude toward the future. And we need to sort of gin up the collective spirit of Europe. And they need to look toward the future in a very affirmative, upbeat, and positive way.

Sure there were some disturbing signals in the Russian election, but there were also some encouraging signals. They got a new constitution and they had a free election. And they -- economically, a lot of things are better off this year than they were last year. Sure there are some great difficulties in Europe, but it's still fundamentally an extremely sophisticated and advanced part of the world. They have an enormous potential. And I think that what I have to do is to start them thinking in a more positive frame of mind again. I think that it's much more likely that I'll be able to exert the influence of the United States over an outward looking, positive Europe than over an inward-looking insecure Europe. I think that's the first thing we need to do. They need to know that we can make a better future together. And they need to try to look at that and start operating in a more affirmative way.

Q I think that's a very good point. I mean, the Partnership For Peace is an American proposal plainly. It would not have been made if it had not been made by your administration. At the end of a year in which Europe has shown itself unable to agree on an awful lot -- (inaudible) -- are you surprised at the extent that the United States has got to take a leadership role -- (inaudible.)

THE PRESIDENT: Not now I'm not. That is, not after the last year, I'm not. And I don't say that as a criticism of them. I mean, I just think if you look at what they have been through economically -- I mean, we had our differences with the French, but they've got a very high unemployment rate, and they've been through a pretty wrenching time. The Germans have spent a fortune trying to integrate the East into the West and to build a new German nation, to their everlasting credit. And you had recent elections in the East. The voters in the East voted against the government that had spent all that money trying to make it work, because they were still having a tough time. And these are difficult times for them.

And for all of our troubles in the United States, we do seem to have now -- well, we've not seen that, we do -- we have a disciplined, long-term economic strategy, we're seeing results coming from it. We've got a whole agenda we're trying to fulfill both at home and abroad. And so we have a sense of direction and we're somewhat freer of the doldrums that are gripping them.

So I think that it is not surprising. I think there was so much hope after the Berlin Wall fell, and then reality always turns out to be a little bit more difficult and a little bit more

messy than your aspirations for it. And I just think it's a time when we can be a good partner and a good friend to them and help ourselves as well.

Q Let me get back to a question that Bill asked. You're saying, in effect, that if Russian policy, if Russia moves ominously in a way that's threatening to the Eastern European powers or the rest of the continent, the United States and the West will have time to react; that you can reverse this or change this, or bring people into NATO very quickly. But isn't it likely that, at that time, the same arguments will be raised that if we do that, you will only encourage Russian paranoia, that you will push them over the edge, and that you will be in the same box, and that really now is the time to do it and if you don't do it now you will never be able to do it?

THE PRESIDENT: Well, first of all, I don't think we can do it now because we don't have the consensus to do it, but I just don't think it's the right thing to do now. Let me say again, if you believe -- first of all, whenever you make a new start -- and we're making a new start in the new era -- you always have these judgment calls, and in the end only history can render a verdict. So let's just concede that right up front, the verdict on what we're doing will be rendered at some time in the future.

My judgment was that we had -- because of the state of play, because of the economic, political and military realities in all of these nations that are involved, that we had an opportunity here to embark on a course which would permit the relationship of NATO and Europe specifically, to the Central and Eastern European democracies, to some of the newly independent states to mature into full NATO membership. In theory -- and the neutrals, by the way, the neutral countries in Russia are also eligible for participation in this Partnership For Peace -- that we would begin to do things together which would make it more likely, not less likely, that you can move quickly to membership, but that we would do it in a way that would leave open the possibility of a better future for Europe. That is an undivided Europe, or one that would be divided in a way that is different from the divisions that we might freeze, like freeze frame, if we started taking people into NATO now.

Is it a risk? Of course, it is, in the sense that any change you make like this is a risk. I believe the risk is smaller with the course we are taking than it would be if we tried to push to immediate membership, because I think that would be more likely to foreclose the future that we seek to leave open for the other nations involved. That's what I believe. I've made the best judgment I could on it, and I believe I'm right, and history will render a verdict.

Q Sir, that federal call, to follow up on this discussion and the end of your answer to Tom, rests on the assumption about what will happen in Russia. And I think you said that you're not altogether sure what they feel because you haven't spoken to them yet.

THE PRESIDENT: Rest on the assumption about what can happen in Russia if they do the right things and we do the right things.

Q Has Yeltsin expressed to you directly his opposition to moving the partnership further than you --

THE PRESIDENT: I think what -- the signals that Yeltsin sent me was that he did not want to feel that Russia was being isolated, was being sort of moved back into a potential enemy status, and that he had tried to demonstrate, himself, that he did not want an expansionist foreign policy, that he wanted to respect the borders

of his neighbors, that he had moved out of Lithuania, that he wanted to get out of Estonia and Latvia, that he was concerned about the rights of Russian minorities and all these other countries, and that that could cause him some problems.

I think they're going through a period of flux, too. And I believe if they continue as a democratic, market-oriented, reformist, noninterventionist nation, they will become in a more traditional sense, then, a very great nation, not an empire, not an interventionist, but a very great nation. Their whole history and character and texture of Russia argues for that.

If we make them more insecure or sort of more -- feel diminished by saying right now we know enough to know that we have to have security alliances that they're out of and other people are in because of what might happen in that region, I think you risk an adverse reaction not only in Russia, but you also risk, I will say again, something which has not been thought through: you also risk a magnet pull in the opposite direction on Ukraine and on other of the newly independents states, which we do not need to do at this time. We don't know enough now about the future to have that development take place. I believe that would be a critical mistake.

Q Mr. President, how much does the rise of Mr. Zhirinovsky scare you, if it does at all?

THE PRESIDENT: I wouldn't say it scares me, but it concerns me, because while I know -- I believe I know in my own mind that the Russian people who voted for him, many of them at the last minute, as Steve pointed out a minute ago -- I believe they voted for him because they wanted to feel that their country was strong again and they wanted to feel that security could be returned to their lives again. I think his best ad was his anticrime ad. He might have been running for mayor of one of our major cities. That is, we don't have any evidence that the people who voted for him voted for him because of all of the things that the Vice President properly spoke out against when he was in Russia.

On the other hand, let's be realistic. A lot of the bad guys that had been elected in history got elected for reasons that didn't have anything to do with their most outrageous claims. And, yet, they did what they said they'd do when they got in. So it is a concern. But I believe that the best way to address that concern is to have -- to continue to support the forces of democracy and reform and people who respect their neighbors' borders, and to try to make it work for ordinary Russians. That's what I think. And that's what I think our best course is to let it run itself out.

Bill wrote that column in which he basically suggested that -- I wouldn't have gone as far as he did -- maybe Mr. Yeltsin was flushing his enemy out in picking him. I wouldn't go that far, but I think -- (laughter.) I believe -- well, let me say it in another way. Given the fact that this economic transformation was always going to be hard for them, and that the first line of psychological stress was going to be in the military where they have had, according to what the Vice President told me yesterday, five times the military cut we have --

THE VICE PRESIDENT: They had the same amount in one year that we had in five years.

THE PRESIDENT: Yes, same amount one year we had in five years. Given that fact, I think it was predictable that there would be some sort of manifestation of dislocation and insecurity. And when you lay onto that this crime rate rise, which we know bothers people everywhere, especially people that aren't used to it, something like this was probably going to happen. And all I can tell you is, yes, I'm concerned about it, very concerned about it, but I

think the proper response for the United States is to support those elements within Russia, including ones that we might not otherwise agree with who basically adhere to the principles we do.

MR. GEARAN: Mr. President, we need to wrap this up.

Q Yes, I would like to ask about Haiti. Do you think that President Aristide has any reason to think the new year is going to be any better than the old year was for him? Have his prospects improved in any way?

THE PRESIDENT: I think the answer is, I think the prospects of our getting some change down there have improved because of the burden of the embargo which is now affecting the people in power and those with whom they're allied. I think his own prospects are clouded by what happened with Malval and where we go from now. And that's something we're going to have to really sit down and think through and reassess.

The United States clearly would be, in my judgment, better off with a democratic government in Haiti, and it's clearly the right thing to do to have one. I think it's plainly what the people of Haiti want. But I would say if I were in his position, I would have mixed feelings. I would think that the conditions maybe were better for a restoration of democracy, but the personality changes would mean that we've got to come up with some new idea, some new strategy if we're going to make it work.

THE PRESS: Thank you.

END 2:26 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript January 4, 1994

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIAL

The Roosevelt Room

3:36 P.M. EDT

SENIOR ADMINISTRATION OFFICIAL: We'll be talking more, I'm sure, either before the trip or during it, about the larger meaning, but I thought today since there's been so much tension to the Partnership For Peace that we ought to talk about that in some detail. But before we do that, just a tiny bit of context here about the trip.

There are a fair number of stops. At each stop there is going to be a good bit of substance, and it could be easy to get lost in all the substance, both for you and for us, and not to step back and look at this whole both the region and the trip. And I think that this is a moment of extraordinary importance as you think about it throughout the region. Peoples there are going to be making, over the coming months and year or two, truly fundamental choices about their futures, all of which have an important -- will have an important effect on our own well-being and security here.

Just very briefly, in Russia, as you know, the people there are deciding whether they will stay on the path to democracy and reform or step off it. Along the periphery of Russia and especially in the wake of the elections there, the other states of the former Soviet Union along that border are wondering whether their big neighbor will be a good neighbor or not, and are worried about the future course of Russian foreign policy.

Related to that is the question of denuclearization in which we have, obviously, a very important interest. For the states of Central and Eastern Europe, as you all know, for their leaders and their peoples, there are not only questions about whether democracy and reform will proceed there, but they are very concerned about whether they can look to the West with confidence or to the East in concern.

For NATO itself, the greatest alliance in human history, there is a question of what its mission should be in the post-Cold War era when it's lost a single unitary threat, and we have an important stake in the coming years in seeing a vibrant and relevant NATO. And having just concluded the Uruguay Round now, we are at an important moment with the European unions in defining what the post-Uruguay agenda will be, both on trade issues, then also how we can all work together not only to get growth, but to find growth that can produce jobs as well.

So there's a big agenda out there. And I think, running through all of them in different ways, is a single overarching challenge which the President will be working on, both in his substantive policies, but also in what he says, and that is to be -- for us and the Western Europeans to be integrative, to work for the integration of that whole region rather than to see it fall apart again into a division between East and West or in some other new division. That is a tremendous challenge, and one that this trip and the meetings that we'll be having and the subsequent decisions in the

coming months will not resolve, because these are big issues, but will help set a course as to whether we are all in an integrative course or one that promotes new divisions and, therefore, new security threats and less economic progress.

And one reason why the Partnership For Peace is so important is that it lies at the heart of the integrative processes, we hope.

I thought maybe it would be most helpful if I began simply by running through, first, what the Partnership For Peace is, or would be, if you want, or we can skip to what its purposes are. But there's been a lot of discussion about purposes and very little about what it is. So if you want, for just a few minutes, I could just describe it.

First of all, it will be, assuming the NATO summit adopts it, and we do believe it will be adopted, it will be open to all the former members of the Warsaw Pact, which means the former members of the Soviet Union and their Warsaw Pact allies, as well as European neutrals.

It will -- the summit should launch the partnership by inviting each of these prospective members, prospective partners, to sign a framework declaration. And the framework declaration will spell out the political and military and its political as well as military obligations of the signatories. And we expect that these obligations will include: a commitment to democracy, the peaceful settlement of disputes, the civilian control of the military, defense budgets that are open to public scrutiny -- so-called "transparent" defense budgets -- and the development of military forces that are capable of operating with NATO forces. So you are taking on in signing up for this rather broad obligations that are, as I said, both political and military.

The process is then that each partner who signs on would file what we call a commitment document which would indicate which forces and which assets they intend to make available to partnership activities and they would indicate how they intend to live up to those obligations, for example, about transparency of defense budgets, or civilian control of the military. And they would then send representatives to the appropriate bodies at NATO Headquarters and to what will be a partnership coordination cell at SHAPE. And that cell would then, under the political guidance of the NATO authorities, then manage the actual activities.

Through the partnership then, Eastern militaries would move beyond where we've been in the NACC in holding seminars and talking about cooperation to actually getting out in the field. And they'll plan, train, exercise, and if necessary, operate with NATO forces to carry out such kinds of missions as humanitarian relief missions or peacekeeping or search and rescue, et cetera.

And this is very important obviously -- partners participating in these activities will receive a commitment to consult with NATO if there is a direct and immediate threat to their security. So that's how it would work.

Q What does that mean?

SENIOR ADMINISTRATION OFFICIAL: That means that if they perceive such a threat, then they have the right to enter into consultations with NATO as an alliance about that threat and what should be done about it. This -- and I want to move on and then we can come back to it -- but this obviously falls short of a specific security guarantee which would require congressional action on our part under -- it would be under Article V of the treaty -- but would be -- nonetheless, is, first of all, offering them that certain

chance to discuss and to consult about what should be done; and secondly, is in -- I hate to use the word "symbolic," but is an expression by NATO of a concern about their security which is something that they are looking for.

The question of what the partnership is is important. But I think what is even more important is what we mean by it. And there has been a lot of speculation as to whether we mean by this, wait, we really don't want you in, this an off-putting device, it's a way of diplomatic, a way of working through the conflicting pressures on this issue; or that this is an opening to Europe's new democracies, a statement of our expectation and hope that NATO membership will expand by means of an evolutionary process. And it is emphatically the latter. We see this as a door that is opening and one that we hope that through this evolutionary process others will walk through into NATO membership.

Q Which countries do you expect will immediately seek membership in Partnership For Peace?

SENIOR ADMINISTRATION OFFICIAL: A part of the point of this is that the potential partners can decide that for themselves through their own activities, through the ways in which they meet the obligations of partnership. Do you see what I mean? So we -- that is for them to decide.

Q Is Russia, you think, ready for this?

SENIOR ADMINISTRATION OFFICIAL: Let's see who moves most quickly on it.

So the partnership is important both in its own right in the activities that it has and as a part of the evolutionary process towards NATO membership. And frankly, one reason why I wanted to talk to you all this afternoon was that it was very important that it be evident that we see it as a opening door and we will be saying that directly to some of those who -- implicitly to address your question -- to some of those who are most concerned about this issue in Eastern and Central Europe, that it is an opening door. And that's one reason why we're sending Madeleine Albright and General Shalikashvili off to talk to the nations in that area, and General Shali will be talking to you more about that soon.

Active participation does not guarantee entry into NATO, but, as I said, it does enable those nations to the East to develop the habits of cooperation and the routines of consultation and the interactions with NATO that prepare them, indeed, for membership.

And let me emphasize one thing here that the Joint Chiefs were emphasizing yesterday with the President as they talked about this, and they're very enthusiastic about it. Shali was very much involved in the creation of this. And they were saying -- this really hadn't struck me before, although it was obvious -- when you think about it that one of the most important aspects of NATO over the past half century has been, you've had now probably two generations of military leaders on both sides of the Atlantic who have grown up in their careers together -- who have worked together, who have developed patterns of thought together, who have gained each other's confidence through working together on these problems. And this offers a vehicle for those same patterns now to emerge between NATO military leaders at all levels and ranks and the military leaderships to their East.

Now, the partnership concept and in practice avoids drawing a new dividing line in Europe in any formal sense. To draw such a dividing line would be a great mistake for a number of reasons. It would convince those who were left outside that dividing line that there was no hope of their seeking to integrate further

into the West, and that would have consequences not only for their external policies, but within, because it would encourage the nationalists, then, within to say, look, there's no point in pursuing cooperative foreign defense policies, we're on our own, let's become all the more nationalist. And this is obviously especially important in Russia. But the fact is that if you draw that line now, there would be a lot of other nations left outside it, too, who would draw the same conclusions and who would feel either very vulnerable or insulted and injured. And we don't want to see that happen now.

And let me come back to that point in a second. But as I said, at the same time, each of the potential partners can, in effect, decide for itself the pace at which it wants to engage and thus become more likely a member of NATO.

Another aspect of this is that it will, through joint exercises in various ways, encourage the nations to the East to engage with each other, not just with the West; and this will encourage forums of regional cooperation that are important and which are not an alternative, then, to engagement with the West, but should facilitate it.

And, finally, something that I think is very important is that the partnership will help to underwrite democracies in that region in a number of different, very practical ways. First of all, it will encourage civilian control of those militaries and transparent defense budgets and all, and that is important for democracies.

Secondly, by providing a tangible expression of NATO's concern about the security of these nations, it gives a boost to the domestic political strength, then, of the democratic reformers and leaders who could thus take advantage of it.

Third, it will help the integration of the militaries in these post-communist states into democratic societies. And, finally, as I said, it will promote cooperation among the new democracies themselves. So this will help address one of the other great strategic challenges, which is not only the integration of Europe, but the promotion of democracy within it.

Q The outstanding problem -- I'm trying to get -- the outstanding problem, of course, is Eastern Europe. And what they're asking for is not immediate entry into NATO, but at least a timetable and some conditions set out that, when met, would get them in. Right now it is very open-ended and ephemeral. And what they're asking for in Eastern Europe, especially, is a timetable which, one would suppose, Russia could take advantage of. Why not a timetable and a set of some sort of conditions for membership to at least satisfy the Eastern Europeans that this is serious and not just off-putting?

SENIOR ADMINISTRATION OFFICIAL: Well, first of all, it does lay out obligations that I listed for you, and that are very important.

Q These are the obligations that were laid out for Bosnia to become a member of the world community, I might say. It was laid out for the nations of the former Yugoslavia. So these obligations and certain criteria --

SENIOR ADMINISTRATION OFFICIAL: I don't recall references to --

Q They were laid out by a previous administration.

SENIOR ADMINISTRATION OFFICIAL: -- defense budgets or whatever.

Q But they're asking for a timetable. Why not a timetable?

SENIOR ADMINISTRATION OFFICIAL: First of all, I'm just disputing the premise that this is all ephemeral or airy-fairy stuff, because it's not, it's quite specific. And it will have very important practical effects; and history is moved, in my view, through practical effects rather than rhetoric, although rhetoric is important, too.

Secondly -- let me actually add another question, because the two kind of go together conceptually. There is the issue of -- well, you raise them both -- the timing on the one hand, should there be a timetable; and, secondly, do you set out either a list of new members now, both a rank ordering of here's how we think they should do it, or even such clear criteria that, in effect, you have the same result, because it's obvious to everybody that these folks meet the criteria and these folks don't.

And we believe -- and let me emphasize this is not because we don't want to see it happen or because we think it's the most practical way to go about this -- we believe that it would be a mistake to lay out either restrictive criteria now or a specific timetable. And the reason, again, is that if you lay out the restrictive criteria, then in effect you are saying right now, here's who is in, here's who's out, here's what the new line is across Europe, and you have destroyed what is the possibility of meeting our greatest strategic challenge here, which is the integration of Europe, not a new dividing line.

We don't need to, as Sam Nunn argued in a terrific op-ed piece a couple of weeks ago -- we should not be designing American policy to recreate the problems of the -- of old war era. That just doesn't make sense.

Q But doesn't that also --

SENIOR ADMINISTRATION OFFICIAL: Let me complete the thought. So if you don't want to lay out, then, who is in and who is out, it becomes very hard, then, to say, okay, here's a timetable, because you don't know which countries you're addressing in which timetable.

This is also, let me emphasize, not a static decision. This is not a case in which we should be thinking about this in the terms of, who do we let in now, who do we keep out now, move on to the next issue. That, then, gets you right into the way it's often portrayed of how do you let Poland in without driving Moscow crazy, right? That's not the way to look at it. The issue is, how do you create a dynamic process in which, over time in a practical, sensible, and very serious manner, you are addressing the question of NATO's expansion in a way that can be adapted to events as you go along. Because if anything the last few years have taught us is that there are going to be some surprises out there, right? So you want to do it in a way which adapts to events, you don't want to do it in a way which, in effect, shapes those events in pessimistic ways by, for example, telling the Russians you're out and, therefore, you should turn sour.

Let me add just one more point on that, which is a tricky one. And that is another aspect of this is a prudential one. This is, in effect, kind of buying an insurance policy.

Q That's why it's Prudential.

SENIOR ADMINISTRATION OFFICIAL: Yes, there was a subliminal -- I'm from near Hartford, and we always try to get it in. (Laughter.)

The point is here that we don't know what is going to happen in Russia over the next 10 years. We expect that democracy and reform will prevail. Obviously, the nations of Central and Eastern Europe are worried about what would happen if it did not . And through the partnership and through the practical programs we're talking about, you are then developing, prudentially, the kinds of patterns of cooperation which would stand you in good stead if -- and again, I underline we don't think this will happen -- if at some point then you did have to draw a final line between East and Western Europe. It is better to have an evolutionary process of evolutionary expansion of NATO without drawing that final line, but if you had to --

Q Can you expand on that, though? You've been talking about from a NATO point of view, but from the Eastern Europeans point of view, they have a much greater fear than you seem to have about the Russians in terms of your consultations if security is threatened and that sort of thing. What sort of security guarantees do they get in the meantime or security help do they get in the meantime? Can you talk about that?

SENIOR ADMINISTRATION OFFICIAL: Well, I think that you get -- first of all, you get the consultation provision, which is not insignificant. Secondly, you will, I think, hear us -- the President, who speaks for all of us -- the talking about the importance of the security of Central and Eastern Europe to our own security. We, at the same time, however, must stop short of offering absolute security guarantees which, as I said were part of his congressional action, is prejudging the NATO issue, et cetera.

I don't think that the Central and Eastern Europeans are so concerned about an immediate security threat to them as they are concerned about whether they can look with confidence to the West and the expectation that there will be NATO expansion. And I think as they look at the Partnership for Peace, as they listen to us talk about what it means, and again, parenthetically, that's one reason I wanted to be talking to all of you, they will understand that they can have that confidence and I think that they will come to see just how important the partnership can be for --

Q By putting so much concern on avoiding drawing this dividing line for the near future at least, aren't you, in effect, structuring this NATO expansion process on the basis of nobody in unless everybody in?

SENIOR ADMINISTRATION OFFICIAL: No, no, no, no. Let me again explain this.

Q What Sam Nunn calls the "y'all come concept"

SENIOR ADMINISTRATION OFFICIAL: Yes, okay, it's -- (inaudible) -- as I recall, may have been a regional affection for the phrase, I don't know. But the concept here is not you think about it and think about it and think about it and then you draw the line. That's a static concept whether it is today or a year from now. The point of this is that it is an evolutionary concept in which as some may join NATO you're not saying to the others, now you're excluded -- right? -- one. And two, the decision as to walking through the door is really up to them in how they decide they want to participate and how they are meeting these obligations, et cetera. So you are both avoiding the final line, certainly before it is needed, and at the same time setting a motion in evolutionary process that can lead to NATO's expansion.

Q But you're also saying that you would not avoid drawing that line if circumstances were to change. First, Zhirinovsky were elected President -- he beats Yeltsin and he turns

out not to be just a bombastic fool but his rhetoric corresponds to the type of action he would undertake as somebody in a governing capacity. Would that in your view then, under Partnership For Peace speed up the entry of the Eastern Europeans? Isn't that what you'd call the insurance policy?

SENIOR ADMINISTRATION OFFICIAL: That's not an eventuality that we're --. As I said, I mean I don't want to get into Zhirinovsky as President and all of that, but --

Q Ten years from now --

Q But isn't that what you mean by --

SENIOR ADMINISTRATION OFFICIAL: What I am saying is, and again, I insist this is not what we expect to happen. And we must do -- and part of this approach is to keep it from happening, but should it happen at some point in the future, and we don't think it will, then the Partnership For Peace would put you in a better position to deal with that contingency.

Q And to move towards guarantees.

SENIOR ADMINISTRATION OFFICIAL: Oh, if you join NATO, you have your security guarantee in this process anyway. And again, understand this is not to say that nothing happens in the way of NATO expansion until there is that moment. We don't think that moment will take place, and we do believe that there will be NATO expansion through this evolutionary process.

Q Do you think at the turn of the century NATO's membership will be larger?

SENIOR ADMINISTRATION OFFICIAL: I don't think it useful to -- just setting a deadline.

Q Why shouldn't the Partnership For Peace be regarded as a second class membership of NATO? Or that you're forming a dividing line of those who are partners and those who aren't?

SENIOR ADMINISTRATION OFFICIAL: Well, there is now a NATO and a non-NATO.

Q Right, so you have a dividing line as it is now.

SENIOR ADMINISTRATION OFFICIAL: Well, of course. That is what we have inherited. We are now looking for ways to move beyond that in a new era. Your question suggests that, in fact, there is now an integrated Europe and we are creating a dividing line. We have inherited a NATO and a non-NATO. This is, I think, a creative, practical way of beginning to set in motion an evolutionary process.

Q And the question of whether it should regarded as a second class NATO membership?

SENIOR ADMINISTRATION OFFICIAL: Well, no, it is not -- you already have a NACC and a --. This is a way of moving beyond the NACC, which is, in effect, been a place to talk about security issues into practical forms of cooperation which can lead to, as part of a process, which can lead to NATO membership. I would not call that second-class NATO membership. When you become a member of NATO, you are a member of NATO with all of the --

Q Why aren't you willing to say that you would in the next few years, you expect there will be more members of NATO?

SENIOR ADMINISTRATION OFFICIAL: For the reasons I explained to you.

Q That's not a deadline.

SENIOR ADMINISTRATION OFFICIAL: What is my expectation?

Q That's not a deadline --

SENIOR ADMINISTRATION OFFICIAL: My expectation is that over the coming years there will be an expansion of NATO. And they're all coming. There are thousands of them out there. (Laughter.)

Q Has this arrangement allayed Yeltsin's concerns and his risks from the right?

SENIOR ADMINISTRATION OFFICIAL: I think so.

Q Or is he still expressing concerns to you about this arrangement that you're talking about?

SENIOR ADMINISTRATION OFFICIAL: No, I think -- we will learn more about his specific intentions with regard to the partnership. But he has not expressed hostility towards --

Q What about people like Walesa and Havel? What is --

Q Can we follow this about Yeltsin? Are you sure that the Russians won't look at this and say, oh, this sounds nice, they're trying to make our feelings feel better, but they're never going to let (unmatched)

Q Are you sure that the Russians won't look at this and say, oh, this sounds nice; they're trying to make our feelings feel better; but they're never going to let us in NATO; this is still aimed at us. This is all nice talk, but --

SENIOR ADMINISTRATION OFFICIAL: That is not what Yeltsin has said.

Q Okay. Are they going to join?

SENIOR ADMINISTRATION OFFICIAL: Don't know. Don't know. But there isn't yet a Partnership For Peace. We don't know who is going to join --

Q When the President gets to Prague --

SENIOR ADMINISTRATION OFFICIAL: -- certainly open to everybody.

Q -- and he gets an earful from Walesa and Havel and some of these other people, if they follow up with the kind of talk they're giving in interviews, does he think that saying that this is an open door, an opening of the doors is going to allay their fears enough to make them embrace this fully?

SENIOR ADMINISTRATION OFFICIAL: I can't speak for them, but I think -- I think they will be very encouraged both by the specifics of the partnership and again importantly about -- by what we are saying about it as an expression of our intent and NATO's intent that this be seen as an open door which we hope others will walk through. And we think it is a practical and creative way to proceed.

Again, to repeat what I said before, I think the issue for them is not one of an immediate fear of an attack from their east, but of a concern that they be able to look to the West with confidence. And we believe that this offers that confidence.

Q On that point, in terms of looking to the West with confidence, I mean why does this offer of consultation, why should that make them feel any more secure than the Bosnians might feel right now after being promised that, you know, there will be air strikes -- if Sarajevo is strangled, there will be an enforcement of the no-fly zone? I mean, other NATO promises have been made before. What's different about this?

SENIOR ADMINISTRATION OFFICIAL: To dispute a premise again, and I'm not arguing here that I'm not frustrated by the Bosnia issue, because we all are. But the fact is that NATO is enforcing the no fly zone. There are issues about helicopters, but if you look at fixed-wing aircraft flights, for example, it is being enforced. NATO is enforcing the sanctions -- reactively, for example, in the Adriatic. And I would note that Bosnia, including the threat over Sarajevo, is the first time that NATO has been active in those ways out of area in its history. So in a certain sense, this is a step forward. I am not arguing -- you understand the limits of my argument here.

The key here is not the offer to consult. That is a part of it, but the key here is that this is offering them another -- an evolutionary process for integration into the most important western security institution. And, again, and I maybe I haven't emphasized this enough, this is a part of a broader integrative strategy economically, politically, as well as militarily.

Q Just to follow up about the reaction you're going to get from the Eastern Europeans --

SENIOR ADMINISTRATION OFFICIAL: And let me just say one more -- I think that by addressing -- by promoting democracy and by encouraging civilian control of militaries and by encouraging the states to the east to look more to the west, we will at least in some fashion address what is the most immediate security threat for that whole region. And that is not now a threat from one unit -- single source anywhere, but is the ethnic conflicts within all of those states, which of course is what Bosnia was in part about. And therefore it should help at least, we would hope, to head off future Bosnias.

Q Are you looking from these Eastern European leaders for something more than they've already said, which is, look, there's nothing else we can do but accept this; we have no choice. Do you need something more than kind of grudging acceptance to make this trip --

SENIOR ADMINISTRATION OFFICIAL: Well, of course they have a choice. They don't have to do it.

Q Well, that's not what they're saying.

SENIOR ADMINISTRATION OFFICIAL: Yes, I think what we would hope for and expect -- and again, this is one reason why Madeleine Albright and General Shali are going off -- is that this will engender the kind of confidence that we believe it warrants. And I think -- I truly think that that will happen. We're in the early stages here.

Q Do any of these countries in Eastern Europe or Central Europe right now meet the five criteria that you've laid out for membership in Partners for Peace?

SENIOR ADMINISTRATION OFFICIAL: I haven't laid out criteria for -- oh, in the partners? Yes, I think --

Q Which ones? Which countries have already --

SENIOR ADMINISTRATION OFFICIAL: This is up to them. They come to NATO. NATO then --

Q But you're saying there are countries that already have civilian control of the military and --

SENIOR ADMINISTRATION OFFICIAL: I think we're at cross purposes.

SENIOR ADMINISTRATION OFFICIAL: NATO doesn't have any prior conditions for participation in the partnership.

SENIOR ADMINISTRATION OFFICIAL: -- each eastern country would specify the steps on a gradual basis --

Q Oh, they promise to do it, in other words -- I see.

SENIOR ADMINISTRATION OFFICIAL: They lay out the declaration.

Q A related question before we end this thing -- will the President meet with Kravchuk in Moscow?

SENIOR ADMINISTRATION OFFICIAL: There is no decision to do so.

Q Is that going to happen, though, do you think?

SENIOR ADMINISTRATION OFFICIAL: Don't know.

Q What's it depending on?

SENIOR ADMINISTRATION OFFICIAL: We are now engaged in discussions with the Russians and the Ukrainians and we will have to see where all that --

Q Would it be a three-way Yeltsin-Kravchuk-Clinton or just a Clinton-Kravchuk bilateral?

SENIOR ADMINISTRATION OFFICIAL: It would be extraordinary for Clinton and Kravchuk to meet in Moscow without Yeltsin being there. But then again, we don't have a decision on this.

Q Interfax is reporting that --

SENIOR ADMINISTRATION OFFICIAL: I know.

Q -- Kravchuk is going to be invited to Washington if he accepts certain conditions.

SENIOR ADMINISTRATION OFFICIAL: We've been talking for months about a possible Kravchuk visit here. But there's no decision on that.

Q Aren't you running the risk with this middle approach to the question of NATO membership, especially without giving a timetable or even being able to say whether you think it could happen over a six-year period as my colleague asked? Aren't you running the risk that rather than encouraging reformers in Eastern Europe, you frustrate them through this lack of a total commitment, through this hedging, and at the same time provide grist for the nationalists in Russia who could say, well, they've let them half way in; eventually they'll let them all the way in, and then where will we be. So in other words, the exact opposite effects because of the middle position.

SENIOR ADMINISTRATION OFFICIAL: First of all, I don't believe that's what will happen. And one reason again for talking to

you all and to them directly is to show them that this is not a kind of an off-putting device. Secondly --

Q But without a timetable, how else can they perceive it?

SENIOR ADMINISTRATION OFFICIAL: I really think, and I went through this process myself, thinking this through, that the wrong way to look at this is as a middle option, is as a way of saying well, we can't go this way, we can't go that way, therefore we'll go this way. That is, again, to look at it as a static decision about what do you do right now, this is a dynamic process which offers the possibilities of NATO expansion without a final drawing of a divisive way between East and West in Europe that could become a self-fulfilling pessimistic prophecy about events to the east of that line. And it would take us back into the previous decade rather than to do what we want and in which we have a huge strategic stake, and that is to help to produce an integrated Europe. That is an historic strategic opportunity for us.

Q But would it do that, would it create that division --

SENIOR ADMINISTRATION OFFICIAL: So this is not a compromise worked out among contending bureaucrats to get us through another few weeks. This is a process that I predict will be looked back upon as an extraordinarily important moment in the history of Europe at the end of this century.

Q Would it draw that line to say that we estimate this is a two-year process, it's a five-year process, it's a 10-year process?

SENIOR ADMINISTRATION OFFICIAL: We can't predict the evolution of events in Europe.

Q Which sounds like -- and you said that earlier -- but it makes it sound like, depending on how events develop, we might decide not to expand the membership in NATO.

SENIOR ADMINISTRATION OFFICIAL: Listen to what I've just been saying for the last 45 minutes on a voluntary basis, which is that is not the way we look at it. And what I say on this, I hope, matters.

Q Even if you don't call it a timetable, we're talking about a time span of six years. If it's so dynamic, why can't --

SENIOR ADMINISTRATION OFFICIAL: Let's wait and see. Let's wait and see.

Q Can we get on the record that one quote, when you said the key is not only consultation, the key had often been a evolutionary process --

SENIOR ADMINISTRATION OFFICIAL: Sure.

END 4:17 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIAL

The Roosevelt Room

January 4, 1994

2:46 P.M. EST

SENIOR ADMINISTRATION OFFICIAL: We'll all, I'm sure, be talking more about the trip as a whole, one of the important themes of which will be the integration of Europe. There's a lot of different stops here, a lot of detailed substance at those various stops. But it's tremendously important, it seems to us, to see the whole area whole and to see the trip whole.

We are at a moment of extraordinary strategic importance. There are, going around the area, a lot of very important choices that the peoples of that area are going to be making in Russia. Will they be choosing over the next year and beyond democracy and reform? Along the states on the periphery of Russia there is a question of whether those states will see their big neighbor as a good neighbor, concerned about where Russian foreign policy will be going. Related to that is the issue of denuclearization and whether especially the Ukraine will be denuclearizing -- a very important choice.

There is a choice before the nation's peoples of Central and Eastern Europe as to whether they must look to the East in fear of what could happen or whether they could look to the West in confidence. There is before NATO a very large historic question of what the mission and shape of the most successful alliance in human history will be. And we need to also set with the European Union what the post-Uruguay Round agenda will be -- not just in trade issues, but how do we work together for growth, for jobs, et cetera.

So there's a whole series of very large issues out there which the trip will be addressing. And running through all of them, as I've said, is the important question of whether that whole region can become more integrated, or less related to that is whether democracy and markets will thrive within those states. So it's a big moment.

And what I want to concentrate on today is the Partnership For Peace proposal because that's a very important part of that integrative process, and because it's getting so much attention right now. But again, I emphasize there will be a lot of other parts to this as well.

Let me do two things: first, just describe if you wish how the partnership will work. If you want me to skip over that, I can do so. But if it would be useful, I can take just a couple of minutes.

Q Go ahead.

SENIOR ADMINISTRATION OFFICIAL: First of all, it will be open to all the former members of the Warsaw Pact, which means,

obviously, not only the former Soviet Union, but its allies within the Pact and Europe's neutrals as well.

It will be launched by the summit, we believe, through an invitation to prospective partners to sign a Framework Declaration -- capital F, capital D -- which will spell out then what the obligations, both political and military, of the signatories would be. And those obligations would contain, include a commitment to democracy, peaceful settlement of disputes, the civilian control of the military, defense budgets that are open to public scrutiny -- shall we say transparent -- and the development of military forces that would be capable of operating with NATO forces.

Once they decide that they wish to accept that invitation, then partners would file so-called "commitment documents," which would indicate the forces and other assets that they intended to make available for partnership activities and would indicate how they intend to meet the other obligations. For example, civilian control of the military, transparent defense budgets, et cetera. They would then send representatives to SHAPE headquarters to a partnership coordination cell at SHAPE which will manage this. And that cell would then plan these activities.

Through the partnership then these militaries which have been through the so-called NACC have been engaging in kind of seminars and talking about cooperation. Now they would get out in the field and they would plan and train and exercise, and if necessary, operate with NATO forces to carry out such missions as search and rescue or delivery of humanitarian assistance or peacekeeping. And this is important -- partners participating in these activities will receive a commitment to consult with NATO if there is a direct and immediate threat to their security to consult.

Q Say that again.

SENIOR ADMINISTRATION OFFICIAL: Partners participating in activities will receive a commitment to consult with NATO if there is a direct and immediate threat to their security.

Q Who consults with whom? They talk to NATO if someone --

SENIOR ADMINISTRATION OFFICIAL: A partner is threatened. The partner, then, can go to NATO to consult about that threat.

Q What good is that? He walks up and says, you know, "I'm being threatened." Does it provide a requisite commitment from NATO to do something?

SENIOR ADMINISTRATION OFFICIAL: No, this is not, as under Article V of the NATO Charter, a guarantee of their security, which, of course, would require our Senate's acting, et cetera. But it is a formal promise that they are not alone, that they can consult with NATO as an alliance about that threat.

Q What could come up of it, in practical terms?

SENIOR ADMINISTRATION OFFICIAL: Obviously, it depends on that situation.

Q And would this consultation require a unified response by the members of NATO?

SENIOR ADMINISTRATION OFFICIAL: Presumably, the North Atlantic Council would then, based on that consultation, decide what actions it might be taking.

Q Because if this had occurred at the beginning in Bosnia in the Serbian situation, there could have been a less than unified response, isn't that correct?

SENIOR ADMINISTRATION OFFICIAL: Based on my experience of last year, that is conceivable.

Q So what are the guarantees of a unified response?

SENIOR ADMINISTRATION OFFICIAL: There can be, obviously, no guarantees of what a NATO response would be in an entirely hypothetical situation.

Q But if they were members they would have -- there would be an automatic response.

SENIOR ADMINISTRATION OFFICIAL: If they were members, there would be an automatic response in that an attack on the territory of one NATO member is an attack on all of them. And that is the distinction.

Q If they were now threatened, could they not come --

SENIOR ADMINISTRATION OFFICIAL: Why don't I come then to the implication of your question of what all this means because the intent of this is almost as important as the practical details, and what we say about it matters.

We see the partnership as representing NATO's opening to Europe's new democracies. It expresses our expectation and our hope that NATO membership will expand. If you want to repeat those words, I'd be glad to.

Q Yes, please.

SENIOR ADMINISTRATION OFFICIAL: It expresses our expectation and our hope that NATO membership will expand by means of an evolutionary process. And the partnership is a part of that process toward NATO membership. It's also important in its own right and serves as a vehicle for the kind of immediate military cooperation I've been talking about.

Active participation in the partnership will not guarantee NATO membership, but it will enable the new democracies to develop the habits of cooperation, the routines of consultation and the kind of operating procedures that can prepare them for membership. The partnership, in creating this evolutionary process, avoids drawing new lines between East and West in Europe now. Such dividing lines, we believe, could destabilize states to the East. It could become a self-fulfilling prophecy of pessimism about Russia. And this would not be in the interests either of NATO or, indeed, of the states of Central and Eastern Europe. But at the same time, each partner then, in engaging in this, will be able to determine the level of its participation in the partnership and, thus, the closeness of its relationship to NATO.

Q No wonder there's screaming.

SENIOR ADMINISTRATION OFFICIAL: Not at all. This -- and let me really emphasize this point. Well, let me finish, and I'll come back to you, and I don't think they're screaming.

Another advantage of it is that it will encourage the partners to engage with each other as well as with NATO. And this will encourage, in turn, regional cooperation which, in turn, will help this integrative process with NATO. It is not an alternative --

Q How does it do that? How does it encourage cooperation?

SENIOR ADMINISTRATION OFFICIAL: Because they will do joint exercises with each other as well as with NATO.

Q As well as with --

SENIOR ADMINISTRATION OFFICIAL: Yes. And I really want to emphasize a practical point here that has very large implications. One of the huge advantages of NATO over the past half century -- this is something that the Joint Chiefs yesterday were emphasizing in their meeting with the President -- has been that a whole generation of military officers have, in effect, grown up together among the allies; have learned how to work together, how to think in similar ways. It goes far beyond standards operating procedures. And this will allow that kind of -- I hate the word "network," but that kind of network of personal relationships and -- cooperation to build up now from West to East as well.

The partnership -- and as some of you know, this is something I care particularly about -- the partnership will also facilitate democratic reform in the East in four different ways: By providing for the joint review of defense programs and of plans to increase civilian control of the military and transparency in defense budgets it will strengthen democracy. Secondly, by providing tangible expression of NATO's interest in Eastern security, that, in turn, can boost the political fortunes of democratic leaders within these nations.

Third, it will promote the integration of the militaries in former communist states into their own democratic societies. And, fourth, as I said, it will promote cooperation among these new democracies themselves.

So, in sum, what we think this will do is to address two of the really basic challenges to the new security in Europe. One of them is, now that there is no single, current unitary threat out there, the most important immediate security threat to the East and South Europe is ethnic conflicts within states. And by promoting democracy and promoting ties among militaries and all, it helps address that.

And secondly, it does offer an evolutionary process towards answering the great question of whether Eastern and Central Europe and beyond, including Russia, will be integrated into a U.N. --

Q Is there a deadline?

SENIOR ADMINISTRATION OFFICIAL: No.

To come back first to your "are they screening," I don't think they are screening. Shali will discuss that more later. Our NATO allies, to begin with, have been very receptive to this. We're still in the short strokes of the end, working over words, but I think the basic concept is well agreed now. And not only the basic concept, but what it means in the terms I've just been outlining.

And I am convinced that as those in Central and Eastern Europe who are most concerned about immediate access to NATO understand, again, not just the details of it, but what we mean by it, that they, too, will be attracted by it. That is one reason we're sending off Madeleine Albright and General Shali to meet with them to explain it. And frankly, one reason I am meeting with you is to make sure that through you we are making it clear what we mean.

We do not mean by this that we have made what I would call a static decision right now in which we are saying to them, sorry, not now, that would be potentially destabilizing and not good for your security or ours; come back later and check with us. You shouldn't see this as a decision for right now. We are setting in motion a dynamic process which is explicitly opening the door and one we hope that they walk through to membership in NATO. That is what we are doing.

Q Does the declaration contain the words "membership in NATO" in any time frame for that?

SENIOR ADMINISTRATION OFFICIAL: It will make it clear that we expect the expansion of NATO, yes.

Q Do you use the words "membership in NATO" and have any time frame for that?

SENIOR ADMINISTRATION OFFICIAL: I can't tell you the exact words, but I think it will refer to either implicitly or explicitly to membership in NATO, yes.

Q Well, that's what they're asking about -- is there a time frame.

SENIOR ADMINISTRATION OFFICIAL: No. Let me explain. The two big questions that have gone into this are, one, do you put a timetable on it or a deadline somehow for membership; and two, do you now either explicitly say these folks are in and these folks are not yet in, or implicitly do the same thing by setting out very tight criteria for membership in NATO. And there are, I think, important reasons not to do either while making it clear that we expect that the result will be an expansion of NATO.

If you now say that so and so are in and so and so are out, what you are in effect doing is saying we are now creating a new dividing line between East and West in Europe. And that would do two things immediately: One, it would strengthen the hands of the nationalists in Russia, which we don't want to see happen. And that becomes, as I said, a self-fulfilling pessimistic prophesy about the future of Russia. And secondly, it would be everywhere else doing exactly what I said we don't want to do, which is rather than to be integrated and to try to pull all of Europe together and to lead in that enterprise, it would be saying we've given up on it already, Europe is again going to be divided, we're going right back to the old thinking of the mid-1980s and before. And that truly is old thinking.

Secondly, with regard to putting a timetable on it, again, first of all, you would have to say which nations that you were -- which governments you were talking about before you would put that timetable. And for the reasons I've just said, you don't want to do that. And, secondly, an important part of the concept here is that it is dynamic, it is not static. It is saying, let's see how Europe is evolving as NATO makes the decisions about its expansion.

And let me see if I can get this right, and I need to be very careful about it because there are different audience out there. One point here is that you can see the partnership also as a kind of an insurance policy. Let me insist, we do not think that this insurance policy will ever have to be cashed in. But in creating these habits of military cooperation, in strengthening the ties between NATO's militaries and the militaries to the East, we are hoping to create the conditions under which, if a new security threat did emerge down the road in Russia or perhaps even elsewhere, and you wanted to draw that line, then you could draw it and you'd be in a better position to draw it than you would have been if you had not been doing this.

But we cannot predict the future, and to say now that this is the moment at which that line must be drawn sometime in the future would require, A, a crystal ball and, B, would be highly pessimistic. It's better to have an evolutionary process in which there is a gradual expansion of membership without that line absolutely being --

Q Has Russia indicated she wants to join at all?

SENIOR ADMINISTRATION OFFICIAL: The Russians haven't said whether they -- to my knowledge -- want to join or not.

Q But she is welcome?

SENIOR ADMINISTRATION OFFICIAL: Yes, Russia is certainly welcome.

Q What's the pace of this evolution? I mean, do you expect by the end of 1994 for NATO to be larger than 16? I mean, how long does it take to go through this?

SENIOR ADMINISTRATION OFFICIAL: Again, I can't predict that. And I'm sure that some members of NATO would like to see it go a little faster than others. And within governments, some would like to see it go faster than others.

The important point here, and it is of fundamental importance, is that the nation's to the east, and especially in Central Europe and Eastern Europe, can now make their policies in the confidence that the door is open. If they understand that, and I believe they will, then you have a whole new dynamic in that region both among governments and within these countries. And we are convinced that the Partnership For Peace will set in motion that dynamic.

Q You said you want to draw a line right now in Europe. But can you have -- pretty soon to draw a line -- some countries will become eligible sooner than others. So, pretty soon you're going to have draw a line between Poland and Hungary and the others. So what exactly is the rationale?

SENIOR ADMINISTRATION OFFICIAL: Because that will be -- because that evolutionary process will be based on performance within the partnership; will be based on objective realities as this proceeds rather than an almost artificial decision now as to they're in and they're out.

Q What is the rule for letting a new member of NATO in? Does it have to be a unanimous vote of all the governments in NATO?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q So suppose you had gone to them with something more down the road, more committed than Partnership For Peace, would you have been able to get a unanimous agreement to that proposal now? In other words, not membership --

SENIOR ADMINISTRATION OFFICIAL: I can't answer that question because we didn't try that because it seems to us this is a more reasonable way to proceed for the reasons I've been suggesting. So I just don't know the answer to your question.

Q If the expectation is that this will be to new membership in NATO, does this require congressional approval? Does the partnership itself require congressional approval?

SENIOR ADMINISTRATION OFFICIAL: No. We will certainly be consulting a great deal, but it does not require an act of Congress --

Q What is the legal form of the agreement? Is that going to --

SENIOR ADMINISTRATION OFFICIAL: But an expansion of NATO that would include new treaty commitments I believe would, yes.

Q How many countries --

Q Will this require an increase in defense spending?

SENIOR ADMINISTRATION OFFICIAL: No. In fact -- well, there are going to be some very modest costs, some millions of dollars. I still, as a small farmer, can't get used to saying modest costs -- a few million dollars, maybe -- there will be some modest costs for the peacekeeping activities. We're discussing with our allies the sharing of those costs, and they are easily absorbable within our current defense budget.

Q What do you think of President Walesa's argument going exactly with what you said now? In fact, he's saying that to preserve stability in Central Europe, his country should be admitted right now in NATO. What he says makes sense if you are a Pole.

SENIOR ADMINISTRATION OFFICIAL: It depends on your estimate of what the dangers are to your east --

Q Well, he still is in danger.

SENIOR ADMINISTRATION OFFICIAL: He is -- the danger has not arrived. As I said, this is a Prudential Insurance policy against that danger. And to the degree he is convinced, as I believe he will be, that he can look with confidence to the West, then I believe the concerns that he is expressing will be diminished. And I am quite confident that that will happen.

Q How many countries?

SENIOR ADMINISTRATION OFFICIAL: And again, frankly, one reason I'm talking to you is to encourage that message.

Q I don't understand why -- you sort of unveiled this -- what was it, October? So that October, November, December -- why would the leaders this week be convinced, if they haven't been for four months, that this is in their best interest? They don't appear to be from the interviews they're giving these days.

SENIOR ADMINISTRATION OFFICIAL: Oh, I think it depends on which of their leaders you speak to. I've spoken to some that were --

Q Powerful as Walesa?

Q Do you want to tell us who we should speak to?

SENIOR ADMINISTRATION OFFICIAL: No, I don't think I should speak for them. Why don't you wait a week and see how that is going, all right? (Laughter.) I didn't say trust me. I just said -- (laughter.)

Q How many are eligible?

SENIOR ADMINISTRATION OFFICIAL: Part of the reason, Ann, is that we have been working through exactly what the proposal was, and we could not take it to them in a position in which we could

not answer what all the details were because the details here mattered. So we are now in the position in which we've got it pretty well nailed, and we're in a position now to go -- and again, I said this is very important -- explain what our intention is in it, as well as the mechanics of it.

Q Are some leaders, in fact, saying things publicly that are different from what they're telling you privately?

Q How many nations are involved?

SENIOR ADMINISTRATION OFFICIAL: So far, none, because --

Q Just Hungary, Poland and Czech?

SENIOR ADMINISTRATION OFFICIAL: No, no, no, no , no. This is open to all the members of the former Soviet Union, all the members of the Warsaw Pact and the neutral nations --

Q But they're the only ones right now who are --

SENIOR ADMINISTRATION OFFICIAL: But the ones who clearly are pressing this urgently on this issue are those in Eastern and Central Europe. But it's open to all of them.

Q What did you hear from the Russians, that is, Yeltsin specifically, about what this proposal should be like? As you were developing it there must have been some consultation with him. Did they say, "Oh for God's sakes, no" or Yeltsin, himself? Now, I know their diplomats have been hostile or angry about it or negative.

SENIOR ADMINISTRATION OFFICIAL: No, I don't think -- not toward the Partnership for Peace.

Q No, but I mean --

SENIOR ADMINISTRATION OFFICIAL: They have been concerned about the drawing of the line between East and West, both because it would seem to exclude them from the integration into the West that both they and we should welcome, and because I think they were concerned about the implications within Russia of our doing so.

But what has concerned me has been that because they were worried about the drawing of that line, that there could then be an impression that the Russians had said, you can't go any further and we said, okay. That is to look at this, again, in static terms. We are setting up a process here which is inclusive and does not represent a decision that NATO must not expand; on the contrary. In other words, this is a way of doing this that encompasses not only NATO security concerns and the security concerns of Central and Eastern Europe, but the concerns of the Russians as well.

Q Are you simply saying that this process has been set up now so that it's basically big enough so that Russia is not concerned?

SENIOR ADMINISTRATION OFFICIAL: No. It is very precise and I hope I've been precise in describing both what it does and how it does not, at this point, establish a list of new members or a timetable for, we think, a very good reason. That's not vague. That is a very precise way of proceeding in a process that we're kicking off here, and which I think people will look back on as -- I won't use the word historic because it sounds hokey -- but I think this will be seen as an extraordinarily important moment in the history of Europe in the last decade of this century.

Q Did President Yeltsin specifically express these concerns? You're a little vague there when you talk about Russian leaders and Russia. Did he specifically express these concerns about the dividing line between East and West, or what this might do to promote the ultranationalists in his own country? And has he made those specific points? And what has he said specifically?

SENIOR ADMINISTRATION OFFICIAL: Publicly and privately. I don't mean to imply that this was a big back-and-forth because it was not. This was not a case of our wanting to do something, Yeltsin weighing in and saying, hey, don't do it, or whatever. But he has commented publicly about his concerns here, and at a number of different levels with the Russian government we've discussed it with, as with every other government. But this, I would emphasize, was not a case, absolutely -- at least to my knowledge; correct if I'm wrong -- in which we had a proposal; we said this is what we wanted to do and the Russians said, no, please don't do that, and we backed off. That absolutely did not happen.

Q Given President Yeltsin's -- the evolution of his own attitude towards greater speed in being included in -- NATO, do you see his newer, harder line against quick membership as sort of a payoff with the military for their support in October?

SENIOR ADMINISTRATION OFFICIAL: I don't think this is viewed as -- over the last couple of months. Certainly, his general approach on Russian foreign policy has stiffened.

Q If he's being held hostage by the military, then aren't we also, instead of for Yeltsin and for --

SENIOR ADMINISTRATION OFFICIAL: First of all, as I said, we are not held hostage on this to anybody. And the Russians did not say, you mustn't do this, and therefore we didn't do it. And secondly, within the Russian government, I don't believe he's held hostage by the military. I wouldn't put it that way.

Q Well, as the debate within the administration has been described, those of you who wanted an early membership were turned around by Strobe who was anticipating that there would be -- that this would be destabilizing toward Russia. So isn't it the same thing, that people concerned about the effect on Russia were dominant in the decision-making process in this government? You didn't think that that was the dominant feature. You wanted an enlargement first and then the other people came along and said, no, we want to protect our Eastern flank. Isn't that the way it happened?

SENIOR ADMINISTRATION OFFICIAL: No, actually, it didn't. There certainly were different points of view on emphasis here. And there were those who were for pushing ahead relatively more rapidly towards enlargement, and there were those who were most concerned about the implications for the East. But I was never at a meeting at which there was a slam-bang argument between those who were saying, you've got to do it now, and those who were saying, you mustn't do it now and don't draw a line. This was a series of conversations in which people worked through their thinking, and who go -- I don't know if I'm allowed to go off the record -- but I just don't talk about my own views. But I certainly was one of those who was trying to push us in as forward leaning a position as possible on this. And I am very, very happy with what I have just said about our intent on this. And I, as we worked this through, became very enthusiastic about this as the most practical and effective way of integrating East and West that anybody has devised.

Q Can you explain -- you mentioned before this would help with regional conflicts.

SENIOR ADMINISTRATION OFFICIAL: Can you check me on that because you were at more meetings on this than I was, and I don't want to get misspoken.

SENIOR ADMINISTRATION OFFICIAL: I think that's true. Everybody was thinking the problem through. And I think all of us would have agreed at any given point on the list of the factors, pro and con and different options. People would have given more weight to different factors. It was never any disagreement that this was a complicated issue with a lot of factors that cut in different ways.

SENIOR ADMINISTRATION OFFICIAL: See, the difference here is not do you enlarge or not, it's a question of timing and how quickly. It's been portrayed in more dramatic terms, I think, than that.

Q Can you just explain how this helps NATO deal with regional and ethnic conflicts? It seems to me all it does is expose NATO to more of them.

SENIOR ADMINISTRATION OFFICIAL: Well, they're going to be there, and I'm not sure how it exposes NATO to --

Q More directly. People in the partnership who call out to NATO to help me out with this or that or the other thing, and suddenly we've got --

SENIOR ADMINISTRATION OFFICIAL: Well, let me give you an answer that will sound philosophical, but I think is actually very practical, which is that the phenomenon of ethnic disagreements and tensions is not peculiar to that region, but is true in almost every society in this world now for a lot of different reasons. And I think if you look around the world, the best answer to those tensions and what keeps those tensions from exploding into conflict is democracy.

And in the ways I was just suggesting, this partnership in very practical ways, because the military matters a lot in all of these societies, is going to encourage that democracy and that sense of accommodation within societies that can help head off those conflicts, one; and two, the closer all of those states are to NATO from the start, there is, I think, in that very fact a kind of an inhibition against those societies falling apart within. Because if they feel a sense of isolation from the West, I think they're more likely to be inward-turning and concentrating more on their own internal disputes.

Q Can I ask you a Ukraine question, because we're somewhat confused. The Russians have announced that they've invited -- or the wires note they say that they've invited Kravchuk --

SENIOR ADMINISTRATION OFFICIAL: That was the Washington foreign announcement which was apparently some sort of leak in Moscow, which does demonstrate the march of Western civilization. (Laughter.) I don't think it was a formal announcement.

Q Interfax --

SENIOR ADMINISTRATION OFFICIAL: When was this?

Q Today.

Q Well, regardless of who is saying what to whom and how, is the President meeting with him in Moscow? Has enough progress been made on the issue so that a meeting is allowable?

SENIOR ADMINISTRATION OFFICIAL: Progress has been made. Talks are continuing. As of yet, there is no decision for such a meeting.

Q Why?

Q Well, isn't it going to be a little awkward if Yeltsin and Kravchuk are standing there? Does Clinton have to go somewhere else? He was invited to the summit, according to this announcement.

SENIOR ADMINISTRATION OFFICIAL: If Yeltsin and Kravchuk are standing there and Clinton is not there, I will take you to dinner.

Q Did you know that Yeltsin was going to invite Kravchuk?

SENIOR ADMINISTRATION OFFICIAL: This has been one possibility. But again, there is not a decision in Moscow, Washington and Kiev.

Q -- that you were caught by surprise by it?

Q Interfax is not like the government announcing that it's taking place.

SENIOR ADMINISTRATION OFFICIAL: I'm quite certain that there is no decision --

Q This was in yesterday's Interfax.

SENIOR ADMINISTRATION OFFICIAL: Just for your own guidance when you write about this, I am quite certain that there is no decision in Moscow or Washington or Kiev for such a meeting.

Q What's holding it up?

SENIOR ADMINISTRATION OFFICIAL: We are still in the process of when he talks with the Ukrainians --

Q On pulling out the --

SENIOR ADMINISTRATION OFFICIAL: On nuclear issues.

Q Are the Russians also part of those talks here today?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q At the State Department?

SENIOR ADMINISTRATION OFFICIAL: Yes, at the State Department.

Q At what level? State and assistant foreign secretary level is the --

SENIOR ADMINISTRATION OFFICIAL: I think I'd rather --

SENIOR ADMINISTRATION OFFICIAL: -- State as managing the people who are participating in the meeting. So your State Department reporters have those names.

Q They've released them?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q But is it correct that the President has dangled an invitation to the --

SENIOR ADMINISTRATION OFFICIAL: I've been -- as I've said in meetings before but -- I don't want to give anything away to you.

Q Is it correct that the President in his letter to Kravchuk last week has dangled the possibility of a visit, I mean a formal invitation to Kravchuk to visit Washington?

SENIOR ADMINISTRATION OFFICIAL: We've for some months now have been talking about the possibility of a visit.

Q Yes, but was it formally mentioned in this letter that we --

SENIOR ADMINISTRATION OFFICIAL: This has been out there for some months. But again, there's no decision to do so.

Q Have there been decision on which parliamentary leaders the President is going to meet with?

SENIOR ADMINISTRATION OFFICIAL: You mean in Moscow?

Q Yes.

SENIOR ADMINISTRATION OFFICIAL: We're still putting together the list of leaders he would meet with. There is one decision which is that he will not -- Zhirinovsky will not be invited.

Q Will you go beyond the two reformist parties? Is that the intention?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q To what extent was there a consultation -- has there been consultation with Congress about how fast you could open up NATO to new members?

SENIOR ADMINISTRATION OFFICIAL: We've been in a number of conversations. Part of the problem has been, the Congress has been out for the past month or so, and we will be speaking to more leaders in Congress in the next few days.

Q And how would you characterize their response to this?

SENIOR ADMINISTRATION OFFICIAL: I think opinions vary.

Q Somebody said to me that part of the problem here was, if you expand NATO membership, it will cost a lot more money, we're trying to cut the defense budget, Congress will never stand for raising the defense budget any more -- therefore, we can't --

SENIOR ADMINISTRATION OFFICIAL: That's not an argument I've heard. And, furthermore, the counterargument certainly of anything you do that creates greater stability and integration in Europe could save us so much in defense spending down the road, that I think it dwarfs any argument about immediate cost.

Q -- two on the record quotes -- two quotes on the record? The one that begins "we are setting in motion a dynamic process" through the phrase, "we hope they will walk through."

SENIOR ADMINISTRATION OFFICIAL: Sure.

Q Then the other one that begins, "they're always drawing new lines," and ends "self-fulfilling prophecy of pessimism about Russia."

SENIOR ADMINISTRATION OFFICIAL: Sure.

Q Can you answer a quick question about the scientists' claims that the CIA destroyed all files on radiation testing --

SENIOR ADMINISTRATION OFFICIAL: All I can tell you is that Director Woolsey has ordered a review of all the CIA's files on that subject.

END 3:29 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIALS

January 5, 1994

The Briefing Room

3:26 P.M. EST

MS. MYERS: In a moment we're going to begin a BACKGROUND BRIEFING by two senior White House officials. The purpose of this briefing is to provide somewhat of an overview of the trip.

I just want to emphasize, before we get going here, that the President and the foreign policy team has spent a great deal of time over the past several months preparing for this trip. It is something that we have been in consultation with the allies on, something that we've discussed at great length both internally and with the allies working out the details of both the policies and the specific sites along the way.

The President, as you know, has spent a good deal of time both prior to this week and certainly this week -- on Monday he had several meetings with his foreign policy team to discuss both the overview of the trip and the NATO and EU portions. Last night be met with some outside experts on both Europe and Russia. Today he had --

Q Who was that --

MS. MYERS: We'll get back to that. Today he had a lengthy meeting on Russia, as well as a lunch with columnists from various newspapers and magazines.

Q Make any news?

MS. MYERS: Pardon me? Make any news? You'll have to wait until tomorrow to find out -- actually, one of the wires was represented, so I'm sure there will be something on that shortly.

Q That's not fair. (Laughter.)

MS. MYERS: Tomorrow the President will go to Milwaukee, where he will address the broader themes of the trip in the first of three speeches that will look at the overall sort of goals and objectives of the trip. Overall, the President's going to focus on the challenges and opportunities in Europe on this trip -- specifically, to reestablish our ties to Europe through NATO and the EU; to reach out to Eastern and Central Europe through the Partnership For Peace; to continue to work on denuclearization issues in both Russia and the Ukraine; to reaffirm our support for the continued democratic and market economic reforms in Russia during our stops there; and finally, to continue to develop an overall policy towards Europe that integrates strategic economic and security concerns.

Finally, there will be one more round of briefings on Friday. At 10:30 a.m. on Friday morning, the President will meet with a bipartisan group of congressional leaders to discuss the upcoming trip. Following that meeting, Secretaries Christopher,

Aspin and Bentsen will be in the Briefing Room here for sound and camera to talk about the overall trip. And I think probably on Friday afternoon, we'll do one final briefing on Russia.

So, without further adieu, I give you the senior administration officials.

Q What time do you think the briefing will be at?

MS. MYERS: Probably 11:45 a.m., something like that.

SENIOR ADMINISTRATION OFFICIAL: Some of you have heard this before and at the risk of boring you by agreeing with other senior administration officials, let me first talk about how the President sees the context of the trip and what's at stake here.

Over the next months and years, several very important decisions are being made in Europe and in the western world -- Russia's fate; that of the other NIS states; whether the really extraordinary progress toward democracy and free markets that we've seen in Central and Eastern Europe will continue and those countries will feel they can look West with hope rather than East with fear; whether NATO will be as central to post-Cold War European security concerns as it was during the Cold War, and a big question for those of us in the West, in the established Western democracies; whether our governments and societies will have the courage to risk change, especially at a time of serious domestic economic and social stress --- more in Europe than here, but here, too; whether we will have the courage risk change domestically in creating jobs, labor flexibility, but also internationally, and the two obviously are part of the same problem in continuing to lower barriers to trade, to open markets. And in the European context, in particular, to integrate the new and aspiring democracies of Europe's East rather than to throw up new barriers -- not just military barriers, but protectionist barriers. Not an easy thing to do when everybody has troubles at home -- to be open to the world. And all of these choices play into each other, and they set the framework for the trip.

Now, one eight-day Presidential trip to Europe is not going to determine the outcome. And the outcome lies primarily with the citizens of the societies affected. But the President believes that in the course of this trip, he can articulate his concept of what the new post-Cold War security challenges are and a strategy for dealing with them in broad terms, but also in some quite specific proposals. All of them could come under the word of "integrating." During the Cold War, the security problem, to be crass about it, was to keep the bad guys out of Western Europe. Now it is to expand the circle of democracies and market economies to embrace the former communist states; integrating in the largest sense of the word, the question of NATO's openness, but the openness of Western markets, the openness of Western political systems and vice-versa, of course.

So let me say, just very briefly, how each of the stops, before we get to the former Soviet Union, plays into this broad agenda. First, the President will begin in Brussels next Sunday with his first speech about Europe. He's spoken very courageously, I think, about Russia at the very beginning of the administration. But this will be the first speech he has addressed to the subject of U.S.-European relations aside from the very critical relationship with Russia which, in my opinion, is the single most important aspect of European security, including the security of Western Europe and Central Europe.

So we think this is an important occasion for him to lay out the overall framework for his concept of U.S.-European relations after the Cold War, the new security challenges and the American role in them.

The NATO summit will probably get the most attention, at least before he gets to Moscow, and it's the occasion for the trip, as you know. The challenge for the NATO Summit is to open NATO to new democracies in Europe's east in ways that delivers quite concrete security benefits, but also important political benefits, not least demonstrating to the electorates that reform pays in terms of acceptance by the West, and can address the security vacuum they perceive, that they're not being left in a no-man's land, nobody much cares about them, between the West and Russia without fueling anti-Western fires in Russia that could make the Central Europeans and all the rest of us less secure in the long run.

That's not an easy balancing act, but we think we've found the right formula, the best available formula for addressing it, which is the creation of a Partnership For Peace, which as you know, will get NATO's relations with the militaries of the former communist states out seminar rooms, onto the field actually doing things together.

I won't go into all the details of -- a subject close to my heart, all the mechanics, but that's not what you're interested in here. The important thing is the political, the various political spinoffs of this -- what it can do to promote democracy, to promote the kind of networking among militaries of East and West, but also to provide a framework in which the militaries of some of the former communist states would feel comfortable cooperating with each other, not just with those of the West.

We're not going to change their attitudes overnight, but we think this can be part of a process that will affect how militaries in these countries think about their role in a democratic society, and also come to think of each other, as well as the militaries of the West as partners rather than potential adversaries, much as NATO did for France, Germany, et cetera, et cetera. We're going to do this without drawing any formal new dividing lines in Europe. And as some of you have heard other administration officials say, what we want to do now is ensure security and stability for all of Europe. And if you just move the Iron Curtain a few hundred kilometers each, you're not likely to do that.

And our concern is not just with the Russian reaction, which has received most press attention, but the tensions and apprehensions that would be aroused in all the countries that didn't think they were on a fast track to membership if we either identified now who we expect to be NATO members, or by some kind of wink and nod implied who we expect to be NATO members in the first tranche.

But I do want to make very, very clear that excited as we are about the partnership for its own sake, we don't see it as the end of the road. We want it to go like gangbusters and to evolve and be an active, serious cooperative venture. But we are not saying to the Central and East European states, including those in the former Soviet Union, this is it for you -- we're going to make the most we can of the partnership, but this is it. It's the beginning of a dynamic and evolutionary process that we hope will lead to full NATO membership for some people. We don't know exactly when or who, and if we did think we could guess, it would be unwise to say so now. But we really mean this as part of a dynamic process.

Now, after the NATO Summit, the President will go to a summit with the European Union. He does that every six months, as the European Union changes its presidency every six months. But this will be the first one since the Uruguay round was completed and since the Maastricht Treaty was ratified and the European Community started calling itself a union. It's a wonderful opportunity to set the post-Uruguay Round trade agenda, including market access for Eastern and Central Europe -- when I say Eastern Europe, I mean Russia as well, so including Eastern and Central Europe market access, which is

all part of the integrating process. But also it's a time to address the desire of the European Union members for a stronger foreign policy role, which is something we're very open to and we have specific ideas how we can make clear that we are open to this.

After he leaves Brussels, he will go to Prague for a meeting -- it's not a bilateral meeting with the Czech government, it's a meeting with the leaders of the Visegard states: Poland, Hungary, the Czech Republic and Slovakia -- something that's never happened before and that we are really very excited about. He will obviously talk to them about the opportunities the Partnership offers to them, and how they can take it and make it something really very interesting to them and interesting to their electorates, which is not unimportant to politicians. But also talk about the American role in their political and economic transition. These are the countries that have probably come farthest of the -- certainly come farthest of the former communist states. None of them feel that their democratic and market evolution is secure. All of them want -- there are specific things they want, but even more than the specifics, they want certainty of a sustained Western, including American, engagement, which they frankly had doubts about since the heady days after the Berlin Wall first came down. And we have some very specific ideas -- none of which is going to be a headline grabber -- but we think altogether will demonstrate that we mean to be engaged in a more imaginative way, not only by bringing them closer to NATO in an evolutionary process that can lead to membership, but in their political and economic transformations.

And after that, we go on to Moscow and Minsk.

SENIOR ADMINISTRATION OFFICIAL: Good afternoon, pleased to be with you. Let me just make a few comments about the President's trip to Moscow and then about his trip to Minsk, which follows. And I would open by saying, which you already know, this is the third meeting that the President is going to be having with President Yeltsin, will have had since April of last year. You remember in Vancouver they met for two-and-a-half days and, I think fair to say, established a new relationship between the United States and Russia -- a broad relationship based on economic cooperation, a security partnership in foreign policy cooperation. They then met briefly in Tokyo during the summit when President Yeltsin came for the G-7 plus one. There was a separate bilateral where they continued those discussions.

This meeting is in many ways an outgrowth of those two meetings, because we certainly want -- the President wants to reaffirm the partnership he is developing with President Yeltsin. But it also takes place after a very turbulent and historic four or five last months in Russia where we saw the constitutional challenge in September, the siege of the parliament in October, and the elections in December which, in effect, closed the door on the Soviet Union. So, the constitution in the Soviet parliament passed into history.

We are at a very interesting juncture now in Russian history. If you look at the events of the past few years in a longer term perspective from December 25, 1991, the day the Soviet Union dissolved, until December 12 of '93, there was, in essence, a two-year power struggle between reformers and those who were not interested in reform. And to be very simplistic about it, the reformers won that power struggle. But the reformers who did so now face a considerable number of challenges as they look towards the future. And that is the setting in Moscow that the President will experience when he gets there next week.

And a key question for us, of course, is how will the United States -- how should the United States respond in this relationship, in this partnership to the challenges facing the

Russian government? And let me just cite for you a couple of major themes as I see them for the President's trip. I will then -- I would then like to review some of the major issues that he'll be dealing with, and then I'll run over the schedule very briefly.

I think it's for us very clear that the first objective that the President has is to clearly, publicly articulate the continuity in U.S. policy towards Russia. And that policy is unequivocal support for Russian reform in all of its dimensions for Russia reformers, including the leading personification of reform, Boris Yeltsin. We are not in the position of sitting on a fence waiting for events to unfold. We are clearly taking the position that history is with those in Russia who want to create a democratic society and some form of a market economy. That is very much in the American interest that that happen. It has all sorts of implications for security in Europe, as my colleague has mentioned, and also for our own situation here at home in terms of our defense spending and the security of the American people as we look towards the future. So the President since he came into office has taken a very clear view of events in Russia and of our relationship to them and he continues to do that. And I'm sure that in his opportunities in his press conference, but more importantly in his speech to the Russian people, that will take place on the second day of the visit he will make that point very strongly.

I think the President will also want to reaffirm the foundations or the new pillars of the U.S.-Russian relationship -- and I'll get into that in a minute -- in all of its dimensions. And third, he will want to reach out to a broad cross-section of the Russian public. This will be his first visit to Russia as President. He has an opportunity to meet people he has not met before, obviously, and he will take advantage of that opportunity.

The goal here is to build very strong lines of support, certainly to the Russian government but also to reformers outside of Moscow. And we're hoping that there will be a number of people in from the provinces -- governors, members of the new duma and the new Federation Council, which will, in fact, be meeting the week that the President arrives.

Let me cite for you four principal issues that I think will dominate the substantive discussions between the United States and Russia at this summit. First is, of course, the whole set of economic issues that since Vancouver have been at the very heart of this relationship. The President feels very strongly that the lessons of this election are -- the Russian election -- are that Russian economic reform must continue. It must continue firmly and it must be very aggressively pursued.

Along with that, however, the President I think since the day after the election has been articulating a complementary view, and that is along with the continuation of reform the Russian government should seek to develop a comprehensive cushion, if you will, to protect the Russian people through this very, very difficult transition period. I think the President made those comments when he was on the road the first two days after election. It's very clearly what Boris Yeltsin wants to do, and he has said so in public and he's said so privately to us. And the President will want to listen to President Yeltsin and hear his view of how Russian economic reform will proceed. He will certainly want to discuss with President Yeltsin how the United States and the G-7 and the west in general can respond to that vision. And here I'm talking about a continuation of the programs that have been put in place, most notably in Tokyo last July, the $28 billion support program for macroeconomic stabilization, but also to discuss how the United States and other countries and the international financial institutions can play a greater role in trying to help the Russian government provide for the

basic social protection of the population as they undergo this historic transformation process.

Two other economic issues will be very important in Moscow. The first of them is, of course, the bilateral programs of support that the President put in place in Vancouver. And here the President will, in effect, be reporting to President Yeltsin on the progress that the United States has made in support of Russian reform. You remember in Vancouver the President announced a $1.6 billion program of support. He will report to President Yeltsin on how that has been implemented, how much of the money has been obligated, where it has gone, and in a fairly detailed fashion. And I think we'll be glad to share with all of you next week in Moscow the details of that program as well.

In addition, as you know, the Congress passed a $2.5 billion program of support for Russia and other NIS reform in September. And the President will want to give President Yeltsin a view as to how that money will be spent in 1994.

The third economic issue is perhaps the most important for the long term. And my colleague touched on it in remarks about East and Central Europe, and that is how can we in the West find a way to support reform long-term. The answer, we think very clearly, is through private trade and investment; is through an economic engagement between our two countries, because ultimately what American and Japanese and European corporations are able to do in the way of investing and trading in Russia is far more important than what the IMF and World Bank can do or what the United States or any other number of western governments can do. That is a long-term process. There are a number of barriers in place to trade on both sides. And the President will want to emphasize that issue with President Yeltsin.

The second major issue that will come up is, of course, Partnership For Peace. This is a proposal that unifies the President's trip to Europe, as my colleague mentioned. We look forward to Russian participation in the Partnership For Peace, and we fully expect that that will happen.

The third major issue will be a discussion of foreign policy issues. And here, I think the United States again has been able to make considerable progress in our dialogue with the Russians on how we cooperate on foreign policy issues. We are cosponsoring the Middle East peace process. We have been a very close partner of Russia in discussing the events in Bosnia and how the world should confront the problems in Bosnia.

We have had, as well, a close dialogue on the issues in Russia's so-called "near abroad." And here, I think the President and President Yeltsin will discuss a number of specific issues of concern to the United States. I would just mention one, for illustrative purposes. The United States believes very strongly that Russian troops should be withdrawn from Estonia and from Latvia. We believe this is the intention of the Russian government. We are not an intermediary in the negotiations among these countries, but we are trying to help behind the scenes as a friendly partner to all of the countries concerned, and I think we'll want to have a very indepth discussion of that issue in Moscow.

The fourth issue, of course, is denuclearization. This, in many respects, along with economic assistance reform is the number one foreign policy priority of the administration in the former Soviet Union. We have made considerable progress.

The Belarussians have acceded to the Nonproliferation Treaty. They will become a nonnuclear state. President Nazarbayev of Kazakhstan in late December when Vice President Gore was visiting

announced his intention to accede to the NPT. We are now engaged in very complex and very important negotiations with the Russians and Ukrainians to see if we can make similar progress with Ukraine. That will obviously be an issue of great importance at the Moscow summit.

Having laid out those general themes and general issues, let me just take you briefly through the schedule. The President arrives, I think as you know, from Prague on the evening of the 12th of January. There are no events scheduled that evening. He's got two days of meetings and four substantive encounters with President Yeltsin.

On the first day, they will begin with a one-on-one in the Kremlin. That's Thursday morning, January 13th. I think that will be on broad themes of our relationship and particularly sensitive issues in the relationship. That is followed by a larger meeting on economic issues. They'll cover the issues that I just listed for you.

That evening, President Yeltsin will be hosting a small dinner for the President and a number of his advisors. And I suspect they'll have important discussions on foreign policy and other issues at that meeting.

And the following day, Friday the 14th, there will be an expanded meeting on security issues and military-to-military issues. The President will, of course, be doing more than just having his official meetings in Moscow. He intends to have a meeting with the Patriarch of the Russian Orthodox Church, Aleksiy II. They have not met before. We had hoped that they could meet earlier this year, but the Patriarch had to leave the United States early on one of his prior trips. The President is looking forward to that. The President will also visit the Tomb of the Unknown Soldier -- I think most of you know that -- just outside the Kremlin gates.

These two events, I think -- we hope will show the deep respect that we as a country have for Russia and for the Russian people. The church is a very important institution in Russian life. And, as you know, the great patriotic war -- the Second World War -- is also a defining event in recent history in Russia. And so the President very much wanted to do those two events.

In addition, the President is hosting a reception late Thursday afternoon, early Thursday evening, for between 100 and 150 leading Russians from politics, from the arts and from other fields. This is an attempt on our part to reach out to people that maybe we normally do not encounter in our government work, people who are influential in Russia and who are distinguished in Russian society, and people from beyond Moscow. As I mentioned, the duma and Federation Council will be meeting. There will be people from the Far East, from Southern Russia, from the Urals, from Siberia in Moscow, and it's a good opportunity for the President to meet them. So he intends to do that.

I would say one of the most important events of the trip, finally, will be the speech that the President intends to give to the Russian people. That's scheduled for late Friday afternoon.

Let me just say a word about Minsk very briefly. The President will travel to Belarus, to its capital, Minsk, on Saturday the 15th. He'll be spending most of the day there. And the President is going to Minsk for two reasons. First, obviously, we are very pleased that Belarus has decided to denuclearize, to become a nonnuclear state. And we think that it is important to continue to support the Belarussians in that process. It is a long-term process. It's costly for them to dismantle and destroy the nuclear missiles, weapons and to remove them, transport them to Russia. And we are assisting in that process through Nunn-Lugar legislation.

Second, there is a real battle underway in Belarus for the future. And the battle, in essence, is similar to the battle that we've seen in Russia over the last two years. And, very generally, it's between those in the parliament and in the government and society who want a democratic, economic, reform future for the country, and those who do not. Chairman Stanislav Shushkevich, who is the Chairman of the Belarussian Supreme Soviet, is the leading reformer. The President knows him. They met here at the White House in July. The President has enormous respect for him. And I think that in his visit to Minsk, the President will want to speak about the importance of democratization and the importance of people in Belarus deciding that their future lies -- as it does we think with Russia and Ukraine and the other states -- with democracy. So that's a very important theme of that trip.

Those are general comments. I think my colleague and I would be very glad to take your questions.

Q I understand that Russia has finally paid up on their agricultural credit arrearages for '93 and that now USDA Secretary Espy sees them as creditworthy. But with Russia and certain people in the administration not wanting to have a commodities link to this summit, do you anticipate any discussion of new credit that would be available in early -- in a year for Russia, or would you expect Russia to make a symbolic payment of their Russia GSM 102 credit payments that's due in January during this summit?

SENIOR ADMINISTRATION OFFICIAL: Just a brief response, then a brief footnote. The issue is whether or not the United States will want to get into the business of commodity credit extension towards Russia for their purchase of our agricultural commodities. I believe that the United States put forward roughly $5 billion worth of such credits in a two-year period between '90 and '92. Over the last year Russia had been in default, and so the program, by law, had to stop. It is true that Russia has now made up those payments and is fully in compliance with the law, so it is theoretically possible for us to think about the extension for credits for commodity exports -- commodity sales.

At this time, the Russians have not asked us for any such commodity credit extensions. And so I don't believe it will be an issue in Moscow.

Q Is there any danger that the President going there, that it might make Yeltsin look too beholden to the West, with the rise of nationalism that Zhirinovsky might play on this and make this an issue?

SENIOR ADMINISTRATION OFFICIAL: President Clinton was invited by President Yeltsin to visit Russia, so I don't believe that's a problem at all. And I would just say that I think certainly the United States feels -- and I think the Russian government does, too -- that this process of integration, of integrating Russia into the West economically and politically and, indeed, in a security sense -- the Partnership for Peace -- is the most critical element in building a peaceful relationship for the Russians over the future. So we feel very good about this relationship. We think it's in the interest of our country. I think President Yeltsin feels the same.

Q How does the President finesse the Zhirinovsky problem? Isn't there going to be a great deal of tension to his not meeting with Mr. Zhirinovsky during his visit to Moscow?

SENIOR ADMINISTRATION OFFICIAL: Well, as I said, the President's going to meet with a broad cross-section of leaders. There are no plans to meet with Mr. Zhirinovsky.

Q How do you -- what kind of things do you have in mind in helping the Russians with the social protections aspect that you talked about? And can you square the circle between yourself and Strobe Talbott? There seems to be some question about whether the administration is still as gung-ho on economic reform or whether there's going to be more emphasis on --

SENIOR ADMINISTRATION OFFICIAL: Well, let me take the second part first. The administration is unified and has been unified in this issue, and there's no disagreement in the administration. The President has set the tone on this issue, and everyone in the administration agrees with the position -- at least those at the senior levels. We believe that the lesson of the election is two-fold.

First, it's very important that Russian reform continue -- Russian reform in the person of privatization of state industries, price liberalization, macroeconomic stabilization. Without that, we're very much afraid that the situation -- the economic situation -- will deteriorate. And so that is a strongly felt view within the administration. But secondly, we would like to try as best as we can to work inside the G-7 and with the international financial institutions to see if all of us can expand our efforts, or enhance the effectiveness of our efforts, to help the Russians build a cushion to protect their population.

Now, I would say first that's a Russian job. The Russians have to define what it is they want to do. They've got to decide how they're going to do it. And at that point, I think the West, led by the United States, will be very eager to talk to them about what it is that we can do to respond to those developments. But it really wouldn't be appropriate for us, I think, to go out and design a social safety net for Russia.

That's why the President's major focus on this issue in Moscow is going to be to listen -- to listen to what President Yeltsin intends to do. I think what the President will be willing to say is that we will commit ourselves to help this process work, because we understand how important it is for the future of reform.

Q Can I follow up on that, please? But does the administration want the IMF and the World Bank to ease the conditions under which it will provide loans to Russia, because the Vice President, in his trip, seemed to be complaining that the IMF and the World Bank were being too tough.

SENIOR ADMINISTRATION OFFICIAL: What we went is -- let me just take you through very briefly so as not to bore everybody again, the two pillars of our economic policy. We want the IMF and the World Bank, the G-7 to continue their programs of macroeconomic support for the Russian government. That is terribly important -- I would say even critical -- for any possibility that reform is going to succeed. And that is what we have told the IMF and the World Bank.

In addition to that, we think there are ways that the IMF and the World Bank and the United States can be more effective in conveying assistance to Russia, perhaps in some fields be more energetic -- all of us. And certainly, I think the President and Vice President have both spoken to the need to be creative. I think both of them have used the word to be sensitive to what the message of the elections was -- and that is that people are hurting during the transition. So, what we have done over the last couple of weeks is sit down privately within the administration and try to think of ways to do that.

Let me give you an illustrative example. We have not gone to the Russians with ideas in having gone to the G-7. But we

have already instituted a privatization fund at the Tokyo summit last year. It's a G-7 fund. The United States is contributing $125 million to set up a large enterprise fund that will lend money to the large state enterprises that want to privatize that will help them through the perils of the transition process, and importantly, that will help the cities and the regions in which these enterprises are located to also adjust to privatization; because, as you know, the way Soviet economics worked, health care, education were all tied to the enterprise. That is going to be a process of devolution of powers and of responsibilities in the Russian economic system because of these great changes.

Perhaps the World Bank can contribute more to this effort. Perhaps the United States and its Western partners can contribute more. We do not yet have any firm view as to what might happen. The first thing that has to happen is we have to listen to the Russians, see what the Russian government wants to do. The second thing is to build an effective program of Western support, and the President is determined to do that.

Q What is there on this trip to reward, if you would, the Visegrad states for the relatively greater progress they have made toward democracy and market economies with the understanding that the Partnership For Peace is not what they were looking for, not completely --

SENIOR ADMINISTRATION OFFICIAL: Well, it's not all they were looking for, certainly. You're quite right about that. Some specific things, but as I said at the outset, none of the individual things we have there is a headline-grabber. I think a sense that the West is open to them and is opening in a continuing and evolutionary process to them can be portrayed by them quite legitimately as a success and a reward, to put it crassly, for reform. That means closer cooperation, practical cooperation with NATO. That means continuing improved access to Western markets. That means a sense of sustained American, as well as West European engagement in their economic and political transformation.

I see the perplexity in your face and I understand it, because it all sounds sort of nebulous and fuzzy. Their situation is very different from that of Russia, simply because they are so much farther along. In some things, though they are similar. What my colleague was saying about the lesson of the Russian election, in a less dramatic way it's dangerous to make comparisons, because the situations are so different. But there is a similar lesson from the Polish election. The Polish economy is a major success story. They applied shock therapy early, it worked. It's the fastest-growing economy in Europe, in the world, possibly; certainly in Europe. And the people don't feel -- "Joe Sixpack" doesn't feel he's necessarily benefiting from it, as the results of the election showed.

Our suggestion in Poland is exactly as in Russia, that the answer is not to slow down shock therapy, but that we need to be more creative in helping them devise means of helping communities and the society in general adjust.

Probably what we can do most for them is helping them attract American investment as well as market access, simply because their economic situation is different. They would be the first to tell you that the West doesn't have the solution to their problems, that it lies with them -- and they're proud of the fact that it does lie with them. They don't want lectures about how to become a democracy, they are democracies. They know there are threats to that. So what we can offer is a sense of sustained engagement and on an evolutionary basis, opening to the West in ways that will not prematurely draw new lines in Europe.

One thing I --

Q Let me rephrase it. What do you have to convince them that they're not once again playing second, third or fourth fiddle -- they're just not as important as Russia, because that's who this trip appears to be focused on, to the exclusion, almost, of the Visegrad states?

SENIOR ADMINISTRATION OFFICIAL: Well, that's an extraordinary impression, since the Visegrad meeting is the first time any American president has done anything of the sort. Now, the press can decide if the NATO meeting is the most important event on the trip, or Russia is the most important event on the trip, but that's honestly not the way we see it. In some ways, we see the -- it's silly to compare -- but there are ways in which the Visegrad meeting is the most exciting aspect of those of us planning these meetings simply because it is something different and innovative and they recognize it as such. It's also a mark of our support for cooperation among them and we have some specific ideas for how we can facilitate cooperation among them.

One thing we have to make clear is that this isn't an effort to sort of re-ghettoize them, to push them into free trade and security arrangements with each other, but it's a way to facilitate their integration with the West; the more they demonstrate, they can cooperate with each other, the more welcome they will be in the West.

But let me make one more remark about how this trip ties together. My colleague and I have both been focusing on what the West can and should be doing to contribute to and help the democratic and economic reform process in Central and Eastern Europe all the way through Russia and beyond. That is not instead of a revitalization of the traditional transatlantic partnership; it is the way to revitalize the traditional partnership, which has always been based on a partnership to ensure security in Europe. We have an opportunity here to move beyond the Cold War demands on our economy, on our society, and ensure a Europe in which those kinds of lines don't need to be drawn.

But we can demonstrate to the Central Europeans that we are there with them for the long haul of their political and economic transformation and that in the process of doing what outsiders can do to help, which is not everything but is more than I think many have realized, we can through the Partnership For Peace -- and I want to be careful of how I say this, because we do not think Russia is going to turn out badly -- but to put ourselves in a position where if it should through these active programs of military cooperation, we would be more in a position to draw new dividing lines should that become necessary, which we do not expect to happen. But we don't want to do anything that would make it more likely that that should happen.

Q -- are finding out -- at least some of the NIS have different priorities. For example, they want to talk about new threats -- the kind of work being done right now at the Pentagon. You didn't talk at all about that one.

SENIOR ADMINISTRATION OFFICIAL: No, I didn't. But I think -- I'm glad you raised that, because that's something that I think is very interesting. This NATO summit is going to launch a NATO project on proliferation, not to try to duplicate what's being done elsewhere but to look in in a very serious way to what NATO's unique or special contribution can be, not only to preventing proliferation but also to counter proliferation. And that's not throwing in the towel on nonproliferation; it could contribute to nonproliferation by demonstrating that proliferation doesn't pay. The game's not worth a candle.

Now, the reason I didn't mention it is that all this NATO summit is going to do is launch a NATO program, which tends to make people's eyes cross, rather than have a decision to announce. But in fact, it gets NATO into a very important new area, which could be relevant to the security of its own territory. And I think that nicely balances what we're doing to make NATO more relevant to security in the East. It's all part of updating NATO to the post-Cold War world.

Q Could I ask about Russia for a second? You remember in Vancouver Yeltsin made a big point of asking for permanent MFN status and for promises that the U.S. won't use its nuclear submarines to snoop around the coasts of Russia. What progress have you made on those two issues? What will you be able to tell him when you get there?

SENIOR ADMINISTRATION OFFICIAL: There are a number of issues that came up in Vancouver of that type. Let me just try to deliver a report card on how we've done. President Yeltsin asked, or stated his opinion, that COCOM was discriminatory against Russia. And as you know, the United States is leading the way with its western partners to do away with COCOM, to create a new institution in which Russia would be a member, an institution not directed against Russia, but in which Russia would help involve itself with the West in fighting the problem of proliferation.

Second, President Yeltsin asked that the United States take away from its books, from our laws, 60 to 70 statutes, regulations and laws from the Cold War period that discriminated against Russia as a "communist country." The President wrote a bill. He lobbied for the bill in the Congress. He had the support of both parties in the Congress for that effort, and that bill passed in November.

President Yeltsin was also interested, as you said, in Jackson-Vanik. Right now Russia has received, at least for the last couple of years, annual waivers from the Clinton administration and the Bush administration before it to provide MFN. This is an issue, frankly, that we are still studying. There are a number of options before the President. He has not made a decision.

President Yeltsin also asked for a quick disbursement of U.S. aid -- I mentioned that before we did it -- 100 percent obligated, a vast majority of the funds actually expended on the ground in Russia. So, I think that our --

Q -- are, in fact, projects that are being built out of that $1.6 billion or are being done?

SENIOR ADMINISTRATION OFFICIAL: Absolutely. Yes, $1.6 billion. One hundred percent of the money is obligated. You understand that term of art.

Q Yes, it means you've agreed to do something. It doesn't mean anything is done --

SENIOR ADMINISTRATION OFFICIAL: And as I said, we'll tell you next week that the vast majority of the funds have been expended in Russia -- money spent on projects in Russia. And we'll give you -- in fact, what we'll do next week if you'd like is run through each of the projects, if you have that kind of patience or interest and go through them. It's a good record.

Q Are any of those projects viable enough for the President to see them? Did you find anything that he's going to --

SENIOR ADMINISTRATION OFFICIAL: Interestingly enough, most of the projects are outside of Moscow and by design -- by design

because that's where the Russian people are. That's reform is occurring, not just in the capital city. He is -- we are hoping that he'll be able to visit a project that has received U.S. aid. We're still working that out. But let me just continue the list.

Q What will that be?

SENIOR ADMINISTRATION OFFICIAL: We don't know yet. We're still working that out. But let me just continue the list -- President Yeltsin also asked for an enterprise fund. He wanted a mechanism from the United States to help create small businesses. The enterprise fund has been created. It has started. It is physically opening its doors in Moscow a week after next. They discussed at Vancouver the opening of a G-7 office in Moscow to help make more rational G-7 assistance to Russia and to organize it and to make it more aggressive. That office is opening again next week. The President will announce the name of the American who will head it and of a German deputy director.

We also at Vancouver talked about this large enterprise fund. That is also underway. And so I think as you look back at Vancouver, it really was a case of the President making a number of commitments, and I believe he's fulfilled almost all of them.

Q Submarines?

SENIOR ADMINISTRATION OFFICIAL: Yes, I believe as a result of the instance that took place just before Vancouver, I believe that our military has been in touch with the Russian military, and we're quite confident that kind of incident will not recur.

Q On foreign policy, can you please explain whether the U.S. is at all concerned by a rising nationalist trend in Russia's foreign policy? And whether this is at all worrisome, specifically remarks by Kozyrev, both before and after the election, that seem reminiscent of what he said in Stockholm in December of '92 -- moves to put Russian peacekeepers in the "near abroad"; certainly a sense that if the United States isn't going to pay to provide for what is perceived as Russia's own security, that Russia will have to do it themselves? I mean, is the President bringing any message of concern or will he be asking President Yeltsin for any assurances in this regard?

SENIOR ADMINISTRATION OFFICIAL: Well, as I mentioned before, the United States is very interested in having the best possible cooperation and the best possible ongoing dialogue with the Russians on foreign policy issues. Terribly important for Russia's neighbors, and terribly important for our ability in the United Nations and the Middle East, to name two areas, in order for us to achieve our own objectives. I think I would say that the record of Russian foreign policy since December 25, 1991, has been in marked contrast to the foreign policy of the Soviet Union, its predecessor.

For the most part we have cooperated very well with the Russians. We have had our disagreements, which are to be expected, but we have, including recently in the last four or five months. What we will emphasize in our discussions with the Russian government is that Russia, obviously, like all countries, must be a good neighbor; that Russia must respect the borders of its neighbors, the territorial integrity, the sovereignty of its neighbors. Russia has indicated its interest in withdrawing its troops from the Baltics. We think that's very important. We hope very much it happens. It will be a very good demonstration of Russia's commitment of the principles that I just listed. And we think it will happen, but it will -- it will be a subject of discussion in Moscow.

You mentioned peacekeeping. A very complicated issue. And it's easy to confuse, say, the Baltics, where the troops are not wanted, where the Estonia and Latvian governments want them out -- and we have a lot of sympathy with that -- with, for instance, Tajikistan, a member of the Commonwealth of Independent States, that has invited the Russian government, the Kazakh government, the Kyrgyz government and the Uzbek government to station troops on the Tajik-Afghan border. That was done via international consent, through the consent, sovereign consent, of the government of Tajikistan -- a very different situation than the situation in the Baltic states, one in which we are not inclined to protest, obviously. In fact, we would even say that the multinational force on the Tajik-Afghan border, has been a stabilizing force on that border. So I think we all have to be careful about generalizations about Russian foreign policy.

There are conflicts in between Georgia and Nagorno-Karabakh, to name two, that are very difficult conflicts. They will also come up in the discussions in Moscow.

Q One more question about the aid programs. The President has spoken about the need to have things that will show the Russian people that there are actually tangible benefits of reform. This is the first we've heard about these projects on the ground that are actually up and running. Is that they're just so small and their effects are so marginal that it's not worth --

SENIOR ADMINISTRATION OFFICIAL: It's the biggest country in the world. It's 11 time zones across. We are going to be spending, what, from '93 to '94 a couple of billion dollars in a country of 175 million people. We are not doing -- we are not committing some of the mistakes that were made maybe in the '50s and '60s by a lot of countries who were not building visible dams, for instance, were not building airports. We're investing in people. What we're doing with our money is we're putting $225 million into privatizing firms over three years. We're putting $300 million into the creation of small business through the enterprise fund; another $125 million into the large enterprise fund. We're going to be putting a substantial amount of money, $160 million, to construct 5,000 housing units for Russian military officers as an incentive for the withdrawal from the Baltic states. We'll be spending roughly $200 million over a number of years on democratization programs. We're going to bring 25,000 Russians and Ukrainians and Armenians to this country for college, university and post-grad studies.

So a lot of the money goes for this type of thing. A lot of it is not in bricks and mortars -- some of it is -- but a lot of it is not. A lot of it's in people; it's in the transition process. And if you will, it's somewhat invisible. You're not going to see the money that goes to pay for somebody from Smolensk to study at Indiana University for four years. You're not going to see the money -- at least it's not going to be on the street -- that privatized a firm in Vladivostok. But that is going to produce the kind of change that we think will lead to a reformed future. And we think investing in people is the most important thing. But we can try to make the money visible. We'll try to do it with you next week when we unveil some of these numbers.

Q Where do you say that they have cooperated on Bosnia? And when do you think Russia will join the Partnership For Peace?

SENIOR ADMINISTRATION OFFICIAL: I expect that Russia will join the Partnership for Peace very soon. But I think first --

Q Will they discuss it --

SENIOR ADMINISTRATION OFFICIAL: Well, I think first there needs to the NATO summit and then President Clinton and President Yeltsin need to discuss the concept, and then I would expect that Russia would follow very shortly thereafter.

Q -- he's indicated that?

SENIOR ADMINISTRATION OFFICIAL: We've had -- obviously we've had discussions with the Russian government. We've received very good indications that they want to join, they want to participate, and they favor the concept. As to Bosnia, my colleague's the expert on Bosnia, not me. I would just say we haven't always seen eye to eye with the Russians, but we've had a good dialogue, which is in marked contrast to the U.S.-Soviet period in foreign policy.

Q Haven't they really been supporters of the Serbs alone --

SENIOR ADMINISTRATION OFFICIAL: No, that's an oversimplification. They have historic ties, obviously, with the Serbs. There's a great deal of sympathy in this country historically for the Serbs, who are an admirable people, which is not the same thing as support for the present government of Serbia.

If you notice, every time there has been a western proposal for a Security Council resolution, the Russian government has supported it. These are very, very hard issues in which the right is almost never entirely one side. On almost all the issues once I make up my mind I'm certain I'm right, but I could give you a good case on both sides of the issues. They're extraordinarily hard issues. We talk about them; we agonize about them internally, each of us. We talk about them within this government. We talk about them with our allies, and we talk about them with the Russians. And at the end of the day, we have worked out an agreement among all the permanent members of the Security Council -- the West Europeans, the Russians and the Chinese acquiescence -- but with active Russian participation.

We have, as you know, a special envoy in the talks as do the Russians -- Deputy Foreign Minister Churkin. The relationship has been constructive, which does not mean we've agreed on every detail, but that these are hard issues on which honorable men can disagree. But the relationship has been very constructive.

Q When he finishes at NATO and goes on to Prague and the Partnership For Peace looks a little more definite, will President Clinton ask those countries, which have been very vocal saying they want NATO membership, to withdrawal their formal applications? Does he think that they have to take a step back now from that?

SENIOR ADMINISTRATION OFFICIAL: I don't think so. I'm not sure there's a way of applying for NATO membership. They've announced that they would like NATO membership. What they want to say about their desire for NATO membership is absolutely up to them. I'm not going to pretend that they're going to stop wanting -- in fact, none of them is asking for NATO membership now, what they want is to be identified as in the fast lane, as the favored candidates, with some assurance that if they do the right things, they will get in regardless of what is happening elsewhere in Europe. I don't think they're going to change that view. What I do think is that as they come to understand what the partnership can do for them, they will be more enthusiastic about that, which does not mean they will stop wanting full membership.

And we haven't been able to do the kind of sales job that I think is easy to do, because NATO is still working out the

details. The partnership is not an American creature. And that's one reason Madeleine Albright and General Shalikashvili are going off to Central Europe at the end of this week, because now we're finally in a position to talk about some of the details. And, as I've had conversations with senior officials -- including some very senior officials from some of those countries -- when you can sit down with them one on one and talk about what's in it for them, they don't say, "Okay, you've convinced me. This is better than NATO membership." They say, "Yeah, I didn't realize there was so much in it here. We can make something of this."

Q When they ask to be part of the partnership, there's this list of things that they have to certify that they will work towards, is that right?

SENIOR ADMINISTRATION OFFICIAL: Yeah, it's a little bit more complicated than that. NATO does not pass judgment on anybody who wants to join the partnership. People would have to sign what's called a framework document which will have some political as well as military commitments. The political commitments -- some of them are reaffirming U.N. and CSCE commitments. Others are to work toward civilian control of the military and transparency in military budgets.

Q Do they have to pledge to a timetable on those things?

SENIOR ADMINISTRATION OFFICIAL: No. absolutely not.

Q All they have to do is to they believe that those are good things to have.

SENIOR ADMINISTRATION OFFICIAL: But then they would file -- if you want to get into the mechanics -- something we call a commitment document which would be two-part. The first part is what resources they can make available -- military units, medical units, bases, infrastructure, et cetera. The second part is what steps they plan to take over a time -- not overnight -- but progressively to increase civilian control of the military. And they're not starting from ground zero, but to increase civilian control of the military and to increase transparency of military budgets. NATO does not pass judgment on those.

Q Will NATO monitor as time passes whether they are meeting this --

SENIOR ADMINISTRATION OFFICIAL: We'll discuss it as time passes, and they can discuss what they think, frankly, about our -- NATO members now go through something a defense review process, where we all critique each other's defense planning. The partnership will itself be an evolutionary thing, but there will be an opportunity in NATO committees at NATO headquarters that are there and at the planning cell at Mons to review partners' programs and for them to say what they think about what we're contributing to the partnership.

Q But could NATO ever vote to kick someone out of the partnership because they haven't made sufficient progress?

SENIOR ADMINISTRATION OFFICIAL: That is not provided for, no. That is not provided for. We want the partnership to be a means of influence, but there are no prior criteria for joining the partnership except --

Q -- criteria for kicking someone out who had failed to meet the timetables --

SENIOR ADMINISTRATION OFFICIAL: No. Nor is there a criterion for kicking anybody out of NATO.

Q But the invitation comes from NATO, doesn't it?

SENIOR ADMINISTRATION OFFICIAL: The invitation comes from NATO to all states that participate in the North Atlantic Cooperation Council, which means all former Warsaw Pact states, including all former Soviet republics, and for instance, to the European neutrals who now participate in the NACC ad hoc working group peacekeeping and countries like Sweden, Finland, Austria, Switzerland -- know a lot about peacekeeping. They have a lot to teach the rest of us. And they are -- I don't know that any of them have made a firm decision to join, but there's a lot of interest among the neutral countries. And they like the idea of being able to say how they ensure civilian control to the military. They think this can be a two-way dialogue, and so do we.

Q -- made public those commitment documents? In other words, is this a way to get the new democracies to commit in public to a series of steps to enhance their democracy?

SENIOR ADMINISTRATION OFFICIAL: I don't know if they'll officially be made public any more than NATO documents are officially being made public. But they'll be available to all other participants in the partnership. So there will be very wide distribution. When we talk about, for instance, transparency of military budgets, it's not just so a country's electorate will know how its tax money is being spent on the military, but so a country's neighbors will know and will have an opportunity to critique that just as they can critique our military budgets and planning.

Q In your discussions, have the results of the Russian election made those Eastern Europeans either more enthusiastic about the Partnership For Peace or more anxious to get clear assurances of their pass to full membership?

SENIOR ADMINISTRATION OFFICIAL: Both. And it varies, of course, with individuals. Some Central Europeans -- and some of them have been quite vocal about it -- say this proves that the Russians are going to be a threat again. This is a window of opportunity. Seize it now when you can. Take us into full membership. Other very senior Central European leaders have said to us in private, yes, we very much want a security link with NATO. We want NATO membership in the not too-far-distant future. But we see, and the Russian elections have made us see even more vividly, our own stake in not doing it in a way that would destabilize Russia. And so maybe the partnership is the best thing to do for now. But there are different opinions within these societies, just as there are in this one.

Q -- (inaudible) -- it seems that the French are finding out step by step that a somewhat more decisive position would make sense. Is the President arriving in Brussels with some kind of new Bosnia initiative taking advantage of that moving situation as far as -- (inaudible) -- are concerned, because there had been -- (inaudible) --

SENIOR ADMINISTRATION OFFICIAL: Actually, I would quarrel with the second half of that. I have never seen the French as a stumbling block in Bosnia. They have been the largest single contributor to UMPROFOR and the country most -- one of the country's most willing to consider being more assertive in using UMPROFOR's full mandate. No, we are not planning, so far as I know, and I think I would know, any new initiative on Bosnia. That's not what this summit is about.

Q -- (inaudible) --

SENIOR ADMINISTRATION OFFICIAL: Very much so. Absolutely. Yes.

Q Sounded like you are perhaps anticipating in Russia next week quite possibly signing or announce some kind of intent to join the Partnership For Peace.

SENIOR ADMINISTRATION OFFICIAL: That's up to the Russians to decide. I meant to indicate that it's our very strong feeling that they are positive about it, and they will elect to participate very shortly.

Q Are you hoping the would do this next week while the President --

SENIOR ADMINISTRATION OFFICIAL: It's up to the Russians to decide that question, not us. But we think it will happen.

Q What's the latest on a possible Kravchuk visit to Moscow to meet with the President?

SENIOR ADMINISTRATION OFFICIAL: I've got nothing for you on it. What

Q Is it under consideration?

SENIOR ADMINISTRATION OFFICIAL: I can say is that we are involved in very important and complex negotiations. You all know where we want to end up -- that is, we want a decision by Ukraine and Russia to complete the process of denuclearization. But I really can't comment on anything beyond that.

Q You said in the last couple of weeks the U.S. had been talking about ways to create this cushion for Russian society. Can you share with us what thinking, specific thinking there is for socially-targeted programs for pensioners, for example, and government workers?

SENIOR ADMINISTRATION OFFICIAL: Well, I gave you an illustrative example of an existing program that could be expanded -- the G-7's privatization fund. We do have a number of ideas under consideration. But it wouldn't be really fair to share with you since we haven't adequately shared it with all of my superiors, and we haven't shared it with our allies or the Russians. Once we complete that process, we'll come back to you guys.

THE PRESS: Thank you.

END 4:26 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript January 7, 1994

INTERVIEW OF THE VICE PRESIDENT
BY FOREIGN JOURNALISTS

The Roosevelt Room

12:09 P.M. EST

Q Mr. Vice President, I would like to start with the upcoming NATO Summit in Brussels and the Partnership For Peace proposal. As you know, of course, there is great concern among the Eastern European countries like the Czech Republic, Poland, Hungary, about that proposal, because by not permitting them to become a NATO member right away, they fear that they are left out in the cold again, and this time, for the sake of Russia. Now, to address those fears, you have stated earlier on behalf of the President that the security of those countries affects the security of America. Now, does that mean that in case of any aggression against those countries, the United States is prepared to come to their defense?

THE VICE PRESIDENT: Well, of course, the security guarantee that is extended to members of NATO is not -- specifically not extended to members of the Partnership For Peace. However, the Partnership For Peace explicitly anticipates the expansion of NATO. And the question has now changed; it's no longer a question of whether NATO will expand, it's a question of how and when NATO will expand.

And the Partnership For Peace is, in its own terms, an entity of tremendous value to all those nations which we hope will decide to join the Partnership For Peace. It will have the ability, for example, to conduct training and military exercises, starting right away, with the forces of countries that belong to NATO. It is a process that will begin now, but not end at some determined point in the future, but rather grow and evolve as part of the world's effort to bring about a democratic Europe. We believe there is an excellent prospect to broaden and enlarge this sphere of democracy and this sphere of freedom.

Q But with all due respect, Mr. Vice President, the Partnership For Peace proposal doesn't offer any military guarantee, doesn't offer a timetable. And that's exactly what the European countries have asked for. Isn't it at least a little cynical that the United States and other Western countries have always supported leaders as Walesa and Havel in their struggle against the Russian empire, and now that they have succeeded and want to join the West, we are saying, uh-oh, not too fast?

THE VICE PRESIDENT: Well, we're not saying no by any means. We are saying yes to a process by which NATO is enlarged and a process by which this Partnership For Peace will bring about the chance for the broadest possible expansion of democracy and freedom. The alternative, which many people argue with such force -- let's draw a new line across Europe right now -- does not always include a full appreciation for the consequences of drawing such a line for the nations that are just on the other side of that line.

There is an old phrase, self-fulfilling prophesy. If we take steps and undertake actions that are based on the assumption

that we have an enemy preparing to make some military threat, then that can be in part a self-fulfilling prophesy.

Also, what about nations that want to join NATO eventually, but are on the other side of the line that is drawn right now? We drew a line, unfortunately, in the words of a former Secretary of State Dean Atcheson, when he described America's security perimeter in Asia. And you saw -- the world saw the consequences of that action.

We have a chance to bring about a sphere of democracy and freedom that includes all of Europe. And we are engaged in a process to reach for that chance without foreclosing clear responses if that option turns out not to be available.

Q Mr. Vice President, concerning the plan, Partnership For Peace, in Central and Eastern Europe it's the prevailing view that the United States is more worried about Moscow objections against expanding NATO than about desire from the former communist countries -- Hungary, Poland, Slavakia, and the Czech Republic -- and their desire to join the Alliance. What do you say against the argument for expansion that the Russian position will not certainly change -- certainly not for the better in the future, and that the Moscow objections will still be there?

I come from a country that is painfully aware of the policy of appeasement and its disastrous consequences, and I'm afraid that appeasing the Russians in the 1990s will bring about similar results.

THE VICE PRESIDENT: Well, first of all, the Partnership For Peace will, itself, bring about great improvements on the security front. It is not only a process which explicitly anticipates the expansion of NATO to countries like Poland and the Czech Republic and others, it also begins immediately improving the ability of those nations, along with others who are members of the Partnership For Peace, to enhance their security.

And so, there is not in the least an idea here that Russia's objections prevent the expansion of NATO. That's not what this is all about. Someone wrote a column in one of our newspapers the other day saying what we should do right now is draw a line on the other side of Poland and the Czech Republic against Russia and Ukraine. And I thought to myself, well, what are the consequences of that? And what threat does Ukraine pose to Central Europe? How are we to react when Russia says to the rest of the world, we want to be a democracy, we want to have free markets, we want to be integrated into the world economy?

We have a chance to bring about the aspirations of those in Russia who wish to see a democratic Russia. We should not take actions that will make that more difficult. But that's not the principal reason for proposing the Partnership For Peace. The Partnership For Peace is good in its own terms because, among other things, it will help to improve the security of Central and Eastern Europe.

Q Well, is this according to you the main reason, or what is the role of the Czech Republic in providing collective security in Central Europe? Which factors are the most important for becoming a member of NATO and what are the main objectives of Prague's summit?

THE VICE PRESIDENT: Well, the Czech Republic is an extremely important nation, a friend and partner of the United States, a nation that has shown tremendous courage in bringing about a democratic revolution -- the Velvet Revolution. And the security of the Czech Republic affects the security of the United States. And

the Partnership For Peace, if the Czech Republic decides to join it, will have the ability to conduct military exercises and planning operations, starting right away, to enable a much closer working relationship between the Czech Republic and the other members of the Partnership For Peace, including NATO members.

Q This is Russian Television. I will begin with the economy. Mr. Vice President, less shock, more therapy -- it looks like that's what you are talking about and meaning when you talk about Russian reform. In the meantime, two years ago the West, and the United States in particular, were pushing for a more rapid reform in Russia, amid some concern and skepticism in the opposition to Yeltsin as to whether this rapid reform would do good to the Russian people. Now, by changing the actions now, do you admit that your line of pushing Russian reform fast was a mistake?

THE VICE PRESIDENT: Oh, no, not at all. And those within Russia who advocate rapid reform are very definitely on the right track. I think the right phrase is more reform and more therapy, because dealing with the social pain associated with this transition period doesn't mean less reform, it means more attention to the poor, more attention to those who have lost their jobs in the military and in the defense industries, more attention to a social safety net, as we call it, to deal with the human problems that must be attended to.

Some of the funds that are being used exclusively now for privatization efforts, some portion of them, perhaps should go to this social safety net. But the wrong response would be to say slow down the reforms.

When I called for -- and when President Clinton called for the international institutions to be more sensitive to the social pain involved here, that did not mean slow down the process of reform at all. What it means is paying more attention to the direct human consequences of that social pain. The way to get less shock and less social pain is to speed up the reform process in order to bring about continued improvement in the availability of food, in the availability of jobs, in the strength of the economic progress that's needed.

Q Reform -- its failures and its successes -- it's kind of associated with the West, with the United States. Aren't you worried about the image of the United States in Russia, which is associated with painful periods of time? Have you noticed that? Are you concerned about that?

THE VICE PRESIDENT: Change is always difficult in every nation where change occurs. The strength of feeling here in the United States for the Russian people should not be underestimated. We have tremendous admiration for the courage of the Russian people in undertaking this tremendous historic transition.

We know that the appreciation for freedom is growing stronger and stronger in Russia. We know that the people of Russia want better lives for their families and for their children. They want the means to cope with the social problems, some of which we have here in the United States as well. And we believe very deeply that the future of our world will be much brighter if the people of Russia continue this historic struggle for democracy and an economic system that works based on freedom, peace, respect for international borders.

We live in a world now where we have got to work together. We want to do everything we possibly can to bring Russia into the world economy, so that the progress speeds up in Russia, and so that the lives of the average citizen in Russia is better next year than this year and continues to show improvement each year.

Q Thank you very much, Mr. Vice President.

THE VICE PRESIDENT: Spasiba.

Q When Western Europeans think of Clinton foreign policy in '93, you think of Bosnia, Haiti and Somalia, all of which are regarded in Western Europe as having been American failures. Rightly or wrongly, that's how they're seen. How do you persuade the Europeans that you were fully engaged in foreign policy when you were elected principally on your domestic program?

THE VICE PRESIDENT: Did you notice the handshake between Yitsak Rabin and Yasser Arafat on the lawn of the White House?

Q Brought about by the Norwegian foreign minister.

THE VICE PRESIDENT: And they deserve tremendous credit for that. But we made -- Secretary Christopher made that peace process his top priority at the beginning of last year. And we believe that, along with the Norwegians and others, that we played a constructive role in helping to bring that about.

The progress that you have seen in the conclusion of the GATT world trade talks is now about to bring tremendous new strength to the world economy. The passage of the NAFTA agreement, creating a free trade area in all of North America; the successful conclusion of the APEC conference; the progress that has been made in a whole variety of areas all around the world, including, incidentally, in the way the United States and Europe have worked together to rally to support forces of democracy and reform in Russia.

The NATO Summit, itself, is another manifestation of the leadership and commitment of President Clinton and our administration to a bold foreign policy that reaches out to engage the world and to make certain that the United States plays a constructive role. We're committed to continuing to make certain that the United States plays that kind of role.

So the problems that we inherited when we came to office in the three nations that you mentioned have been intractable problems for every nation that has attempted to deal with them. In some of those areas we're making slow, but painful, progress. And we hope to continue to.

Q But the British are very worried that their much revered special relationship with the Americans may wither simply because you're not having enough time to tend it because you're so taken up with the domestic program, which everybody knows is huge.

THE PRESIDENT: Well, our success in restoring our domestic economy makes it possible for the United States to play a more vigorous and effective role in the world as a whole. There should be a clear understanding of that. At times when we have a weak economy, the willingness of the American people to support a policy of engagement is diminished somewhat. The restoration of our economic strength which is now underway will have a very positive and beneficial effect on our ability to play a constructive role in the world.

And as for the special relationship, there certainly need be no concerns about that. It is as strong as ever. The consultation is continuous and constant, very productive and very enjoyable, if I might say. I personally, along with the President, have been involved in innumerable meetings with our British colleagues all year long. It's a constant process and one of the bulwarks of our entire foreign policy.

Q Mr. Vice President, I would like to ask you a question about Bosnia, former Yugoslavia. There is a lot of exasperation in France and in Europe about the fact that U.N. soldiers are being wounded, killed, humiliated, and the French President Francois Mitterrand said that we cannot except the destruction of human nationality without doing anything. And now there are specific things to do. There are, for example, some U.N. soldiers blocked in Tuzla cannot leave the airport, the airport of blocked. Some others are blocked in Srebrenica. And so the French are asking and will President Clinton in Brussels, and I'm asking you, do you think the United States could do something, make, for example, an air intervention to protect the U.N. soldiers, to save them and to maybe stop some killing, some more killing in former Yugoslavia?

THE PRESIDENT: Bon soir. It's a great pleasure to have a chance to talk with you. On the subject of Bosnia, let me say, first of all, that this is one of the great tragedies of this century. And the world must continue the efforts to find a peaceful resolution of this conflict. There are ongoing efforts that are sometimes forgotten in the debate about what must happen next. The ongoing enforcement of the most rigorous sanctions in the history of the world is having a devastating impact on the ability of Serbia to enjoy a normal life and to conduct the military effort on the territory of Bosnia.

In addition, the ongoing airlift has now exceeded in duration the airlift to Berlin during the earlier years of the Cold War. It is an historic exercise that has saved many lives. And, of course, the long peace talks which have proven to be so frustrating and not very productive thus far are, nevertheless, continuing with signs that, in fact, some progress has recently been made. And the authorization for air strikes which was granted last August is still there. And, of course, that is a possibility, as it has been since the authorization has been granted.

Q Are you going to let the people die? Should it be the responsibility of the West to save Sarajevo? And aren't you humiliated as a member of the U.N., a very important member of the U.N., to see U.N. soldiers killed and wounded? Won't you do something for Sarajevo?

THE PRESIDENT: Well, I think France and the United States and every nation in the world that has eyes to see and ears to hear is moved by the tragedy of Sarajevo and Bosnia and is repelled by the depth of suffering that has been underway since the beginning of this terrible war there.

With the complexities involved and with the unwillingness of the three participants -- you could say four or five sides, but the three main sides to enter into an agreement that can be enforced, the world's ability to respond has been handicapped. The United States, as you know, argued vigorously for a lifting of the arms embargo on Bosnia to allow them to defend themselves. They had unequal access to arms. But because that action required the agreement of our allies it was not possible for us to bring that about unilaterally. This was the number one request of the Bosnians and I continue to believe that it was a tragedy that this request was not granted. I think it still should be granted. That is their number one request.

And I think that this ongoing tragedy continues to shock the conscience of the world. If there is an agreement that is genuinely entered into, then the United States has said we will participate in enforcing such an agreement. We can continue with the sanctions and the airlift and consult with our allies about the options that you talk about and continue to work for peace there.

Q After the Cold War, Mr. Vice President, we were supposed to have a new world order and it didn't work quite well. Now we have social unrest and nationalism, fascism on the rise in Europe and Russia. How would you confront that?

THE PRESIDENT: I think the world's best response to these challenges is to continue the process of market reforms and democratization throughout the states of the former Soviet Union and the former communist bloc, and the Partnership For Peace proposal, which President Clinton will be discussing during the NATO Summit, is the best way to provide enhanced security among the nations that join the Partnership For Peace and to begin a process which will ultimately lead to an expansion of NATO, while giving the best possible chance for expanding democratization and reform efforts from the Atlantic to the Urals.

Q Speaking of economic reform, would you or the United States, for example, ask Germany to put more economic assistance into those countries?

THE PRESIDENT: Well, Germany has already done a great deal, as we know. But it's my view that Germany, the United States, all of the European nations and all of the OECD countries should all do more, and that the international financial institutions should do more. We are in the process of doing more. The response has already begun.

May I say that all of the attention to aid sometimes obscures the importance of trade. And what the countries of Eastern and Central Europe desire so strongly is more open markets in the rest of the world. And, of course, they look naturally to Western Europe because of the nearness to Western Europe, but they look to us as well. And it does seem to be the time in history for all of us to move more quickly towards opening markets to these new democracies in Central and Eastern Europe and in Russia.

Q Mr. Vice President, it was very interesting talking to you. And on behalf of my colleagues, I thank you very much for this opportunity.

THE PRESIDENT: Thank you very much. Appreciate it.

END 12:33 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript January 7, 1994

INTERVIEW OF ANTHONY LAKE,
ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS
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PER A. CHRISTIANSEN, AFTENPOSTEN (NORWAY)

The Cabinet Room

3:23 P.M. EST

Q I'm Thomas Ruest with Tages-Anzeiger Newspaper in Zurich. Thank you very much for giving us this opportunity.

MR. LAKE: Let me say if I may that I am very sorry that it is me and not the President who is meeting with you. He had looked forward to this.

Q How do you assess the strength of Russian institutions, especially the military, who, as I understand, voted in large numbers for the Zhirinovsky movement? Is there a Weimar in Russia?

MR. LAKE: We neither believe nor hope so. I got that wrong. Can we start this whole thing over again? We neither hope nor believe so. In fact, if you look back over the events, not just of the last eight months, but of the last few years in Russia, one of the most encouraging factors has been the way the Russian military has stood by democracy. And we see no sign that in fact that will change.

We can't know, of course, why any citizen votes the way he or she does, whether in Russia or in any other country. And so we cannot be certain why a relatively high percentage of the Russian military did vote for Zhirinovsky. But I think we can expect at least to some large degree that they probably voted for the same reasons that other Russians did who are concerned either that reform has -- the benefits of reform have not yet reached them or are worried that the reforms in the short run will lead to dislocations in their personal lives. And the Russian military has been cut in one year as much, I believe, approximately as the American military has been cut over five years. And this naturally leads to feelings of personal uncertainty, which can attract then voters, whether they're in the military or outside it, towards a protest vote.

Q Is there a Weimar in Russia, meaning unstable institutions in the wake of social unrest in Germany in the '30s?

MR. LAKE: I don't think there is a Weimar, because I think that the leadership of Russia and Russia's friends on the

outside are specifically very aware of the Weimar model. And that is why in our own aid programs and why more importantly President Yeltsin and his, as we understand it, in his own thinking about his policies, are focusing still greater attention on how to cushion the impact of the necessary reforms. And I say necessary reforms because it is those reforms that can head off the kind of inflation that was responsible for the collapse of the Weimar Republic.

Q Many people see the future meeting between President Clinton and President Assad from Syria as a very important breakthrough in Middle East policy. I still remember that Russia is a cosponsor of this Middle East process. So I wonder whether Russia will be completely in this process and whether there could be some unexpected things for Russians as a result of this meeting in Geneva?

MR. LAKE: Certainly Russia is in its cochairmanship a very important part of the Middle East peace process. And as you recall in the wonderful day in September when on the South Lawn there was the handshake between Prime Minister Rabin and Chairman Arafat. One of the statements that caught the historic moment best was that of Foreign Minister Kozyrev. And it was no accident that he was there. So we understand and are very appreciative of the role that Russians have played in this issue, as on other issues around the world.

As to whether there will be surprises or not for the Russian people, I think that for all of us the surprise or the prize that we are looking for in 1994 is a breakthrough on all the various fronts in the Middle East peace process so that we can have a new peace there, and the Russians will make a contribution.

Q My name is Vassilli Siltchouk. I am from Minsk Zwiaza. Belarus was the first among post-Soviet states which ratified the START agreement and pledged to give up it nuclear weapons by the beginning of the next century. But it seems that the Ukraine is likely to receive greater American assistance because it tries to trade Western financial and economic support for giving up its nuclear weapons. And how really can the United States help Belarus in its transition to democracy and market economy?

MR. LAKE: I remember very vividly when Chairman Shushkevich visited the White House in the room next door, exchanged the instruments of ratification with the President. It was one of the very good moments of 1993 for us. And America has had, I think, an effective aid program in Belarus. And the President's -- one of the purposes of the President's stop in Minsk will be to again express not only our appreciation for the policies of Belarus, but to support the necessary reforms -- economic reforms that as they proceed will encourage still further American aid. So I think both in practical ways and in symbolic ways we are doing all we can, as I said, not only to show appreciation, but to help Belarus build the kind of future that we think can lie before it.

Q Maybe you will -- I mean, the United States will spend more money to cure the not wealthy child and to spend less money on the wealthy child, which is Belarus.

MR. LAKE: I think that is not the right way to look at it. We will do all we can for Belarus. And as we work through both the nuclear issue and as Ukraine pursues reforms, then we will be supportive of Ukraine also. But in fact, Belarus is farther down that road now than Ukraine is. I would hope that none of us look at it in competitive terms, but as a part of our effort to create progress and security in that whole region.

Q My name is Antonio Cano. I work for El Pais, a newspaper from Spain. Mr. Lake, is the Partnership For Peace a first step toward full membership for the Eastern European countries?

MR. LAKE: First, let me say that the Partnership For Peace is open, as you know, not only to Central and Eastern European countries but to all the former members of the Warsaw Pact, including Russia, and to Europe's neutrals. The attention has been mostly to Central and Eastern Europe because accession to membership in NATO has been of the most intense concern to them, as you know, from their public statements. But it is broadly open. And the pace at which people participate in the partnership and thus move themselves closer to membership in NATO depends on their decisions as much as ours. So I just wanted to begin by emphasizing this is not only an issue of Central and Eastern Europe.

The partnership is, indeed, a way of opening a door to NATO membership. And we expect and would welcome that governments will walk through that door.

Let me add a little bit about the concept of the partnership. One way of looking at it is in static terms. And some of its critics have tended to look at it that way, and have said that since -- what I'm learning is I can stop in mid-sentence and still move my arms rather than freeze. (Laughter.) In static terms -- can you tell me what I just said?

Q One way of looking at it is in static terms.

MR. LAKE: Okay. Which many of his critics -- which is to say that you must now make a decision as to who is in and who is out. And we believe that would be a profound mistake because we would in effect then be drawing a new line somewhere in Europe. And let me come back to that. However one made that decision, one would be making a profound strategic error. If one were to draw that line, it could become a self-fulfilling prophecy of pessimism about the regions that were beyond the line and would tend to diminish the security of all of Europe. On the other hand, if one looked at it in static terms and did not expand NATO, then we would be, I think, missing a strategic opportunity to begin to draw eastern -- the areas to the east of NATO into new and broader security structures.

That is why we came to the Partnership For Peace as a dynamic process. This is not a way simply of finding a diplomatic compromise that will put the issue off into the future. It is beginning a process which, through very practical means and ways of cooperation, can lead to an evolutionary expansion of NATO membership which, in its inherent nature, would not either now or at a later point appear to be drawing that fine a line between East and West. If I may use your patience by going on a bit about this, because it's a part of what I think is one of the most important parts of -- or one of the most important purposes of the President's trip.

If you look at the trip in terms of a series of stops, then you have an agenda in Brussels and you have an agenda in Prague and an agenda in Moscow and another one in Minsk, and there would be lots of substance in each, but it wouldn't be clear how it all added up, and it wouldn't have a strategic objective. And I believe that is the wrong way not only to look at the trip, but to look at the region as a whole. This happens to be a moment of extraordinary importance in almost every part of this whole region through which the President will be traveling.

NATO, this wonderful, extraordinarily successful alliance needs to now redefine its missions in a world in which there is no single unitary threat against which to organize. The European Union has -- the President's talks with the leaders of the European Union will be very important in helping to define a new agenda between the United States and the Europeans in the wake of the successful conclusion of the Uruguay Round, and we need to work through what the new trade issues are that we should be pursuing, but

I think much more importantly, to work through ways in which we can work in common to create growth and jobs. And the President, when he's there, will be reaffirming the American support for European economic integration.

In Eastern and Central Europe, nations and peoples are trying to decide whether they can look to the West in real confidence or look to the East in real concern. And the next year or two will, in both a political and psychological sense, help decide their views on that.

The nations on the periphery of Russia will be deciding whether they can look to their big neighbor as a good neighbor or not. And, related to that, some, like Ukraine, will be deciding whether they can move into a nonnuclear future. And, of great importance within Russia, the people there will be deciding whether to stay, as will be the people in many areas of this region, be deciding whether they will stay on the paths of democracy and reform or step back.

These are truly momentous choices. And we need to look at them whole rather than, again, in discreet terms. And one of the themes of the President's trip and one of, I believe, our strategic purposes for the coming years will be that of integration, define ways to integrate this whole area, not only in terms of classic security, but also economically and politically as well.

And that is why, in that context, we need to be looking not only at ways in which economically we, working with the Western Europeans, can be encouraging the economies to the East to be pulled into the modern global economy, but also through the Partnership For Peace, find ways to be integrative rather than divisive. We have an opportunity over the next 10 years to create -- all of us, not just the United States, although we will help lead in this process -- to create a Europe, an integrating Europe that could be at peace for a generation or more. And this trip, we hope, will help set us on that path. Because if we do not, then we will be back to the Europe that has -- when it came into conflict, had such immense security consequences for the United States.

As you heard the President say, or, you didn't hear it, but as you perhaps read him say at a lunch the other day, that is one reason why, on this trip, also, he will be reaffirming that the United States is absolutely engaged in Europe and engaged in European security. He will be going to reaffirm the American -- that American engagement and to reaffirm the importance that we place on NATO as a linchpin of European security. Because when the United States is not so engaged, as we did not during the 1930s, we, then, as did Europe, paid a terrible price in blood and treasure, and we would not like to see that ever again.

Q Daniel Franklin from The Economist. I'd like to ask you another very broad, general question. You referred to some of the happier moments for you in 1993 -- the Middle East signing --

MR. LAKE: Why do I think you're not going to let me dwell on them?

Q But there were also some less happy moments. So I was going to ask you what lessons you've learned -- what the most important lesson that you've learned over the past year, both organization and the organization for foreign policy and in policy itself?

MR. LAKE: I've drawn a number of lessons from it, because, of course, one should. But let me begin by saying quite genuinely that as I think back on the last year, one of my frustrations has been that we, I believe, have actually had a very

good year in terms of accomplishments. The President, during the campaign, organized his foreign policy views around three propositions. That we needed to bring economics back more into American foreign policy, because if you define the American or any national interest in its proper terms, which is to say in terms of what makes a difference to the lives of our citizens, then our ability, for example, to open markets to American goods is of fundamental importance.

Secondly, he emphasized that we had to reorganize American military forces to be both relevant and highly effective in terms of the real threats of the post-Cold War era. And, third, he talked about the importance of supporting and advancing democracy around the world, not only because it is an ideal, but also because it is deeply in the American interest. And if you look at the last year, I think it has been a very good year in all three regards.

In economics, if you look at the five big events of the year -- the G-7 meeting in Tokyo, the framework agreement with the Japanese, the NAFTA, the APEC meeting and then perhaps above all, the successful conclusion of the Uruguay Round, that is truly a transforming series of events. Parenthetically, I think they have been looked at in slightly the wrong terms. They have not altogether -- and, of course, these efforts will continue -- they have not altogether transformed the global economy, as we are tempted sometimes to say; the global economy has already been transformed in terms of the speed with which capital flows, etc.

What is at stake here is whether governments, working together, can make those changes in the global economy work for the people within their nations. And in different ways, rather, it is through working towards common macroeconomic policies, through the G-7 or trade agreements as NAFTA or the GATT, that is what is being done. And it was a very good, very good year on that. I can't think of a better one.

Secondly, on security issues, military issues, we conducted a bottom-up review which brought for the first time a strategic clarity to our force structure in saying that American military forces will be fashioned in a way that a lows us to meet two major regional contingencies nearly simultaneously. And in our recent budget discussions, the President repeatedly said that he would no allow either those force structures or their readiness to be impaired. And we have done that.

And in addition on the security side, we have adopted new nonproliferation policies, we have made a good start now towards negotiating a comprehensive test ban, and we have given a new impetus to our work in combatting terrorism which last year came home to America in ways it had not been before. And I would emphasize that if you look at the nexus of the issue of nonproliferation and terrorism, the work on the two issues is very important, because one can imagine five or 10 years from now if weapons of mass destruction spread and terrorism spreads, a truly horrendous crisis which would make us ask why we had not done more in 1994 and '94 to head off such a crisis. So I think it's been a good year on that side.

And, finally, in the -- I would not say the promotion of democracy, because the United States cannot create democracy around the world, but the support of the brave men and women who are struggling for democracy, whether it's in Russia or in Central and Eastern Europe or in Guatemala or in South Africa or elsewhere, we have been there in a way the United States has not been for many years. And you can see it in many of our policies, whether in Russia where this President has given an extraordinary amount of time and effort in making sure the United States was there, not just in the crises, but in the day to day work of democracy and reform, or in South Africa when we had been there, or in a little-noted moment, for

example, last year in Guatemala when there was a threat of an auto coup, as there had been previously in Peru, and we, working with the Mexicans and others, headed it off and preserved democracy there. So on all three basic strategic fronts, it's been a good year.

The problem with last year, obviously, was the crises in Somalia, in Bosnia and in Haiti, and both in their own terms and in the ways they appear to define American foreign policy. One lesson I learned from that is, first of all, in presentational terms, we should have done still more to emphasize that we were making progress on the fundamental issues and draw more attention to them rather than being so dominated by the specific crises. But it is understandable that those crises would dominate the headlines because they are dramatic, they are where people are mostly dying, bloodshed will always, and perhaps should attract the most attention.

The other lesson I draw from it, though, is that we should have earlier done what we are doing now, which is to look at those crises in those different areas whole as a single phenomenon which is of tremendous importance to the post-Cold War world, and that is the phenomenon of ethnic conflict and violence, the phenomenon of societies tearing themselves apart, whether it is across Africa, where hundreds of thousands of people are at risk as a result of this, or in the former Soviet Union or elsewhere.

And, of course, what's most important in a policy sense there is, how does the international community respond to those internal crises, because so much of our international law and our international institutions and our own ways of thinking were designed to deal with international conflicts rather than intra-national conflicts. And we all have a lot of work to do in thinking them through as a phenomenon.

It is not still clear, I think, to the international community, what its obligations are in the face of such crises, nor is it yet clear what the capacities of the international community are. And that is why we have been giving attention and will, I hope, give more attention to the general question of peacekeeping, to the general question of when should the United States support the United Nations in becoming involved, and the more general question of when the United States will get involved in those U.N. activities. And I would hope in the coming weeks that we will have more to say about that.

Certainly, over the last few months, we have been raising and it has been we in the United States that has been doing this, have been raising harder questions to the United Nations about the relationship between its goals and its means.

One other lesson I draw from last year, and specifically from Somalia, is that there is a tendency for all of us, either the U.N. or as member states, to extend peacekeeping operations into an assumption of responsibility for the future of the nation in which it is acting. And we have to keep reminding ourselves that what peacekeeping can do is to offer the people of that society an opportunity to sort out their own affairs. But in the end, they will remain responsible for their own destiny. We can simply give them time and some help in doing so. Sometimes that will succeed, as it did, we hope, at least so far in Cambodia, and sometimes we simply won't knew because we don't now in Somalia. What we do know is that we are offering the Somalis that opportunity.

Q I understand --

MR. LAKE: I'll try to be briefer in the future. (Laughter.)

Q I understand that the concept of partnership is a broad one. Nevertheless, General Shalikashvili just said the other day that now the main enemy is the feeling of insecurity and instability in Eastern Europe. Looking from this angle, which factor has been more important to designing this concept for partnership and the potential future effects on the -- Russia, or -- political economic situation and environment in Eastern Europe and in this context? Does the United States ordinarily look at the ethnic tensions and the minority problems in Eastern Europe as a potential security burden or task for the Alliance, and as such a delaying effect of what the regions --

MR. LAKE: That's an extremely important question. And, as I said, the most difficult challenge of the post-Cold War era, it seems to me, is precisely that question, not just in that region but throughout the world. And I believe that the most important short-term at least challenge to the security of Europe does come through the divisions and even violence within societies to NATO's east and south, and that NATO, beyond the strategic question of whether it will expand its membership, also must, if it is to be fully relevant to this new era, must address the question of ethnic conflicts as well.

And we believe that the Partnership For Peace, beyond its role as an evolutionary vehicle for possible expansion of NATO, is relevant to that challenge. The terms of partnership include a series of measures governments must take in order to reinforce democracy within their own borders -- in open defense budgets, in civilian control of the military, et cetera. And we believe very strongly, and I think history shows this, that the best way to keep ethnic tensions from exploding into ethnic violence is through democracy because it is democracy that can accommodate these divisions in a way that nondemocracies cannot. And when they can't be accommodated people take up arms.

I might note that these ethnic tensions are not peculiar either to the Third World or the former Soviet Union, but are true in almost every society including here in the United States. And I thank God we are a democracy so that we can keep working on them in peaceful ways. So by promoting democracy I think the partnership is addressing that.

Also, one of the most important aspects of the partnership is that in very practical ways it will encourage the kinds of personal ties between the militaries of the West and the militaries to the East that we have seen were so important within NATO.

The other day, when the President met with the Joint Chiefs of Staff to talk about his trip and all of these issues, one of them made the point that to his mind one of the most important aspects of NATO had been the way in which generations now of our military leaders had pursued their careers together, worked together, developed a common confidence with each other. And similarly here, you can, through the partnership, get these kinds of military ties, and I think those military ties will help keep then militaries in the states to the East looking outward as well as inward and make them less likely to engage in this kind of violence.

So, I could go on, but in a number of ways I think that the partnership is relevant to that. At the same time, I should add, we are very committed to the CSCE, and I believe that it should be strengthened in further and practical ways. And we have been generally supportive of the French initiative which can address this issue and are still working out ways, the specific ways in which we can be most supportive. But I think in a variety of ways, not just through NATO, but also through economic integration, we can be working to diminish ways that are a very real security threat.

Let me just on the economics -- because when I speak of integration, it's not just a security issue but an economic and political one as well -- the President will be emphasizing the importance of the Western Europeans' economic union and we, working to find ways to integrate better the economies of the East with those in the West -- we're looking at very practical ways --

Q Are you opening up the markets?

MR. LAKE: Market opening is perhaps the most important part of the that.

Q On the editorial pages of my newspaper Partnership For Peace was described as holistic medicine for the former Warsaw Pact. It was also pointed out --

MR. LAKE: And this is not a California newspaper. (Laughter.)

Q No, it's a Warsaw newspaper. (Laughter.) But a lot of our editors, as myself, have been professional journalism fellows at Stanford.

MR. LAKE: So you contributed to holistic medicine?

Q And it was pointed out that if PFP is ultimately successful as it is designed and encompasses all nations from Vancouver to Vladivostok, there will be no need for NATO. Would you like to comment on it? And also I have two briefer questions. One, if the Russians already indicated or intend to join the partnership, and if the idea -- what is the practical meaning of the consultations that is so much talked about in the last few days?

MR. LAKE: I'm trying to decide whether to use the phrase holistic medicine in future meetings such as this and I'll think about it. The question of whether, if everybody joins, then NATO has a purpose anymore I think remains a rather theoretical one for the foreseeable future. And that theological debates of that kind should not prevent our pursuing what is a very important strategic and practical course lying before us.

That vision, though, is certainly better than an alternative vision of a Europe that is again divided by an East-West fault line that would provide tremendous insecurity and would take us back to where we were 10 years ago rather than where we hope to be 10 years from now.

Q On the Russia willingness to join?

MR. LAKE: The President will be discussing that with President Yeltsin.

Q And practical meaning of consultations.

MR. LAKE: One of the advantages of becoming a partner is that if a partner faces a direct threat to its security, it has the right to consultation with NATO. This obviously falls short of a security guarantee which requires, for example, action by legislatures, but I think is nontheless significant, first of all, because it does -- it says what it says, which is there is then an absolute right to that consultation. We cannot now say what those consultations would produce, because we don't know the cases now that would be occurring. But more broadly, also, I think that there are two aspects of the partnership that are tremendously important.

One is the practical mechanisms that it can set in place. But the other is what we say about it, what we say our intent

is. Whether this is an expression in the largest sense of the West's interest in this future security of that region, and the provision for a consultation is, in that sense, an important expression of that concern and that interest. And that, in turn, I think is very important in the ways that the governments to the East look at the partnership as to whether it is a serious thing and a serious way of opening a door, or simply a diplomatic device for taking this issue down the road. It is most emphatically the formula.

Q In my country, Italy, the last political elections show a resurgence of the fascist group on the right, and a return of the communist right wing on the left. It is a phenomenon that spreads out all over Europe, not only in the eastern part of the old continent, but on the west part. The question is, are you, from your vantage point here at the White House, concerned about this polarization of politics in the West, and in the east part of Europe?

MR. LAKE: First, I am very confident in the prospects of democracy, and ultimately, I believe -- an American that democracies are strongest when the center holds. So we certainly follow this, but I think we do not view this as a crisis. Much of it comes back, in a way, to a general problem in Europe and in recent years in the United States, and that is that in economic hard times, you get new political difficulties. And I think as we turn the corner economically in Western Europe and in Eastern Europe as we proceed further down the road in reform and progress, that much of the politics will follow. And not only that, but it should produce not only an easing of the political difficulties in all of our societies, but it will make it easier for all of us to summon the political will that we need to meet common challenges in our foreign policies as well. Because when you have thin economic margins, you also have thin political margins. And we need to expand those margins so that we can all work together on the security challenges that we are going to be facing around the world in a very uncertain new era.

Q I pointed out this problem because fascist and communist together are a phenomenon that spreads out in the center of Europe from the major crisis that we have at the border of Italy -- Yugoslavia. I heard colleagues asking about Russia, about the new challenge of the Russian democracy and nobody asked about Yugoslavia, who is probably one of the major failures of NATO and the U.N. and Italy and all the countries of the Western and Eastern part of Europe. And Italy is on the front line of this issue with the operation deny-fly that is going on. Do you envision new efforts during this trip by President Clinton to do something real for the people of the former republics of Yugoslavia?

MR. LAKE: Let me answer that in two ways. We are very concerned, have been concerned and remain concerned about the former Yugoslavia, including not only Bosnia, but Croatia, Kosovo, Macedonia, the whole area. And, specifically, we are concerned about the events in the last -- or the escalation of the fighting in the last weeks and days now around Sarajevo. And let me say that the NATO warning about Sarajevo remains very much alive, and we will see what happens in the events of the next few days as to how much of an issue, then, Bosnia is during the coming week. We hope that Serbia and the Bosnian Serbs and all of the parties will step back from this.

You spoke of NATO and Bosnia generally. I will not argue for a moment this is, in any way, a success or anything other than a source of great frustration for the President and for all of us who have worked on this issue and, I believe, for all European governments as well. And I don't mean to imply otherwise. But if you step back and look at it for a moment, there is one interesting aspect of this. And that is that NATO has been enforcing the no-fly zone over Bosnia, and quite successfully so, at least with regard to

fixed-wing aircraft. NATO has very, very effectively been working to implement the sanctions against Serbia in the Adriatic.

NATO did issue the warning over Sarajevo, about which we are serious. This is, I believe, the first time that NATO has been active in this way out of -- and in that sense is a precedent for a new role for NATO that is relevant to the post-Cold War era.

In addition, the Partnership For Peace, in various ways I've described, is an effort to get engaged with the East in ways that could help prevent future Bosnias. I'm not sure I would say that Bosnia was a NATO failure; I think as an institution I think thus far it has been a broader failure of governments on both sides.

Q Thank you.

Q You talk about ethnic conflict being a common thread in crises. You face the threat of an ethnic rupture right across your border in Canada, and I'm wondering how seriously you view the prospects for a divided Canada, and what implications do you see for U.S. security in this, even if such a rupture is achieved democratically?

MR. LAKE: You know, that question could have been asked in almost any year for the last 25 or 35 years. And I suppose the fact that it could have been asked at any one of those points and, yet, we have across our border a neighbor that is strong and secure -- I think it's the greatest on-border in the world -- should offer its confidence that for the next 25 or 30 years, the question could be asked and answered with similar confidence.

Q And you just don't think it's going to happen?

MR. LAKE: No, I don't. And I'm from New England. (Laughter.) Let me say, absolutely OFF THE RECORD that I believe Canadian security would have been best achieved if Benedict Arnold had arrived two days earlier at Quebec and defeated the British, and we were -- never mind. (Laughter.) I speak as a New Englander. (Laughter.)

Q Let me ask about the maritimes, because people have said that certain parts of Canada may have to see political union with the United States, if it comes to that, including maritime problems. Can you wrap your mind around that? Is that conceivable to you?

MR. LAKE: There are so many hypothetical questions out there around the world that are less hypothetical than that, that I have trouble grappling.

Q Going back to Yugoslavia, I wanted to ask you, first of all, how you assess the danger of a spillover in the south with the current crisis. And, secondly, in a much more sort of narrow issue of interest to our readers, what is the current U.S. policy to recognizing the former part of Macedonia? Have you set any specific conditions they have to fill?

MR. LAKE: One reason, as we have been saying from the start, why we have been so concerned about Bosnia is precisely the potential it has for spilling over. That is one reason why we reaffirmed the position of the previous administration over Kosovo to try to help prevent that from happening. And with regard to the former Yugoslavian republic of Macedonia, we have not recognized it. We hope that -- and I think this is very important in the context of the first part of your question -- that Greece and Athens can work through an agreement on this issue that will help dissolve the tensions in the regions if they indeed explode on any one of a number

of different borders. But we have not as yet joined those European countries that are moving toward recognition.

Q But you don't have any specific set of conditions for recognizing that kind of --

MR. LAKE: I think our most important interest here is that Greece and Macedonia work it through -- which is not to say that that is a condition. I'm just saying that I think that is the most important thing right before us now.

Q You mentioned earlier the need to redefine NATO's mission. And this redefinition seems to be focused mainly on Central and Eastern Europe. And I was wondering, where does this leave what used to be the north line?

MR. LAKE: There are, I think, two major issues here. One is -- and we have discussed this with our Nordic friends -- is how we can all work best together to insure democracy and reform succeed in Russia, because if that is an issue of immense commitment to us in terms of our defense budgets, of course it is even of greater significance to the Nordic nations living on what was the northern flank and they -- to the important potential theatre, should things have ever gone wrong, and they did not.

Secondly is the issue of the Baltics and how we can work together to encourage the Russian government to complete as soon as possible the withdrawal of Russian forces from the Baltics. We have been working together on this issue, and our government has repeatedly raised this issue with the Russians -- the President -- including the presidents. Progress has been made. And we hope that further progress will be made very soon.

Q During this trip?

MR. LAKE: It would be nice.

Q I would like to ask one more question about Russia. How can the U.S. respond economically to the needs of the reform? What could be done in detail to create or to help Russia create this social safety net?

MR. LAKE: Let me back up just a bit on that of what we can do most effectively generally to be helpful here. All along, but especially in the wake of the elections, we reviewed our own thinking about the most effective way to proceed, not only in terms of our own aid programs, but much more importantly, in the ways in which we would encourage the Russian government to act, because I cannot emphasize strongly enough that, not only ultimately but every day, the future of Russia is in the hands of Russians. And we can help, but not decide, what that future will be.

The sort of slogan became "how much shock, and how much therapy," as if the two -- as if it were one or the other and it was some sort of zero-sum game. As we looked at the reform side of it, it became all the more clear to us once again that the single greatest threat to the economic and political future of Russia remains inflation. The last group that I met with asked whether we saw here the seeds of the Weimar Republic. I do not believe that we do, but it was inflation that destroyed it. So in the longer run, we believe that the economic reform program remains tremendously important, and again not only economically but politically as well.

But at the same time, in order to pursue that economic future, in the short run you need to be able to do so politically. And in any case, reform can hurt. And people's lives who are either not touched by the reform yet and getting its benefits or who are threatened by the reform need to be cushioned. So while we believe

there should be as much if not more reform, we also believe that we need to work in further ways to help cushion the consequences of the reform.

We are, therefore, now discussing with the G-7 and will be with the international financial institutions ways in which the international community can do more to cushion that reform. And we are looking at our own programs to make sure that in their specifics, we are looking at those sectors, whether it's housing for former military, or through the privatization fund, helping those areas in which the large-scale enterprises were privatized, which can lead to social dislocations -- just to make sure we're doing everything we can to help create that efficiency.

So more reform and more cushion, attack the inflation that can destroy democracy in the long run, but deal with people's lives in the short run in order to create the political conditions in which you can pursue the economic reforms.

Q May I ask one more question? You know that most -- the power right now is in the hands of the old -- (inaudible) -- in Belarus and democratic reforms are not going very fast. How is the United States going to have and to support democratic forces in Belarus in particular?

MR. LAKE: Well, one way, and a very important way, will be for the President to visit Minsk. When he is Minsk he will meet not only with Chairman Shuskevich, but a number of the reformers. And he will, I hope -- I expect in his public statements also address himself particularly to the younger members of that society who have the most at stake in the future of Belarus and emphasize the importance in their minds of pursuing the reforms and the democracy. And also, as I said earlier, our aid programs are dependent on the pace of the reforms, and the faster and deeper the reforms go, the more effective our aid.

Q The Russian term of near abroad is not very much welcomed in this country. Many Russians think that Russian efforts for peacekeeping in the former Soviet Union -- (inaudible) -- the example of Bosnia. Do you think that this vision of many Russians that Russia has special responsibility in this area, may be supported by President Clinton? Or otherwise, can you see some other forces which would replace Russians in these peacekeeping efforts?

MR. LAKE: This is one reason, of course, why all of those governments have been so supportive of democracy and reforms within Russia because they understand the stakes for them in the success of the reformers and in heading off the growth of ultranationalism within Russia.

This is something the President will be discussing with President Yeltsin when he is there. In encouraging both that the big neighbor be a good neighbor in the area, and also to emphasize the importance of Russian peacekeeping efforts its border that are in accordance with international law, within accordance with CSCE guidelines, that respect the sovereignty of Russia's neighbors.

Q Coming back to PFP, if I may, will so-called partners be supposed to participate in peacekeeping and peace-enforcing operations, even those in which NATO members of reluctant to participate like Bosnia?

MR. LAKE: First of all, the cooperation with the partners will, in the first instance, be through training and joint exercises. The nature of -- including peacekeeping but including humanitarian relief operations, et cetera. Farther down the road, the exact character of what joint operations might be, we will have to see what cases arise, but they will always be with NATO. This does not envisage separate -- in other words, NATO forces -- this

does not envisage necessarily, sort of, freewheeling operations unconnected to the partnership itself.

END 4:25 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript January 7, 1994

INTERVIEW OF ANTHONY LAKE,
ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS
BY
STEPHEN ROBINSON, DAILY TELEGRAPH (UNITED KINGDOM)
STANISLAV MUNDIL, CZECH NEWS SERVICE (CZECH REPUBLIC)
PIERRE BRIANCON, LIBERATION (FRANCE)
OSKZAR FUZES, NEPSZABADSAQ (HUNGARY)
EWA SZYMANSKA-WIERZYNSKA, RZECZPOSPOLITA (POLAND)
MICHAEL KUTTNER, BERLINGSKE TIDENDE (DENMARK)
NATHALIE MATTHEIEM, LE SOIR (BELGIUM)
PAUL HORVITZ, INTERNATIONAL HERALD TRIBUNE
OTAKAR KORINEK, SLOVAK NEWS AGENCY (SLOVAKIA)
KURT KISTER, SUEDDEUTSCHE ZEITUNG (GERMANY)
MAARTEN HYUGEN, NRC HANDELSBLAD (NETHERLANDS)
TURAN YAVUZ, MILLIVET (TURKEY)

The Cabinet Room

2:15 P.M.

Q I'm Stephen Robinson and I'm with the Daily Telegraph of London, and I'd like to -- I know most of the questions are going to be about NATO and Europe, I suspect. I'd like, if I may, to go out of area and talk about North Korea. There's been -- and ask you about North Korea, not really talk about it. There has been a lot of confusion and controversy, and indeed some criticism about the way this administration has handled the issue of North Korea. There seems to be some dispute about whether -- between the intelligence agencies and the State Department about whether they might have already developed nuclear devices. And I'd just like to ask you, can you tell us today categorically that you are satisfied with the resolution of the nuclear issue which seems to have been struck in the talks in New York? And could you also tell us whether in your opinion they do, indeed, have any deliverable nuclear devices?

MR. LAKE: Let me begin first with what we are trying to accomplish here. And what we are trying to do is to work towards a Korean Peninsula that is free of nuclear weapons and in which North and South Korea are working towards a peaceful reunification. That is our strategic goal. A second goal beyond the Peninsula that is very important is that through our work on the Korean issue we preserve the nonproliferation regime generally.

The reason I begin with that is that you asked whether I was satisfied now with the resolution that has been apparently worked out with the North Koreans. And I would simply emphasize that what we are working on here is a step towards those larger strategic objectives. And the first step is to ensure that the IAEA can be confident that it is maintaining the continuity of safeguards. We have made progress in that. And the North Koreans and the IAEA are now working through what kinds of inspections are required to maintain that continuity of safeguards and the ability of the IAEA to offer assurances in that regard. And as I said, we have made progress. It is not yet a completed deal.

We are also trying to encourage North and South Korea to pursue a dialogue that can lead to a better future for the Korean Peninsula. And we've made some progress in that also. So I would emphasize that I think we have come a long way through some very hard

bargaining, through taking, as the President has repeatedly said, a very firm position on this. But even if this particular phase is completed satisfactorily, it is only a phase and then there will be further steps as well. So I am satisfied with how we have done so far, but this is a part of a longer-term process.

Q What about on whether they already have --

MR. LAKE: Oh, sorry. The fact is that we do not know. We know that they have a nuclear program. We know that we are following it very closely and as best we can. And our various intelligence agencies have differing opinions as to the likelihood of whether or not they have a nuclear -- one or more nuclear devices. But nobody knows.

If I could add, your specific or anyone's specific estimate as to whether or not they have that device, whether it's a better-than-even chance, a slightly-worse-than-even chance, really to me is not terribly operationally significant because the possibility that they do have that device and the certainty that they do have a nuclear program is certain sufficient to warrant our very, very firm attention to this issue.

Q My name is Stanislav Mundil, Czech News Agency. The Czech Republic -- (inaudible) -- in the recent year that it wants to distance itself from the so-called Visegrad group. The recent example is the sending of the Czech Defense Minister meeting in Warsaw with the defense ministers. Does the United States feel this -- or do they take into account the ability of these countries to break among ourselves, or would they consider accepting them to NATO sometime in the future, each country one by one on a strictly voluntary basis or as a group?

MR. LAKE: Well, we have been really pleased with the preparations for the President's meeting in Prague with all four leaders because it is a sign of an increasing cooperation among them. And the just completed meeting -- I believe it was just completed -- meeting of the four Defense Ministers I think is a sign of that cooperation as well. I don't know if you saw it, but they came out with, as I understand it, a common position on the Partnership For Peace just within the last few hours. So we find that encouraging.

We do want in this and other ways to encourage cooperation among the Visegrad group because we -- and we think that the Partnership For Peace concept will help encourage that cooperation because it is not only useful in itself in encouraging stability within the region, but we believe that that kind of cooperation then can help in the general integration of Europe, which is our strategic goal on this trip and in the coming years.

I should emphasize that we do not see such cooperation as an alternative to integration into NATO and, more generally, into the community of Western Europe, but as a part of that. This is not to say that membership in NATO would only come as a group. It would still depend on the decision of each government as to how fully it wants to participate and how active it wants to be in that participation.

Q My name if Pierre Briancon. I'm with the French newspaper, Liberation. Some people see the President's trip next week as a trip about Russia, in Russia, and around Russia -- about Russia, even the NATO Summit part. Some of your critics think you're giving too much to Russian concerns with the Partnership For Peace, and the critics are not only in Central Europe. How much do you make of what type of real Russian concerns about an extension of NATO membership, and can you confirm, as Vice President seems to say, that NATO will have new members in the future whether it -- near future or the distant future?

MR. LAKE: Let me begin with the last. We both expect, hope for and would welcome NATO expansion and the inclusion of new members by NATO through an evolutionary process such as the Partnership For Peace.

On the criticism that this trip is only about Russia or that we have given Russia too much attention, I have also heard criticism of the opposite direction: that we had not given Russia enough attention. We were giving too much attention, for example, here to Eastern Europe and Central Europe. I think the critics on both sides are missing a truly fundamental point, not just about this trip, but about the character of the challenge before us.

Perhaps I should put this in terms of the trip. The President is making a number of stops here -- in Brussels, in Prague in Moscow, in Minsk -- and at each stop will be addressing a series of substantive issues. But it would be a great mistake to look at the trip as divided in that way and to ask which part of the trip is getting priority over another.

We are at a moment in this whole region of extraordinary importance in which peoples and governments are going to be making decisions over the next year or two that will set the direction for their lives and their national destinies that have tremendous implications obviously for them, but also for us.

NATO, the most successful alliance in history, will be deciding how it becomes relevant to new security challenges in the area. The European Union which, by the way, we applaud, and one of the President's purposes will be to state that we support European integration -- but now that we have completed the Uruguay Round, we need to be setting a post-Uruguay Round agenda with the Union for our economic relationships, which will involve both trading issues, but how we can in, in common, produce growth and jobs in our economies.

The people of Central and Eastern Europe are now deciding whether they can look to the West with confidence or to the East with concern. The peoples on the periphery of Russia are deciding whether their big neighbor will also be a good neighbor in the coming years, and related to that, are looking at, in the case of Ukraine especially, about the issue of denuclearization. And, of course, very importantly, indeed, within Russia, the Russian people are deciding whether they will stay on the path of reform and democracy or step off of it.

Those are huge choices. And the President's trip and we believe all of our policies must be addressing those in a coherent way. And to address them coherently, I think one thing -- one strategic role runs through all of them, and that is working for integration, for trying to build over the coming years an integrated Europe not only militarily in classic security terms, but economically and politically as well.

And that, we believe, is the essence of the Partnership For Peace. Because if you look at the issue of NATO expansion in static terms as a decision for right now, then you are caught into trying to decide whether you give priority to Moscow, or give priority to Central and Eastern Europe, or to Western European concerns or whatever, because you are making a one-time, in effect, one-time decision. And that will require you then to -- if you allow NATO membership -- if you expand NATO membership right now, to draw a new line in Europe between East and West, which can create a self-fulfilling prophecy of problems within Russia and which could lead the states on Russia's border that were still to the east of the line, like Ukraine and others, in a very uncertain and difficult position.

But if you look at the Partnership For Peace as a dynamic process, an evolutionary process, in which you are, over time -- and without prejudging what that time period is -- bringing nations in, in effect, largely through their own decisions in how they wish to participate, it is an evolutionary, rolling process in which you can help create a new NATO, but without drawing at any point that final line that, once again, divides rather than integrates Europe.

So, to come back to your point, the critics who are seeing this through a lens of either Russia or non-Russia are, I think, seeing it through a lens of previous decades rather than through the lens we need in order to create the kind of Europe and new security in Europe that we need over the coming decade.

Q My name is Oskzar Fuzes, of the Hungarian paper, Nepszabadsaq. Mr. Lake, everybody can see that the national -- (inaudible) -- of the security concerns in our region, because of the American traditions, the United States are reluctant to support any temptations or any initiatives giving the so-called community of collective rights to the national minorities -- ethnic and national minorities in our region. Given that the Russians have about 25 million people living beyond the borders, and the Hungarians have almost 5 million people living abroad, would the United States support any initiative to create some kind of international mechanism or agreement for the safeguarding of the minority rights in our region? And how would you evaluate the plan of French Prime Minister Balladur in this context?

MR. LAKE: I think this issue of ethnic minorities and ethnic majorities and potential ethnic conflicts and rampant nationalism that can tear apart societies and lead to such terrible conflicts as we have seen in Bosnia or in Karabakh and elsewhere, presents for now the greatest security threat to the whole region, and in a way, the greatest challenge in the short run beyond the question of expansion to NATO and to the Western community of democracies in general.

And one way to address it is, we believe, through the Partnership For Peace because any government and any nation that signs up for the Partnership For Peace is undertaking certain obligations toward civilian control of the military, open defense budgets, other obligations that will tend to reenforce democracy within those societies. And we believe very strongly that it is democracy that can best accommodate such tensions within a society and keep them from exploding into violence.

I should note that it is not just this region of the world that faces these tensions and conflicts; they are certainly true across the globe, including within most of the societies of the West, including the United States. The question is whether you can have a system that can accommodate these tensions, or they will explode into violence. So the promotion of democracy is one way of addressing that.

Another is through agreements. And we believe that the CSCE offers such a vehicle, and we have been very supportive of that in a variety of ways. My personal view is that we need to work on making the CSCE still more effective in practical ways in addressing this truly central issue that you have raised. And, third, we have been supportive of the French initiative. We are still working through some of the details, as they are, on how we can best, in a practical sense, be supportive in the coming months. But we think it does offer some real possibilities.

Q Ewa Szymanska-Wierzyunska, Warsaw, Poland. Yesterday, the Vice President said that, I quote, "The security of

the states which lie between Western Europe and Russia affects the security of America." Is this a rhetorical phrase?

MR. LAKE: Let me repeat. (Laughter.)

Q Is this a rhetorical phrase similar to that uttered by Secretary Christopher in February of '93 about the importance of Bosnia for the interest of the United States, or are we witnessing the emergence of a new strategy where the U.S. is willing to get involved in the Balkans, would be willing to send their men and women to protect the territorial integrity of any of the involved countries?

MR. LAKE: This was an expression of American interest in the security of that area. As you are suggesting, it was not a formal security guarantee that comes through treaties, through, in our case, congressional action, et cetera. But it was an important expression of that American interests in the security of that area. And the reason for that expression is that the Partnership For Peace matters not only in its details and the kinds of practices and practical cooperation that could come with it, what also matters is what we say about it and what we mean by it for the future.

And we want in every way we can to reinforce the fact that we are serious about the partnership as a way of drawing in the states of Eastern and Central Europe into the West, and, again, not just in security terms, but economically and politically. But let me ad another point as well here. The partnership is open, of course, not only to the states of Eastern and Central Europe, but also to all the former members of the Warsaw Pact, including Russia, and European neutrals. And we do not want it to become, even in how it is discussed and debated, a vehicle for new tensions between Russia and Central and Eastern Europe. So it is very important to us in how we discuss it and in how our friends discuss it that it be seen, again, as -- become an integrative device rather than an occasion for statements that lead to new tensions, because those tensions are not useful within Russia, with the way they play into Russia, and those tensions are not useful to the security of the nations of Central and Eastern Europe.

So I think one of the benefits of the President's trip will be that as he emphasizes this goal of integration and as he talks to the leaders of the Visegrad group, and as he speaks with Russian leaders and the Russian people, he can be encouraging this sense of common confidence rather than of new divisions.

Q A short follow-up. However, these are words and the nations of that part of the world have learned to distrust words, especially those uttered by government officials. How does the President intend to overcome that?

MR. LAKE: And I understand what you are saying. And let me add one point about your former question. It is simply not the case that the American government issued some words about Bosnia and then looked the other way. We have said that we are prepared to help implement a viable agreement in Bosnia if the parties -- to it willingly, and if it is implementable, we have participated in now the longest-running airlift in history into Sarajevo.

We have conducted for many months now air drops into Bosnia. I believe -- and you're going to have to correct me if I'm wrong -- that we, the United States, now have brought in what would average eight pounds --how many? Twenty pounds of food and medicines on average for every person in Bosnia, through that airlift. We took the lead in gaining the NATO warning over the strangulation of Sarajevo. So I think it is wrong to say that we have been -- that we have simply turned our backs on them.

But let me come back to your question about deeds and not words. And, of course, the history of Europe has at some points revolved around words that were hollow and with tragic consequences, so I understand your question.

One point of the Partnership For Peace is that it combines both the deeds and the words meant to engender confidence. If you -- or not if -- as the partners work together, not simply in holding seminars, not simply in talking about how we can cooperate, but getting out of the conference rooms and into the fields and working together on joint exercises in various areas, you are, in very practical ways, beginning to create ties between the military institutions of all of these nations that has real meaning.

And there's another more subtle point here, I think, which is when the President met a few days ago with the current Chiefs of Staff to talk about all of this, one of them -- I've forgotten which -- said that as he was thinking about NATO, he felt that one of the most important parts of NATO was the way in which, now I guess two generations or more, of Western military leaders have, in effect, grown up together in their careers and worked together and developed common patterns of thought and ways to plan together and know how to work together in confidence. And I think one of the most important parts of the Partnership For Peace is that it will help build up similar relationships between the militaries of West and East. And those human relationships -- I will not use the Californian word of networking -- but those human relationships really matter a lot in the real world.

Q It worked because there was a common threat.

MR. LAKE: Well, I think there is a common threat. And it's a harder common threat to describe and to rally public opinion around, certainly, but it is nonetheless a real one. And that common threat is a Europe five or 10 years from now that is divided and potentially at war with itself again. It is a Europe in which democracy has not flourished, as it is on the road to doing now. It is a Europe which economically is divided rather than integrated all the more. That may be a common threat that is not as dramatic as a military machine that could come across the Northern Plains of Europe, but in its implications and the possible benefits if it is defeated, I think is every bit as important. But just requires our having the kind of imagination and political will to meet it. And that is one of the purposes of this trip.

Q My name is Michael Kuttner from the Danish newspaper Berlingske Tidende in Copenhagen. Mr. Lake, do you believe that the WEU gradually will take over more and more of NATO's role in Europe? And if so, how will that affect countries like Denmark who are members of NATO but not of the WEU?

MR. LAKE: The United States is pursuing now a policy with regard to a European security and defense identity that is somewhat different from what it has been in the past. As you know in the past, we have tended to say that it is NATO or nothing. And that if you won't play with us in NATO, we won't play at all.

What we are saying now is that we believe that NATO can be kept the most vital -- first of all, if it, as through the Partnership For Peace, it adapts to a new security situation, but also as it remains the linchpin of European security and the linchpin of American engagement in that security. And let me emphasize very strongly that one of the first purposes of this trip is for the President to reemphasize that the United States is absolutely and will remain engaged in the security as well as economic and political affairs of Europe, and that we will do so through NATO. But by working out such arrangements as the Combined Joint Task Forces that the summit will be speaking of, we can find ways in which the WEU and

other forms of European security cooperation can be integrated into a security system at which NATO remains at the heart. And you will see -- I won't go into the details here, but you will see in this concept of the Combined Joint Task Forces how NATO remains at the heart, but you allow Europeans, when they so wish, to act in ways that are still effective. I could go into it more now, but I think that would --

Q I'm from Brussels, Belgium. If I can take you back to Bosnia, you addressed what has been done and said so far. However, I seem to remember a senior administration official saying one of the worst scenarios for the summit would be that the meeting in Brussels take place as the situation is deteriorating in Sarajevo. We have seen General Rickman virtually resigning and throwing his hands in the air, saying as a military man I cannot cope with my orders so far. We have seen the French government needling everybody to act or get out. Do you think that the summit and the Partnership For Peace can really be called a success if nothing more is said or done at this point on Bosnia?

MR. LAKE: First of all, certainly all of us -- and I may have been the senior official that you were referring to -- would have wished that there were now peace in Bosnia. And we all, I think, have worked very hard to bring it about and regret that that is not the case.

The situation in Sarajevo is very serious, and the NATO warning about Sarajevo remains in place. And we hope that the events -- attacks of the last few days and weeks will cease. I believe that the summit will be a success if it can help create institutional arrangements that can help prevent future Bosnias. And to come back to your previous question, we believe that in a number of ways the Partnership for Peace, for example, can help to do that. So while we must concentrate and address Bosnia, we must not do that at the exclusion of searching for ways to prevent future Bosnias.

Q If I could make a quick follow-up? So we should definitely not hope for more a proactive initiative on this point?

MR. LAKE: I don't think I said that, but I think -- well, I think you heard what I said.

Q Yes, I'm with the International Herald Tribune. You've talked quite a bit, it seems, about ways to build confidence in Europe, Eastern Europe and Russia and so on -- you've talked quite a bit, it seems, about ways to build confidence in Europe, Eastern Europe and Russia and so on. I wonder if you can tell us how critical in that equation you think the removal of Russian troops from the Baltics and an agreement on the Ukraine nuclear missiles are to that need for confidence, and might we see any announcements during this trip that would address that?

MR. LAKE: The question of troops in the Baltics is one that we have discussed many times with the Russians and that the President has raised with the Russians many times. Progress has been made, and we hope more progress can be made more quickly, still.

On Ukraine, also, we have been, as you know, conducting talks on the issue over the past days. We have made real progress, but we're not quite there yet.

Q Then you don't really expect any announcements on either of these issues during the trip?

MR. LAKE: Because this is still going on, I think it would be premature to say one way or the other.

Q But could I just ask -- my first part of my question was, how important are these to the confidence of Eastern Europe and the Russians and so on?

MR. LAKE: I think they're very important. And they are a part of a general question as to whether Russian foreign policy, with regard to the Baltics, whether Russian foreign policy generally will be that of a good neighbor or less so over the coming months. And, of course, this question has been posed for many by the results of the Russian elections. I am quite confident that, in fact, Russian foreign policy will remain responsible and that we can make further progress on the Baltics.

Q Partnership For Peace very strongly stresses that it doesn't want to draw new dividing lines in Europe. But down the road, certain countries will be eligible for admission in NATO and some of them might be eventually admitted. And this will raise the same situation that now Partnership For Peace seeks to eliminate; the lines will be drawn only later. So my question is, how these later lines will differ from the lines that would be drawn earlier more than the Russian road to democracy might be very straight and convincing? Some critics might interpret the Partnership For Peace as a postponement of the overall problem until we see how the situation in Russia evolves.

MR. LAKE: Again, to take the last part first, those critics are simply wrong. If we were simply saying we can't do it now, we might do it later, then we could have saved ourselves a great deal of work in developing the Partnership For Peace. And, simply said, we don't want to do it now, come back to us later and we'll talk about it. We did not do that precisely because we need a dynamic process now which can evolve in ways that do not establish that new line.

Now, your first question is, why would it be different a few years from now in setting that line than it is now? And the answer is, I think, that the context will have changed. Now, the issue is being posed in many quarters in static terms. Are you going to let them in, are you not. And if you make the decision now, then in effect you are establishing that line, simply because of the character of the current debate.

But more importantly, over time, through the governments who participate in the partnership, meeting their obligations of creating more open defense budgets and creating militaries that can cooperate with the West, in setting their own timetables for cooperation with the partnership, you're setting in motion the kind of process that has a rolling quality to it, and it becomes clear, as states largely through their own actions, have become eligible for membership, when each one comes in, it will be because of its own actions as well as NATO's, and it has less of the quality of NATO saying, okay, here's who is in and who is out. So I think the context will change, and that is one of the purposes of the partnership.

Q Again, the Partnership For Peace, if I'm incorrect, you want to strengthen the credibility of NATO with the P For P, but sometimes I wonder whether you don't damage, actually, credibility of NATO with a thing like P For P. The credibility of NATO in part os this country and, i'm sure, in Europe is not very good because of the blunder in Bosnia. NATO is -- most other people look upon it as a -- well, a big giant. Now, you do have this proposal basically to invite everybody, step by step, into NATO and turn the Alliance, which used to be a very strong alliance, against a common threat, which it once had -- turn this alliance into some sort of CSCE, into some giant without arms and legs.

MR. LAKE: First of all, the Partnership for Peace is not removing a common threat. The Partnership For Peace is a way of adapting NATO to a new situation in which there is not a common threat. That happened. The Cold War is over. Now we are devising a NATO that, as it did under different circumstances of the Cold War, can become a force for stability and security throughout Europe, and to almost long for the days of the Cold War so that there would be more conceptual clarity for NATO I think lacks a certain sense of perspective. I'm sorry, remind me of the other parts of it.

Q The similarity between the --

MR. LAKE: No -- and this we have worked through very carefully and is a significant factor in our thinking about this. The Partnership For Peace is also designed for its emphasis on, for example, those nations that wish to become partners must organize their forces in ways that makes them compatible with NATO forces in real operations. It was designed to avoid damaging, but is the core of NATO. And that is that it is the most serious, most effective military organization probably in human history, I think, as an alliance. And that core of NATO must not and will not be in any way diminished through the Partnership because of the requirements, as I said, and the obligations that are put on the partners.

So it is hard to imagine that a NATO could somehow become merely a CSCE so long as we stick to that basic bedrock, and we are going to do that.

Q And what about the damage to credibility -- Bosnia?

MR. LAKE: The fact is that NATO now is enforcing the no-fly zone over Bosnia. There were those who said last year -- in late 1992 -- that in fact that the no-fly zone would never be enforced. NATO is now doing so. And it has been very effective at least with regard to fixed-wing aircraft. The fact is that NATO is doing an extremely effective job in the Adriatic in helping to enforce sanctions. The fact is that NATO has issued a serious warning about the strangulation of Sarajevo.

This is, in fact, the first time that NATO has been active in these ways outside its area in its history. So I think it is simply wrong to say that NATO has been irrelevant to Bosnia and while, as I said before, we all wish that the Bosnia situation had been resolved. Nonetheless, in some ways at least -- and I don't wish to overstate the point -- Bosnia has been a part of NATO's evolution into a security organization and is become more relevant to the security challenges of the post-Cold War era.

Q Maarten Hyugen from NRC Handelsblad in the Netherlands. Of course, we Europeans journalists are very -- (inaudible.) Two months ago there was the APEC conference and Secretary Christopher was talking about we want to move away from Eurocentric view of foreign policy and Asia looked like the future. And now all agree on policy -- (inaudible) -- in talking about future that the greatest -- (inaudible) -- is China and Japan. Why did suddenly this change come about? Is this a change that is going stay or revert back to more domestic priorities or priorities elsewhere?

MR. LAKE: This is not a change. If you go back and look at the President -- I believe, at the President's very first statements after becoming elected, or even go back and look at the campaign, he has constantly reiterated the importance of NATO, the historic importance of American ties to Europe; if you look at the President's meetings and phone conversations with foreign leaders -- of which, I might add parenthetically, there have been almost exactly, but not quite, but almost exactly as many as there were in the first year of the Bush administration. So this has been active -- most of them, I believe, have been with European leaders. He met

with European leaders in a series of meetings here, at the G-7, which happened to be in Tokyo, et cetera.

So it is not as if by any means suddenly the President remembers Europe. And indeed, he called many months ago for the NATO Summit that we are meeting now -- or about to meet at because of his concerns about the future security of Europe and in our negotiations over the Uruguay Round, the focus of attention was on the negotiations between the United States and the EU, or EC. So this is not new. I'm very concerned that every time that we pay more attention to a region that has been neglected -- and I would argue that American relationships with Asia and the Pacific region had not received enough attention -- that the conclusion will be, therefore, we are neglecting some other region. We have to get over that.

America's a Pacific power and we will develop our relations with Asia; and America is an Atlantic power. And we will through this trip and through two more trips in the next six months, or seven months, reaffirm that we are an Atlantic power and have a deep interest in European security and economic integration. And I am not merely confident, but I know that we can be -- that we can do both at once and even beyond that, reach out through, for example, the summit conference of Western Hemisphere democracies to Latin America as well. That is what the modern world is about. That is what being a global power is about. And we will continue to do it.

As I said, this trip will help reaffirm the fact that we can be very active in other regions without overlooking the basic fact and the basic proposition of American policy for generations now that on the tough issues around the world if the United States and the Europeans are not working together, then it won't get done.

Q Mr. Lake, let me go to another part of the trip -- the meeting with Syrian President Hafez Assad. Now, the PKK, the Kurdish terrorist organization, has quite a secure foothold both in logistical and political terms in Syria. During the President's meeting with Hafez Assad, will the issue of terrorism in general and the PKK in particular be an issue on the agenda? And how soon do you expect Syria to be removed from the terrorism list?

MR. LAKE: In every meeting we have had with the Syrians that I'm aware of we have discussed the issue of terrorism. I would expect this not to be an exception. And I think we will see Syria removed from the terrorism list when its behavior justifies that.

Q What will they have to do for justification?

MR. LAKE: We will discuss with the Syrians the details, but so long as it is engaging in behavior that justifies, as it does now, its inclusion on the terrorist list, it will remain on the terrorist list. I think that's very clear.

THE PRESS: Thank you.

END 3:07 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

Embargoed for Release
Until Saturday, January 8, 1994
at 10:06 a.m. EST

REMARKS BY THE VICE PRESIDENT
IN RADIO ADDRESS TO THE NATION

THE VICE PRESIDENT: Good morning. On Thursday, the President's mother passed away. This morning he's in Arkansas for her funeral. Anyone who has lost a loved one knows how painful that is. I got to know Virginia Kelley over the last year and a half. She was a warm, incisive woman with a wonderful sense of humor and an inspiring life story. All of us who knew her will miss her. And I'm sure all Americans join me in expressing our sorrow to the President and his family. And so I'm filling in for him this morning.

President Clinton leaves tonight on Air Force One for a trip to Europe that can help make our nation and our world more secure in every way. And in his absence today, the President's asked me to share his views directly with you about the trip because at this point in history, all of Europe stands at a turning point with deep implications for our own security and prosperity.

Before I talk about the goals of his trip, I want to talk about the commitments that are at the core of our foreign policy. We believe that to be strong at home we must be engaged abroad as well and that average working families benefit when we are. We must work with other nations to get the world's economy growing and open foreign markets to our products and services. That means more jobs, better paying jobs, and more secure jobs for American workers.

We must work with other nations to lock in the end of the Cold War so we won't have to spend more on defense and less on the domestic investments we need. And we must promote the growth of democracy and free markets around the world, because it's the right thing and the wise thing to do. Democracies are less likely to declare war on each other and they make better partners in trade and world affairs.

We reaffirm these commitments at time of astounding hopeful changes. After a half century of standing firm against Soviet expansionism, the Cold War is over and the Soviet Union is gone.

I visited Russia and Eastern Europe this past year, and I've been inspired by the heroic example of the democratically-elected leaders whom I've met, such as Boris Yeltsin, Lech Walesa and Vaclav Havel. And after years of praying for reconciliation between black and white and South Africa and between Arab and Jew in the Middle East, suddenly we've seen handshakes of hope that rivet the world.

In the past year while we've been promoting peace and democracy around the world, we've also put the economic interest of the American people back at the heart of our foreign policy. This past year we passed the North American Free Trade Agreement, and we reached an historic new agreement in the GATT world trade talks that will get the world economy moving again, open foreign markets to our goods and services, and create hundreds of thousands of American jobs.

And so President Clinton prepares for his trip with these commitments very much in mind. His first goal will be to reinvigorate NATO, the greatest military alliance in human history, our bulwark of strength in the Cold War.

Now that the Soviet Union is gone, it is time for NATO to address Europe's new security challenges, such as consolidating democracy's gains among NATO's eastern neighbors and working to prevent ethnic conflict.

At the NATO summit in Brussels, the President will propose that NATO create a Partnership For Peace. This Partnership will invite Europe's former communist states in Central and Eastern Europe as well as the states of the former Soviet Union to take part in military planning, exercises and cooperation. It creates an evolutionary process so that NATO can help spread the blessings of peace to more of Europe.

President Clinton's second goal will be to show our support for those people and leaders in former communist states working to build democracy and lay the building blocks of free societies -- meaning political parties, labor unions, business associations and a free press. In Prague he will meet with leaders of the Czech Republican, Poland, Hungary and Slovakia that are playing such leading roles in Europe's wave of reform. In Minsk, the President will voice our support for the leaders of the democratic reform underway in the nation of Belarus. In Moscow, President Clinton will meet with President Boris Yeltsin and other Russian reformers who are steering their nation toward a democratic, market-based and peaceful future.

We must not lose faith in the process of reform simply because it moves slowly or has setbacks. Changing an entire society is the work of generations.

President Clinton's third goal will be to help reduce the danger of weapons of mass destruction. When the Soviet Union dissolved, four states were left with its nuclear weapons: Russia, Ukraine, Kazakhstan, and Belarus. We're working with the leaders of these states to make sure there's only one nuclear successor state to the Soviet Union. And by visiting Belarus, President Clinton will show our support for that nation which has agreed to eliminate its weapons of mass destruction.

And the President's final goal is to support the democratic progress toward market reforms throughout the former communist states and to work for a greater Europe that is more economically vibrant. Most of Europe is now in deep recession. And if those nations start growing again, we will be able to export more of our products and create more jobs for Americans.

Twice in this century we have sent our sons and daughters to Europe to repel aggression and protect the survival of democracy. Two world wars left us with a lesson that is understood in every VFW and American Legion Hall across our nation. When Europe fights, we suffer; when Europe is free we thrive here in the United States.

Tonight the President travels to Europe to promote America's historic goals of peace and prosperity and democracy -- not only for ourselves, but for all the peoples of the world. And I know I speak for all Americans when I say our hopes and our prayers are with our President as he begins this important journey.

Thank you for listening.

END

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 7, 1994

PRESS BRIEFING
BY
SECRETARY OF THE TREASURY LLOYD BENTSEN,
SECRETARY OF STATE WARREN CHRISTOPHER,
AND
SECRETARY OF DEFENSE LES ASPIN

The Briefing Room

11:55 A.M. EST

SECRETARY CHRISTOPHER: Good morning. As almost everybody in America knows by now, the President will be leaving Saturday night for Brussels directly from Arkansas. This will be the first stop in his first official visit to Europe as President, and it will be the first of three visits he's making to Europe over the next six or seven months.

This series of trips to Europe underscores the fundamental importance that the United States attaches to its relationships with Europe. And what I'm going to do is to try to give you a quick walk-through toward the trip that he is taking to Europe.

In his speech in Brussels in Sunday and his speeches at the NATO and European Union on Monday and Tuesday, the President will articulate his vision for transatlantic security and prosperity. He will reaffirm the commitment of the United States to the Transatlantic Alliance indicating that we're determined to remain engaged in Europe, keeping our unbreakable bonds in good order and in good form.

Last year, I repeatedly emphasized that successfully concluding the GATT negotiations was as important to transatlantic security as renewing NATO. And as you all know, last month the United States and Europe completed the largest trade agreement in history. Next week we'll come together to take steps to renew this important alliance, the most important successful alliance in history.

NATO now faces a very momentous choice: Will it embrace innovation, or will it risk irrelevance, which will -- if that happens, I think would be very adverse to security and have dangerous consequences for all of Europe. That's why President Clinton is bringing to Brussels a proposal to help the Alliance adapt to this new post-Cold War era, and especially to adapt to the dramatic changes that are taking place all through Eastern Europe.

The agenda that he'll be bringing to Brussels has several key elements on which we hope to secure agreement from the allies during the course of the week.

First, we'll be seeking to create a combined joint task forces, so-called CJTF, a concept which will allow flexible military structures for potential new missions outside of NATO territory as well as within NATO territory.

A second closely related initiative will be to take steps in the development of the European Security and Defense

Initiative, the so-called ESDI that will reflect both NATO's flexibility and Europe's integration.

A third summit initiative will be to strengthen NATO's role in combatting proliferation of weapons of mass destruction. Secretary Aspin, as would be appropriate, will be discussing these three defense-related initiatives after I conclude here.

The final and most important element, indeed the centerpiece of the NATO summit, is the plan to turn former adversaries into partners. This is the purpose of President Clinton's Partnership For Peace proposal. It will deepen NATO's engagement in the East and draw the new democracies toward the West. Through this Partnership For Peace, the forces of non-NATO states will be developing practical working relationships with NATO as they plan, train and exercise their armed forces together. The partnership will help adapt NATO's capabilities in several areas, areas such as crisis management, humanitarian relief, possibly peacekeeping. At the same time, I want to emphasize that this new Partnership For Peace will in no way erode NATO's core capabilities or undermine, in any respect, its responsibilities for the collective security of the NATO countries.

I want to emphasize that the Partnership for Peace, important in itself, should also be seen as a logical corollary to a summit declaration, which we hope will be adopted that NATO looks for and anticipates, hopes to add new members to the alliance in an evolutionary process of expansion. The Partnership for Peace is open to all nations in Eastern Europe on a nondiscriminatory basis. Nations choosing to be active in the Partnership will develop habits of cooperation and routines of consultation which are so important to the Alliance as we've known it over the last years. The partnership is a flexible tool that will allow the nations to demonstrate their credentials for potential future membership.

The United States believes that the objective of promoting security and stability in Europe could be undermined if NATO were to be expanded too rapidly. We want to avoid premature selections or hasty prejudgments. Such as course as that would risk dividing Europe by creating new blocs and unintentionally replicating a bit further to the East a line of demarkation that NATO has fought for such a long time to erase. Before the United States would extend its security perimeter to the East, the Congress -- and, indeed, the public -- must debate the impact on our military strategy and on our budget resources. That will take time. But next week's summit will launch what we expect to be a very important process for NATO's expansion to the East.

To move on now to a different subject -- the nations of Eastern Europe making the difficult transition to free market democracy must be able to deliver tangible benefits to their people. And President Clinton will be making the point that Western nations and institutions must help them do that by widening their access to Western markets. The President will be delivering that message when he speaks to the European Union on Tuesday afternoon.

On Wednesday, in Prague, when he meets with the leaders of the Czech Republic, Hungary, Poland and Slovakia, he'll be discussing ways in which the Partnership for Peace will offer these countries practical forms of military cooperation so as to deepen their ties. I was very glad to read, as I was coming over in the car, that the defense ministers of the four Visegrad countries have endorsed the Partnership For Peace; I hope putting to rest some questions that have existed about the attitude of those four countries.

The President will also take this opportunity to express our country's deep admiration for the courageous action that these

countries are taking, the Visegrad countries, who would be meeting with in Prague; admiration for their courageous steps toward free market reform.

The President's visit to Moscow comes at a crucial moment as Russia's newly and freely elected Parliament is meeting for the first time. The President will reaffirm that the United States is on a steady course of supporting democratic and market reform through bilateral assistance, private trade and investment. The President will also discuss how the international community can help support the Russian government's efforts to provide basic social protections during the painful transition. Secretary Bentsen, I know, will be addressing that question in his remarks in just a few minutes.

In Moscow, of course, the President will also be discussing with President Yeltsin the recently concluded NATO summit. We anticipate, indeed, we will welcome the anticipation of Russia's participation in the Partnership for Peace. One of the many benefits of Russian reform -- one that I have felt personally so many times -- is the ability that we have now to cooperate with Russia on global and regional foreign policy issues. Accordingly, the presidents -- President Yeltsin and President Clinton -- will be discussing a wide range of foreign policy issues: the Middle East, relations with the newly independent states, nonproliferation and other foreign policy issues.

From Moscow, the President will travel to Minsk as part of our effort to encourage reform and nonproliferation in the new independent states. As you all know, Belarus has made the courageous choice to ratify the START Treaty and also to adhere to the nonproliferation treaty as a non-nuclear state. The President will be discussing with the officials of Belarus, and other new independent states who may be represented there, ways in which we can cooperate with them as they go through this difficult transition.

Finally, the President's trip will conclude with a meeting in Geneva with President Asad of Syria. As you know, on the Middle East, we have structured a sequence of steps this month, beginning with the recently concluded consultations with officials from Lebanon and Syria, their heads of delegations; steps that we hope will energize the peace process. Following the Geneva meeting between President Asad and President Clinton, we have invited the heads of delegations from all the other tracks to meet here in Washington for streamlined, less structured peace process talks. The Geneva meeting between the two presidents are a very important part of this process. We remain committed to helping the parties achieve a comprehensive peace, and it is certain that Syria is essential to achieving a comprehensive peace in this region.

I thank you very much, and now let me turn the podium over to Secretary Bentsen.

SECRETARY BENTSEN: Thank you very much, Chris.

Well, I will be attending the Moscow summit with the President. I think it's interesting to note that in April on the U.S.-Moscow summit meeting that that was the first time a Secretary of Treasury has attended such. This will be the second time. What that really brings to mind is that the balance sheet has become just as important as the balance of power. So we're going to go to Moscow to re-emphasize a steadfast report for the reformers and what they're doing in that regard.

These reformers have made some real progress. For instance, prices for most goods have been freed. If you look at the operations of the Russian economy, price is now a very major factor in what's produced and that which is consumed. Also, privatization

is coming along quite rapidly with one-third of the industrial labor force now in privatized firms. More than half the small businesses have been converted to private ownership. And beyond that, we see some now real progress in stabilizing the economy. We're looking at an inflation rate that in December was down to 12 percent. But Russia needs more reform, not less. There's a lot of work yet to be done. We've seen interest rates moving more toward real interest rates. We've seen some additional stabilization taking place.

Our trip to Moscow will give us the opportunity to talk to President Yeltsin about the course of economic reform in 1994. We hope this is a year in which economic reform can be solidified with further progress. But reform can only move forward if attention is paid to its social consequences at the same time, because the Russian people have faced some genuine hardship as they seek to shed the legacy of 70 years of communism.

We'll also want to talk to President Yeltsin about how Russia and the international financial institutions can energize that relationship -- make it more effective, raise more money for the purposes that have to be done. That will allow them together to advance reform and, very importantly, cushion the social impact of this transformation. We're not indifferent to the hardships that building a market economy out of the wreckage of a command economy has created for some of that population.

In addition, we will discuss with President Yeltsin and others how we can strengthen the trade and the investment relationships. We want to cover what we can to renegotiate and reinvigorate Russia's oil and gas industry; as well as discuss recent changes in the banking system in Russia.

Lastly, I won't be on the European leg with the President before the summit, but he'll be dealing with a variety of economic issues that are important to us. So, let me give you some of the specifics. First, he'll be talking with the EC about making the point that there is life after the Uruguay Round of GATT, there are more negotiations to be done as we work to further open up these markets. He wants to make it clear that this is the beginning, not an end, in our efforts to open those markets. And, second, he'll be discussing efforts to create jobs and bring down unemployment amongst the G-7 countries. If you recall, one of his initiatives is the jobs summit in March. And, thirdly, the President will stress that we need to achieve stronger growth in industrialized countries. And, finally, he'll emphasize the importance of opening our markets in the United States, Western Europe and Japan to the products of Eastern Europe and Russia.

SECRETARY ASPIN: Thank you, Lloyd and Chris. Let me just -- Chris has covered a good part of the things that I was going to say, but let me add a couple of things to the points he was making. I'd like to speak a little bit about the three major initiatives that will be going on at NATO in the security area. All three will strengthen and prepare NATO for post-Cold War missions, and post-Soviet Union missions.

First, a little more about the Partnership for Peace, although Chris covered that very, very adequately in his remarks. As we envision it, the partnership would really provide a framework for detailed operational military cooperation in the European security efforts. These efforts will have NATO as its core. In time, the partner nations will join with the NATO forces in such activities as peacekeeping, disaster relief, search and rescue operations and perhaps others.

What we hope is that we will actually see some field exercises before the end of the year, before the end of 1994, that there will be some operations going on with NATO and some of the

partners. If we can do that, it will demonstrate to Eastern Europe that NATO is serious about military cooperation, and that the Partnership For Peace program is real. There are some advantages. Let me just list some of the big advantages of the Partnership For Peace program.

First, it begins a process of meaningful military cooperation with countries in Eastern Europe without drawing a new security line. That's very, very important. We have a relationship -- it will be a differentiated relationship, but there will not be a new line drawn in Europe. Instead of drawing a new line that divides nations, the Partnership for Peace will establish new lines of communication that will connect nations.

Second, it sets up the right incentives. In the new post-Cold War world, NATO can be an alliance based on shared values of a free market and democracy. The program, this program, Partnership For Peace, rewards those who move in that direction, therefore it creates the right incentives.

Third, it provides for equality of opportunity for all eligible countries. There will be differentiations, but it will differentiations based upon what activities these countries are willing to undertake in cooperation with NATO.

Fourth -- and this is very important, I think, to a lot of constituents of members of Congress in this country -- it doesn't just ask what NATO can do for its new partners, it asks what the new partners can do for NATO. A terribly important point that we shouldn't overlook. And, finally, it puts the question of NATO membership where it belongs -- at the end of this process rather than at the beginning.

The second major initiative I'd like to say just a word about, and that's what we've called the Combined Joint Task Force. The European allies have had a long desire, longstanding desire, for a capacity for military action for missions as peacekeeping, humanitarian relief and other things that would be -- could be undertaken without American participation. They had the desire to have a European pillar to the NATO Alliance. In fact, we don't object to that. The Clinton administration, in something new, in fact, welcomes that. But we wanted to actually to complement NATO, this new operation, would be to complement, not to compete with it. We've long said that a European defense identity should be separable but not separate from NATO. And the Combined Joint Task Force accomplishes just that objective.

Under the plan, NATO-trained and integrated military forces and assets can be pulled out of the command and actually assigned and deployed in European-only contingencies. And these are cases where full NATO membership chooses not to participate. A task force could actually even include people who are not members of NATO, countries that have signed up for the Partnership For Peace program, for example, could become part of the joint task forces. The Combined Joint Task Force gives the European members of NATO a capability for independent action. It will support the development of a European security and defense identity; and importantly, however, no decision to activate a task force can take place without the full consultation with NATO.

So, finally, the point on counterproliferation, three issues -- Partnership For Peace, the Combined Joint Task Forces, and finally counterproliferation. We are engaging with our allies to deal with the threat posed by the proliferation of weapons of mass destruction.

Three propositions will be emphasized this summit coming up. Proposition number 1: Proposition number 1 is that NATO members

recognize that the proliferation threat, that threat of proliferation of weapons of mass destruction affects all of us. Second proposition: That the Alliance needs to address both the political and the military aspects of that proliferation problem. Third proposition: That we need to begin to work immediately on a comprehensive approach to this issue. That's just a very opening thin line; there's a lot more to that. But in short, we need to add counterproliferation to the arsenal of nonproliferation. Counterproliferation means that -- a certain understanding that there is a military dimension to this thing, not just a diplomatic problem. Our engagement with our allies will ensure that counterproliferation efforts are an important part of NATO's overall adaptation to the new strategic environment. NATO is, after all, a defensive alliance. And what is it that we're worried about -- clearly, one of the things is proliferation of weapons of mass destruction. This summit initiative will put that higher on the agenda.

Let me just finish, when we're all finished here. Actually, these three initiatives -- the Partnership For Peace and the Combined Joint Task Forces and the counterproliferation -- will keep NATO at the center of European security concerns and, therefore, keep American involvement in the center of Europe.

Let me turn it over the Chris and he can follow --

Q Secretary Christopher, can I ask you about Bosnia, which somehow doesn't get mentioned very often, even in lengthy briefings. There are reports that the U.N. commanders have asked for air strikes. There are reports that the U.N. Secretary General is vetoing air strikes. Could you get into this a little bit and give us the current U.S. position, and also the French request that the U.S. play some role, maybe in ground peacekeeping, maybe in supplies, which because they are, to an extent.

SECRETARY CHRISTOPHER: There are a number of questions there. With respect to discussions between the U.N. commanders and the U.N. Secretary General, you'll have to ask them about that. There's been no request made to us for the air support. The resolution adopted by NATO in Athens remains a valid resolution with respect to the air support and the NAC would have to act on any such request. With respect to the French, I've been in touch a couple of times in the last 24 hours with Foreign Minister Juppe. We're working together in close coordination. The subject of Bosnia will be under discussion, I'm sure, by the heads of government at the summit. And I would expect that we'll come forward with a coordinated position as we have in the past on that subject.

Q But haven't the Serbs crossed that line that the NATO Council set in August, haven't they violated the conditions? Haven't they continued the strangulation? I mean, they're bombarding Sarajevo to death. Haven't they taken action that calls for triggering NATO's warning in August that if you go that far you're going to get hit?

SECRETARY CHRISTOPHER: Well, that subject is under constant review by both the United States and NATO. We examine the facts, and if that point is reached, a decision will have to be taken by the North Atlantic Council on that subject.

Q You've told us about all of the things that the President is going to do when he talks to NATO, but isn't he going to assert some leadership over Bosnia? You haven't given us any sense of what he's prepared to say there.

SECRETARY CHRISTOPHER: Well, as I say, Bosnia will come up. There will be discussion of it. I've been in touch with my counterparts. But I want to emphasize that the summit was called for by the President in Athens to discuss the future of NATO, to discuss

how NATO would reach out to the East, to the newly emerging democracies. That is the role of the Partnership For Peace. That's the centerpiece of the NATO discussion. We'll also be discussing the Combined Joint Task Forces. We're talking about NATO's future now. There's no doubt that one of the things we want to do is to help NATO have a greater capacity to deal with questions like Bosnia in the future. And as I said, I'm sure Bosnia will be discussed by the heads of government.

Q Secretary Bentsen, can we talk a bit about what you you said about reform? You said that Russian reform has to continue, that we need more reform not less. Immediately after the election, the Vice President in Moscow said that there had been too much shock therapy. There seems to have been a change of policy in the intervening weeks. Can you explain that, and what do you mean when you say that the IMF and the World Bank are going to have to do something to cushion the impact? What can they do to cushion it? How much money?

SECRETARY BENTSEN: Well, I think the two statements are compatible. What we're talking about is a continued conditionality. I think you have to have that. When you talk to Gaidar and you talk to Fedorov and the rest of them that have been doing some of the lead in the reform, they talk about this being assistance to them. This is a part of the leverage in helping bring about the kind of reforms that are taking place there in the way of privatization and the way of curbing some of the inflation.

Now, we also must not overlook the fact that there's is considerable pain that has taken place on the part of the population by this kind of a transformation and what we would hope to see, where the IMF has been supportive and helpful, that we see an even closer cooperation between the Russian government and the IMF and the World Bank to further energize what's being done in that regard and to give further significance to the part which has been pained the transformation.

Q But, clearly, your emphasis today is that more reform is needed. And that is very different from what the Vice President was saying in the immediate aftermath of the election results.

SECRETARY BENTSEN: Well, I think what you've seen in the aftermath of the election is a reflection of that pain on the part of some of the population in the way they voted. But by the same token, I think once again that the sooner we get the reform done and over with, the sooner that you'll see stability and that you'll see less pain and the transformation to a market economy, the sooner you'll see stabilization. I think those two things go together.

Q Can I follow on the same subject, on Russia? Secretary Bentsen, following on the question, do you expect to see an easing of conditionality by the IMF? I mean, have they been too stiff? I mean, you want conditionality to help the reform progress, but does there need to be some leniency in getting the second tranche loan out from the IMF?

SECRETARY BENTSEN: Let me just say on the first tranche, and what you saw there was some easing of the conditionality as compared to what the IMF would normally insist on. And that was something that we worked out with the IMF. So I think you see a continuation of that taking place.

Q And then, would you expect to -- again, part of the pain of the social -- the social aspect of the pain of reform, would you expect to announce an increase in the privatization fund during this summit? And will you talk about the prospects for rescheduling Russia's debt for 1994?

SECRETARY BENTSEN: Well, I think what you have to see on that is working with the other G-7 countries, in particular, who have been quite forthcoming in their assistance to have a further understanding of the difficulty of making the transformation and trying to urge on the part of the IFIs -- the international financial institutions -- a even greater participation than they've had in the past. But to try to give definitive numbers -- I'm in no position to do that.

Q On Syria, sir, what quid pro quo are you going to offer Asad? Do you anticipate taking them off the terrorism list if they recognize Israel's borders? And do you still expect to see U.S. troops enforcing an Israeli pullout from the Golan?

SECRETARY CHRISTOPHER: Well, let me emphasize what our role is in those talks. We're the sponsors of the Middle East peace talks -- co-sponsors, that is, along with Russia. The governments of Israel and Syria have asked the United States to play the role of intermediary. At the present time, they apparently don't want to engage in direct discussions. So they've asked the United States to be an honest broker, and we're assisting in that role. It's not our function to provide quid pro quos between them or to get into the negotiations except to try to play, as faithfully as we can, the role of full partner. And in that setting, I think it's very important, very desirable that President Clinton meet with President Asad of Syria. He's met with all the other leaders of the other three entities that are involved in these very important negotiations. And I think that's the essence of these discussions, rather than involving quid pro quos or our making offers or our providing various resources to the parties. We're not at that point yet in the discussions.

Q Mr. Secretary, back to the to the French proposition. How much higher is Bosnia going to be on the Brussels agenda? And, secondly, do you expect now, because of the acceleration of the fighting, a more concerted effort than expected on Bosnia after the Brussels summit?

SECRETARY CHRISTOPHER: Well, I think that it was always certain that Bosnia would be discussed by the heads of government when they meet, and it certainly will be discussed at the present time. As I say, over the last several days, I've been in touch with my foreign minister counterparts on this issue and I think you'll see this issue treated with the seriousness and gravity that is warranted by the conditions on the ground.

Q Secretary Christopher, Strobe Talbott has talked about the need to broaden American contacts with reformers and Democrats -- that we should broaden -- we should seek them out and meet them wherever we can find them. To what extent does Mr. Clinton plan to broaden these contacts beyond Mr. Yeltsin? And can you share with us whom he may be meeting with? Will he be meeting with people in the new Parliament? Perhaps even elements of Mr. Zhirinovsky's --

SECRETARY CHRISTOPHER: I think the President will be meeting with other elements at Russia at the present time. The existence of a newly elected Parliament identifies various groups and leaders who are coming into the fore, and I think the President will have an event with them somewhat comparable to the important event he had in Tokyo -- meeting with the various elements of the new constituencies arising in Japan. I don't know all the details, nor do I have for you the guest list. But I think the President plans to have an event at which he'll have an opportunity to meet with those individuals who may play a leadership role.

The one exception from that is the President does not intend to meet with Mr. Zhirinovsky because of the kind of statements, and his conduct simply does not seem to warrant the President meeting with him when he is in Russia.

Q A follow-up, Mr. Secretary. Can you just respond to Mr. Zhirinovsky yesterday saying that the President was too weak a leader, afraid to meet with him?

SECRETARY CHRISTOPHER: No, I don't think I would dignify that with any kind of a response. President Clinton's leadership, I think, will be evident all through this trip and they're not going to get into a match with somebody whose verbal conduct is of the character of Mr. Zhirinovsky.

Q You were talking about the possibility of field exercises as early as by the end of the year with East European countries or others.

SECRETARY ASPIN: Yes ma'am.

Q How do you propose -- or what kind of proposals are on the table for funding bringing their militaries to the point where they can communicate with NATO militaries, where they can actually engage in military exercises?

SECRETARY ASPIN: Well, what we have -- are you talking about our forces or their forces?

Q Their forces. I mean, presumably their forces are not up to NATO standards.

SECRETARY ASPIN: Correct.

Q What do you do about that?

SECRETARY ASPIN: Well, what we do is we try -- it's through those exercises that we try to work out joint operations so that they can be jointly operated if something happens for real. In other words, if it's a real peacekeeping operation or a real search and rescue operation or a real crisis management situation, what you do is you run practices. And they all have exercise budgets. It would mean just taking the exercise budgets that they would now apply to their own exercises and putting them as part of a combined effort. We do the same thing -- we budget every year for exercises. If they're joint exercises, we do them jointly; if they don't, we just budget them and carry them out on our own.

Q A little bit of follow-up on NATO. I get the impression since October when this was first made public that you are more skeptical about the eventual admission of Eastern Europe and other countries into NATO than the Secretary of State is. And I wonder whether that's true or not, or whether I'm imagining it.

SECRETARY ASPIN: I think you're imagining. Basically, when we went out to discuss the proposition -- I can't remember now the particular date -- but at the time that the President made the decision that we would foster here this notion of Partnership For Peace and that this was the general stand that we would take, I went to a meeting of NATO defense ministers in Brussels, Chris went on a trip that brought him into Eastern Europe. We found ourselves talking to different audiences. Chris was talking to an audience that was very much wanted to have very much more involvement with NATO and the Eastern European countries. I was talking to an audience that was very reluctant about that. If a different tone came out, I think it was essentially due to that.

Chris and I talked this thing over -- and I'll let Chris speak for himself -- but he and I talked this thing over. We had several meetings of the principals. The President considered it -- we are not, were not and will not be on different wavelengths on this issue.

Q Secretary Aspin, may I follow on a question I asked Secretary Christopher about Syria? Do you foresee a time when a significant force of American troops might be in the Golan Heights to ensure a peace between Israel and Syria?

SECRETARY ASPIN: I think that's clearly something that needs to be crossed -- a bridge that needs to crossed when we get there.

Q Secretary Christopher, were you saying --

SECRETARY CHRISTOPHER: That's why I said there's not a shade of difference between us on admission to NATO. (Laughter.)

Q Beyond the defense ministers, were you saying the four Warsaw Pact countries have now accepted the Partnership for Peace? And what does the involvement of Russia mean if it actually joined?

SECRETARY CHRISTOPHER: Well, on the first question I can only refer to the item I saw on the way over. The four defense ministers of the Visegrad countries, apparently acting together, had said their countries were all enthusiastic about the Partnership for Peace. They hope for eventual membership in NATO, but nevertheless, they thought this was an important first step. And I assume, like other defense ministers, they would be speaking only on authorization. (Laughter.)

SECRETARY ASPIN: Absolutely.

Q Any difference there?

SECRETARY CHRISTOPHER: No difference. Not a shade of difference.

Q And what would Russia's role would be with -- I mean, why do you need a NATO after that?

SECRETARY CHRISTOPHER: Well, if the Partnership For Peace moves to the point where there's the admission of Russia -- if Russia takes the steps that would qualify it and commend it for membership, it's clear that we would have taken a very important step forward. But then it would be a security arrangement for all of Europe, and that would be a very desirable thing to have achieved. But there are other regions of the world, and I think you have to look way down the road to see that. For the time being, the Partnership For Peace seems by far the best mechanism to provide for an opportunity to reach out to Eastern Europe.

Q Mr. Secretary, do you anticipate that the President is going to offer either in Eastern Europe or in Russia or in the former Soviet states any new commitments of American dollars to any aspect of these developing countries? I understand that the U.S. has already committed a great deal, but will there be new dollars?

SECRETARY CHRISTOPHER: John, I think I'll leave that for the President to announce, if he's going to, when he's in Moscow.

Q Secretary Christopher, you mentioned before that you think the Clinton-Asad meeting in Geneva next week in Geneva next week is an important part of the peace process. Can you tell us what you expect to be coming out of that meeting? And what impetus do you think it gives to the peace process?

SECRETARY CHRISTOPHER: You'll understand why as the intermediary I would not want to get into any detail about what the discussions will be between the two presidents. I do think it will provide a very strong impetus for the peace process. That fact that the two presidents have met, I think, will tend to energize that process and will give new meaning to the discussions that will take place just two days later here in Washington of the heads of delegation. After all, we're strongly in favor of a comprehensive peace in the Middle East. And Syria is a key factor there. No one in the Middle East would doubt the crucial character of Syria to a comprehensive peace in the Middle East. So the fact of that meeting, that fact of the relationship between the two presidents is very significant.

END 12:30 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 10, 1994

January 8, 1994

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Notification Under 10 U.S.C. 2215 for the New Independent States (NIS) of the Former Soviet Union

Pursuant to Section 2215, Title 10, United States Code, as amended by Section 1106 of the National Defense Authorization Act for Fiscal Year 1994, I hereby certify that making available the funds appropriated under the heading "Operation and Maintenance, Defense Agencies" in the Supplemental Appropriations for the NIS of the Former Soviet Union Act, 1993 (Title VI of Public Law 103-87) to the Agency for International Development, Assistance for the NIS of the Former Soviet Union, is in the national security interest of the United States.

You are authorized and directed to submit a copy of this certification to the appropriate committees of the Congress and to arrange for its publication in the Federal Register.

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 10, 1994

TEXT OF A LETTER FROM THE PRESIDENT
TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
AND THE PRESIDENT PRO TEMPORE
OF THE SENATE

January 8, 1994

Dear Mr. Speaker: (Dear Mr. President:)

Six months ago I provided you with my initial report on the deployment of a U.S. peacekeeping contingent as part of the United Nations Protection Force (UNPROFOR) in the former Yugoslav Republic of Macedonia. I am now providing this follow-up report, consistent with the War Powers Resolution, to ensure that the Congress is kept informed about this important U.S. contribution in support of multilateral efforts in the region.

As a significant part of U.N. efforts to prevent the Balkan conflict from spreading and to contribute to stability in the region, the U.N. Security Council adopted Resolution 795 (1992) authorizing the presence of UNPROFOR for peacekeeping purposes in Macedonia. In early 1993, a Nordic battalion was deployed to Macedonia with the mission of monitoring and reporting developments along the northern border that could signify a threat to the territory of Macedonia. Consistent with U.N. Security Council Resolution 842 (1993), the United States augmented the UNPROFOR Macedonia peacekeeping force with a combat-equipped U.S. Army contingent. The U.N. Security Council extended the UNPROFOR mandate in Resolution 871 (1993). Our U.S. Armed Forces personnel have served with distinction in Macedonia continuously since their arrival in early July 1993.

The peacekeeping operations in Macedonia have been conducted safely and effectively, and I am certain that you share my pride in and appreciation for the superb efforts of the Americans who are contributing so much to the UNPROFOR Macedonia mission. Unsurprisingly, the U.S. Army personnel received high praise from the U.N. Commander, Danish Brigadier General Thomsen, for their outstanding professionalism and capabilities, which enabled them quickly to assume an integral role in the force. Upon receiving orientation and training on the mission at UNPROFOR headquarters in Skopje, the U.S. unit began conducting observation and monitoring operations along the northeastern section of the Macedonian border with Serbia. The U.S. contribution has thus enhanced UNPROFOR's coverage and effectiveness in preventing a spillover of the conflict, and has underscored the U.S. commitment to the achievement of important multilateral goals in the region.

As always, the safety of U.S. personnel is of paramount concern. U.S. forces assigned to UNPROFOR Macedonia have encountered no hostilities, and there have been no U.S. casualties since the deployment began. The mission has the support of the government and the local population. Our forces will remain fully prepared not only to fulfill their peacekeeping mission but to defend themselves if necessary.

more

(OVER)

On December 14, 1993, elements of the U.S. Army Berlin Brigade's reinforced company team (RCT) assigned to UNPROFOR Macedonia began redeploying to Germany as part of the normal rotation of U.S. forces. Lead elements of a similarly equipped and sized RCT began arriving in Macedonia on December 27, 1993. The approximately 300-person replacement unit -- Task Force 1-6, from 1st Battalion, 6th Infantry Regiment, 3d Infantry Division (Mechanized), Vilseck, Germany -- assumed the mission on January 6, 1994.

The U.S. contribution to the UNPROFOR Macedonia peacekeeping mission is but one part of a much larger, continuing commitment towards resolution of the extremely difficult situation in the former Yugoslavia. I am not able to indicate at this time how long our deployment to Macedonia will be necessary. I have continued the deployment of U.S. Armed Forces for these purposes in accordance with section 7 of the United Nations Participation Act and pursuant to my constitutional authority as Commander in Chief and Chief Executive.

I am grateful for the continuing support of the Congress for U.S. efforts, including the deployment of U.S. Armed Forces to Macedonia, towards peace and stability in the former Yugoslavia. I remain committed to consulting closely with the Congress on our foreign policy, and I look forward to continued cooperation as we move forward toward attainment of our goals in the region.

Sincerely,

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

(Brussels, Belgium)

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIALS

January 10, 1994

Conrad Hotel
Brussels, Belgium

7:50 P.M. (L)

SENIOR ADMINISTRATION OFFICIAL: You've been hearing a number of statements, and so I won't make a long statement by way of introduction. But I would like to pick up on a couple of the points that have been made by the President and the Secretary of State with respect to the importance of what has happened today with respect to the Clinton administration's overall nonproliferation policies.

In the first instance in NATO, in addition to the Partnership For Peace, an initiative of the United States as we sought to transform the NATO Alliance. Another initiative that hasn't gotten quite as much attention but is also critical as we see NATO's evolution, and that is that NATO will work together and find ways in the new world to not only promote our overall nonproliferation goals around the world, but to prepare within the NATO planning structure and force structure for the possibility that diplomacy might fail and that our forces might find themselves in situations in which dangerous weapons have proliferated.

And so a key element of our overall nonproliferation policy has bringing that as a priority to NATO as it transforms itself and evolves into the new world.

And then, secondly, and more dramatically, the announcement that we've made today that this Friday the three presidents of Ukraine, Russia and the United States will be signing an agreement whereby our overall nonproliferation goals with respect to Ukraine will be confirmed and bring about the success of our efforts over the past year to gain the implementation of the Lisbon Protocols by Kazakhstan, Belarus and now Ukraine.

And so let me then just pick up briefly on the framework that will comprise this agreement; that we will put in place a framework for Ukraine that will include continuing a process that's already underway, and that is the deactivation of nuclear weapons on Ukraine territory. At the same time, the United States, Russia and the United Kingdom will provide security assurances for Ukraine when Ukraine becomes an adherent to the Nonproliferation Treaty; and, finally, assistance in the dismantling of their nuclear weapons and then compensation for the nuclear materials that these weapons currently hold.

And we can go into some of the details of how it is that the various elements of that framework will be carried out. But it is a framework that does include many details. It's been a complex negotiation. We are prepared to announce that an agreement will be signed by the three presidents on Friday, and

at this point what we'd like to do is just share with you that overall framework.

Thank you. Let me ask my colleague to follow up with a few brief comments.

SENIOR ADMINISTRATION OFFICIAL: I think it's important to remember when you look at this overall agreement that there's been quite a bit of activity going on on several fronts over the last nine months or so. We've had bilateral activity going on between Russia and Ukraine that brought them really a very long distance toward working out the overall framework of the deal -- compensation going to Ukraine in the form of fuel rods, movement of weapons back to Russia for their elimination. The overall structure of the deal was really worked out in a bilateral context between Ukraine and Russia, but they got only so far and did not bring it to a final resolution.

So the United States, in the early fall, came into the mix and began -- really at the request of both President Yeltsin at the Tokyo Summit back in the summer and President Kravchuk -- became involved in a trilateral process to try to drive the deal through to conclusion. And over the last couple of months we have been working very intensively with both sides to drive the deal through to conclusion.

Now, that's on the specifics of the particular deal that we're talking about now. But you've got to remember, too, that it's nested in the overall Lisbon Protocol commitments of Ukraine and Kazakhstan and Belarus, Russia and the United States, for that matter. That deal was signed in May 1992. It was put together as an overall framework under which those countries -- Kazakhstan, Belarus and Ukraine -- could become parties to the NPT and nonnuclear weapon states at the earliest possible time. So we are looking now at essentially yet another package of deals or arrangements that makes that more concrete and brings it into reality.

Q Do you have any idea of the value of the uranium, the reprocessed uranium, that will be sold for reactors and split between Russia and Ukraine -- because, you know, wild figures have been thrown around, like $12 billion?

SENIOR ADMINISTRATION OFFICIAL: That $12 billion number is the value of the entire HEU deal. That is the contract between the United States and Russia over a period of approximately 20 years it'll stretch out. And in that time period there will be a regular sale of blended-down uranium, and the United States will then take that uranium, process it into fuel rods and resell it on the market for such fuel rods. So that is the amount for the total contract over time.

Now, as far as the value of what will go to Ukraine, that it's a combination of fuel rods for Ukrainian nuclear power reactors. And I have to say that this is a key element that was worked out between the Russians and Ukrainians. This is something the Ukrainians want very much because they are energy poor, their resource base for energy is poor overall, but they do have some actually very modern power plants in addition to the Chernobyl-style reactors, which we all know about. But they see that as a way to begin to develop an independent energy resource base. So it was very important for them.

In terms of the overall value calculated over time, it's a little bit difficult to say because the market fluctuates and so forth. But I think we're looking at a number around a billion dollars approximately.

Q But $20 is not only --

SENIOR ADMINISTRATION OFFICIAL: Yes, twelve billion --

Q I mean, the $12 billion, yes, is a --

SENIOR ADMINISTRATION OFFICIAL: Yes. And another important thing to remember is as far as the HEU deal is concerned, from the very outset, we've made it clear that compensation arrangements had to be worked out not only with Ukraine but with Kazakhstan and Belarus as well. And that's an important part of all these pieces coming together during this week. It's a remarkable confluence of events.

SENIOR ADMINISTRATION OFFICIAL: Let me just add one point on that, and that is what had earlier been said by the Secretary, and that is that the compensation through this highly enriched uranium contract is a commercial enterprise with no cost to the American taxpayer. It's been worked out with that as its key principle. And so this is done without any cost to the American taxpayer.

Q Have you calculated the cost for the dismantling?

SENIOR ADMINISTRATION OFFICIAL: We actually have looked at that. You're aware that we've said for sometime now that Ukraine would receive at least $175 million in Nunn-Lugar funds. We've gone back and taken a look overall at what the cost would be for dismantling. And it is difficult to estimate once again because you're talking about working in Ukraine on the ground there with a very different kind of economic structure and so forth. But we are looking at, I think, beginning from the floor of $175 million and looking across a range that will take us somewhat higher than that but not a whole lot higher than that.

Q Could you tell us if there's any -- do you plan to increase at all the $155 million in economic aid for Ukraine as a result of this? Is anymore money going to be asked for?

SENIOR ADMINISTRATION OFFICIAL: What we've said is that our efforts in making good on the Lisbon commitments would set the stage for a broadening and deepening of our economic relationship with Ukraine. And that's very much part of why we spent the energy that we have to get this particular agreement. So it does open up a whole new relationship.

Q No, no, no -- but what -- but right now it's $155 million that was committed last October. Is there anything more on the plate --

SENIOR ADMINISTRATION OFFICIAL: At this point we are not going to say that there's anymore but -- in specific terms, but we're definitely that we're opening up a new relationship.

Q How long do you expect it to take to implement the agreement, and when do you expect that Russia will be the sole remaining superpower in the former Soviet Union?

SENIOR ADMINISTRATION OFFICIAL: If I could just -- before we get to that question, I'd like to add one final point on this economic assistance question. As my colleague said, we are starting now a process, a very intensive process of working together with the Ukrainians on their whole spectrum of economic reform. It's been a real problem because up to this point they haven't really dived into reform, economic reform, in the same way that the Russians have, for example. So we are definitely willing to work with them, and we'll work with them intensively.

I can also tell you the $155 million is a floor, and we're willing to go above that. They have to show us some evidence that they are ready to move energetically on reform. We are willing to work with them on that. There will be a high

level Ukrainian economic delegation coming at the end of January to Washington. And my colleagues on the NSC and elsewhere in the government will be working with them very closely.

Q Have you said when Kravchuk is coming or whether you're going to invite him on Wednesday?

SENIOR ADMINISTRATION OFFICIAL: He will be coming to Washington at some point in the near future. We have not set a date precisely yet.

Q -- timing question, please?

Q Could I restate my question, please?

SENIOR ADMINISTRATION OFFICIAL: Why don't I say I've heard the question, and that has to do with timing. And I think -- let me just begin by saying the most important part of the agreement that will be signed on Friday is a commitment on the part of Ukraine now to put in place a process by which the deactivation of their missiles, which is currently underway, will be added to a commitment to begin to move those weapons to Russia in the framework of the compensation, assistance and security assurances that I've talked about.

What has been blocking that, our efforts with Ukraine, is that fact that we couldn't get a process underway. We couldn't get the steps to be taken to have this start to work. And so, at this point, that's what the success is, plus a commitment that all the nuclear weapons will return to Russia. So focused on the fact that we get the process underway, we get the most dangerous weapons moving out of Ukraine, and we have a commitment that all will finally go away.

Q -- you have a commitment on timing?

Q -- ten years, two years?

Q -- question, please, on deactivation?

SENIOR ADMINISTRATION OFFICIAL: Yes, sure.

Q No, we were just discussing --

Q Can we stay on timing until we the answer?

Q Yes, we want an answer on the timing.

SENIOR ADMINISTRATION OFFICIAL: You have an answer.

Q Are you going to accelerate the deactivation now that you have this new agreement? And is there some way in which you're going to change deactivation mechanically so that you could speed it up?

SENIOR ADMINISTRATION OFFICIAL: Well, you know that the deactivation and the flow of funds from the United States has just began because we've signed all the implementing agreements. So we are prepared to move the assistance into Ukraine as quickly as possible. The funds have been appropriated, obligated, they're ready to go. So we will move consistent with how long it takes to actually carry out those particular activities.

Q Wait a minute -- timetable?

Q So there's no timetable.

Q There is no timetable.

SENIOR ADMINISTRATION OFFICIAL: There is a sequencing plan that begins with, or would begin with the signing

of this agreement by the three presidents and that's what this agreement's about.

Q Over what period of time? Over what period of time, please? There apparently is no timetable.

Q Could you answer the question?

Q Is there a timetable? Is there an outside limit within which or before which this must be done?

Q And you just can't tell us, or what?

Q What is the problem here?

Q I mean, it appears as if you signed -- to get an agreement, you've signed something in which there is no assurance they will ever be a nonnuclear country because there's no date that they --

SENIOR ADMINISTRATION OFFICIAL: There's a commitment for all the nuclear weapons to be removed from Ukraine consistent with their obligations under the Lisbon Protocol.

Q When?

SENIOR ADMINISTRATION OFFICIAL: Which is seven years from the time of ratification.

Q Can I ask you about the warhead total, please? The President spoke of 1500 warheads. You know, I know this is 175, 176 missiles, but that doesn't get 1240 up to 1500. Was he speaking roughly, and it's really about 1240 warheads? Can you settle that, please? You don't have to -- -- so that's going to --

SENIOR ADMINISTRATION OFFICIAL: The sum, 1500 -- the total overall is 1800, and that includes both ICBM warheads and bomber warheads and --

SENIOR ADMINISTRATION OFFICIAL: Air-launched cruise missiles --

SENIOR ADMINISTRATION OFFICIAL: -- air-launched cruise missile warheads.

Q And they've agreed to take care of all of them?

SENIOR ADMINISTRATION OFFICIAL: They're all coming out.

Q What precisely is the security guarantee that the United States will give to -- if Ukraine is invaded, do we go to war for Ukraine?

SENIOR ADMINISTRATION OFFICIAL: First of all, we see these as security assurances within the framework of the CSCE commitments to the sovereignty of borders, and to a commitment on the part of the members of the CSCE to undertake no economic coercion with respect to the other members. And so we will restate those two particularly critical assurances for Ukraine, and in addition, make the commitments as nuclear powers with respect to obligations under the Nonproliferation Treaty. So these are security assurances, and these are assurances consistent with our obligations within those two treaties. There are no new guarantees or obligations as part of this agreement.

SENIOR ADMINISTRATION OFFICIAL: I can see as soon as I answered the question before, I seemed to have no other interest in questions --

Q Just to be sure that I understand this -- I'm sorry if I'm having trouble following you, but as they take away the missile capability, they get the aid, or do they get the aid irrespective of whether they take away the missile capability once this -- and you've now said it kicks in after ratification over seven years, and we don't know exactly how fast it's going?

SENIOR ADMINISTRATION OFFICIAL: Well, actually the assistance for dismantling kicks in now, because they have signed all the agreements necessary, all the so-called Nunn-Lugar implementing agreements as well as the umbrella agreement. And so we are now at a point where we can begin to move forward with them.

That means that quite a bit of technical work has gone on to define exactly how we will be working with the Ukrainians in terms of destroying the missiles, in terms of dealing with the propellant in those missiles, in terms of all the other technical steps that need to be taken to make this happen.

And don't forget, they have had a very active program of deactivation. I really have to say that President Kravchuk has shown a great deal of leadership here, because since the summer they have had a very active program of early deactivation. We essentially went to them and said, look, the United States and Russia are both beginning to implement the START I Treaty. Is it not time that Ukraine also begin a process of early deactivation.

And, indeed, President Kravchuk stepped up to that and he began to deactivate SS-19 missiles. We are now moving into a period where SS-19s, SS-24 missiles, in fact, the commitment is, as we've said tonight, to all of the nuclear weapons in Ukraine. And we really expect an intense, even in the first year we expect to see an intense movement of warheads from Ukraine to Russia. And I think that that is very important because we have, as Dr. Davis said, been essentially at an impasse, a stalemate. There's been no movement. The Rada and the Executive Branch have been at an impasse, and we've been trying to move the process forward and do so in a positive way that makes sure Ukraine benefits, that makes sure Ukraine gets the compensation she deserves. And we are very satisfied that we have been able to do that and we give a lot of credit to the Ukrainian government and to President Kravchuk.

Q Back on timetables, is it seven years from next week's signing, seven years from ratification by the Rada, or seven years from the end of some open-ended process that we don't know how long it will take?

SENIOR ADMINISTRATION OFFICIAL: It's from the time that they make a commitment to the START I Treaty.

Q Did the President sign if the Rada ratifies, or the Ukrainian government, or what instrument?

SENIOR ADMINISTRATION OFFICIAL: I think it's at this point important to understand that the Rada has dealt with the START I Treaty and looked at the kinds of requirements that would be necessary for it to be carried out in detail. And among those conditions that they've called them -- we've not actually called them conditions, but those conditions included the kinds of steps that you see in this framework agreement.

So in the context of the ratification, the government of Ukraine now is prepared to commit to carry out not only its commitments under the Lisbon Protocol, but to begin that process immediately and to get beyond their own deactivation to the removal of those warheads back into Russia. And that's what's so critically important about the agreement that we've signed.

Q What do you consider the date of ratification?

SENIOR ADMINISTRATION OFFICIAL: On November 18th, the Ukrainian Parliament voted to ratify the START I Treaty. As you're aware they imposed a number of conditions on that ratification. We were very concerned about it afterwards. We went back to President Kravchuk. The President, in fact, called him within a few days of that vote and expressed our very strong concern about it.

But I have to say, President Kravchuk already had a strategy in place for addressing this situation. He said, look, we have to address the concerns of the Parliament. And he said, I'm willing to do that. Working together with the United States, working together with Russia, we'll deal with -- some of their main concerns had to do with compensation, for example. He said, "Then I will be resubmitting the package, the Lisbon Protocol package, which includes START I as well as the NPT part of it, to the Rada.

Now, as you're aware, they're in an election period now -- between now and March, they're going to be voting -- getting ready to vote for a new Rada. He said he expects to resubmit the package in March or shortly thereafter for another vote. I expect, based on what I have been hearing from some Ukrainian parliamentarians, that they will be satisfied with what they have seen emerge from this deal.

Q Secretary Christopher said this could be done by executive action. It sounds otherwise from your description.

SENIOR ADMINISTRATION OFFICIAL: We believe that the framework provided by this agreement permits the government of Ukraine to sign an agreement between his government, the United States and Russia to carry out those commitments under the Lisbon Protocol. So when he signs this agreement he is signing it for the government of Ukraine.

Q So the meter doesn't begin running on time until it goes back to the Rada and it is ratified again, is that correct?

SENIOR ADMINISTRATION OFFICIAL: From the time of the signing of this document, we would assume that those commitments would be in place.

Q Assuming doesn't mean that that will be so just because they were signed, does it?

SENIOR ADMINISTRATION OFFICIAL: Governments signing these agreements make the commitment on behalf -- sorry -- Presidents signing these agreements make commitments on behalf of their governments.

Q But it doesn't start the timetable running, does it?

SENIOR ADMINISTRATION OFFICIAL: I certainly think the time -- the commitments under this agreement began from the time of signature on Friday.

Q A sequencing question rather than a timetable question. You said this would take the most dangerous weapons out first. Does that mean it explicitly says the 24s come out before the 19s?

SENIOR ADMINISTRATION OFFICIAL: That means it says the most dangerous weapons are coming out as this process gets underway.

Q One follow-up to that please? Are there any provisions in the security guarantees that would provide for NATO to sell conventional weapons to Ukraine or to give Ukraine any of

the leftover conventional weapons that NATO has from the CFE Treaty?

SENIOR ADMINISTRATION OFFICIAL: It is not part of this agreement.

END 8:13 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 16, 1994

INTERVIEW OF THE PRESIDENT
BY PRINT REPORTERS

Aboard Air Force One
En Route to Washington, D.C., from Geneva, Switzerland

2:58 P.M. EST

THE PRESIDENT: Are you all exhausted?

Q Yes.

Q Aren't you?

THE PRESIDENT: Yes, I really just -- I really just wanted to say that I'm -- I think we had a good trip, and I'm sorry I put you through so much. You must be tired. I know I am. But I think it was really a good trip. And I appreciate how much work was done on it.

I thought we might just talk for a few minutes about it kind of in a wrap-up fashion. But before we do, I wanted to say that after I got back on the plane, I called Prime Minister Rabin and President Mubarak to report on my meeting with Assad. And I attempted to call but was unsuccessful in reaching King Fahd. I'm going to talk to him probably tomorrow morning -- just to tell them what had gone on in the meeting and what the statement was, and get their sense of what was going to happen. Rabin had watched it live.

Q What?

THE PRESIDENT: Rabin had watched it live. And I couldn't tell whether Mubarak did or not. I think he did, but we had kind of a staticy connection, so I couldn't be sure. But everybody seemed to be pretty positive about it.

Anyway, looking back over the trip, I can say without any hesitation that it certainly met all of our objectives when we went on the trip. Everything that we hoped would happen did. And I think there were basically three big elements to it.

The first was the prospect of really uniting Europe for the first time since nations have been on the landscape there. I'm very encouraged by the initial reaction to the Partnership For Peace -- all the Central and Eastern European countries and the Visegrad nations have said they want to join -- Russia, Ukraine expressed an interest. We've now heard some interest from Romania. So I'm feeling quite good about that. Even the Swiss said they wanted to think about whether there was some way they could support it even if they didn't join given their historic neutrality. So I feel very good about it.

And the second important thing, of course, was the nuclear breakthrough, the agreement with Ukraine following the agreement that had been reached earlier in the year with Belarus and Kazakhstan -- not having our nuclear weapons targeted at anybody; not having their nuclear weapons targeted at us. It's a really important next step. And we also had some important discussions with the Russians about going in and making sure that START I is completely ratified and implemented and that START II is ratified and implemented and that we keep thinking about what further steps there ought to be. So this was a very good meeting in the trip in that respect.

And then the third aspect of the trip was the whole new -- toward not only uniting Europe economically and politically but kind of a getting growth back into the system. I met with the leaders of the European Union. We talked about how to implement the GATT agreement and how to follow up on it; how important it was to get the growth rates up in Europe again; how important it was to open new markets in Eastern Europe and states of the former Soviet Union. And then, of course, we went to -- I talked about economics with in Prague and then spent a lot of time dealing with it in Russia. And I must say, even though they've had a really tough time, I think they're on the verge of having some good things happen economically.

For all the criticism of the pace of reform in Russia, one of the little known facts about it is that in terms of privatizing companies, Russia's actually running ahead of the pace of the other former communist --. There's some other problems they have to deal with -- their inflation problems and just having a legal framework that will attract more investment. But I feel quite good about that. And I feel -- just from my experience in Moscow, I really think that while there are, as you would imagine, uncertainties among the people there because of all the hardships and the difficulty of sort of visualizing the future, I think there's a lot of emotion to the old -- to the idea that the people ought to rule the country. I didn't get much sense in anybody that they wanted a more authoritarian government. I thought -- think they like the fact that the voters are in the driver's seat, even though they're still trying

to come to grips with exactly what that means and how to translate it into policies.

So I would say on grounds that building a united Europe in terms of security, where all the neighbors agree to respect one another's borders, moving to continually reduce the nuclear threat to the world and supporting economic and political reform in Europe and the former communist countries, this was a very, very successful trip.

-- before we did the Middle East thing today, which -- I went to this meeting hoping that we could get a signal from President Assad that was clear and unmistakable -- that he was ready to make a complete peace. Today -- the first time he had ever explicitly said he wanted an end to the hostilities with Israel -- willing to make peace with Israel as opposed to saying something like peace in the Middle East; and that peace to him meant normal peaceful relations, which is a general term that encompasses trade, tourism and travel, and embassies. So that was very significant. That sends a very clear signal now back to the Israelis.

He also said that he didn't want just Syria alone to be resolved, he wanted to see the Jordanian peace completed, and he wanted to the Lebanese peace completed. And he said something that everybody wanted to hear in the Middle East, which is that he wanted Lebanon to be an independent country with a peace with Israel. So I was quite pleased with that.

So -- from now on the question of the differences between Syria and the United States, which we spent about an hour on today, spent a significant portion of our meeting on it, because I was -- I thought it was important that neither one of us be under any illusions about the differences that are still there; and because I think it's important in this peace negotiation that we both have absolute credibility with each other. So I thought -- we thought we had to spend some time on it.

We agreed to try to get beyond sort of a general and accusatory level by letting the Secretary of State and the Foreign Minister of Syria develop a process to specifically identify these things that trouble the United States so much, and to give them a chance to specifically identify things about our policy toward them or the Middle East in general that trouble them, and to try to set in motion a process for working through it; because every report I've gotten over the years, encounters -- I've spent a lot of time talking to westerners because of the Middle East issue -- things always stop, in my judgment, at a level that is too general, where people are charging and counter-charging and there's no real effort to lay the kind of factual basis that has to be laid -- really argue that people should change their policies.

So I feel pretty good about it.

Q Were you satisfied, sir, that there was no Syrian involvement or complicity in the Pan Am 103 bombing --

THE PRESIDENT: I can tell you -- first I raised that, and he raised it again. I can tell you that we have absolutely no evidence of it, and that he flatly denied it. And he reminded us and me that there -- that a Syrian was killed on Pan Am 103 who was the only son of a woman from his home area. And he said it was a -- he characterized it as a cruel and senseless thing -- had no point killing all those students. And he said this is an issue I will never close or never consider closed. If you ever have any evidence that any Syrian is involved, you just let me know and we will take the appropriate action.

Q Back on Russia. What were you told about that Mr. Gaidar was going to resign? Who told you that -- and how serious do you think it is?

THE PRESIDENT: All the days kind of run together. Yeltsin told me that -- here's how he characterized it. I wasn't quite sure exactly how to -- he told me that he thought there was a strong possibility that Gaidar would decide that he needed to devote all of his time to leading the party that he took into the duma and building his political strength both in the parliament and out of the country, and that he was concerned about building it up politically and making it effective in the duma.

He said -- the reason, you see, you say when -- I'm trying to remember. I think it was sometime during the first day as opposed to the second day's conversations that he said it. But I'm sorry I can't remember when.

Q What are your impressions of Assad?

THE PRESIDENT: Let me answer the question. He also went out of his way to tell me, though, he said -- we don't want -- we are not going to reverse our reform course, and we don't want to slow it down, but we do want to cushion the impact of it better. We want to have a better sense of how it affects people. And he said we also want to try to demonstrate the successes more clearly. We want to be able to show people that this has been done. And in that connection -- and you know what he asked? He was very pleased with a lot of the initiatives that I told we've worked on, like we were working to get the G-7 to make sure that the countries that buy oil from Russia, for example, and buy energy from Russia pay for it in a timely fashion, so they can use that money to help them build their country. That's a big deal to them. He was interested in getting his next IMF money in a timely fashion. He was interested in making sure that the accumulated debt, ones he's making payments on, can be

rescheduled. In other words, he wanted us -- didn't want to slow down reform. He wanted to make it work better, and he wanted to make sure that they had some strategies for cushioning the impact on ordinary people. He also said that he would keep a team that was reform oriented -- that it would be a good, competent team.

Gaidar left the government once before and the reforms didn't stop. So the only thing I encouraged him to do was to -- I said, you've proved your commitment to democracy, you've stayed with this reform; you've still got some tough decisions to make. I told him, I said I contacted the G-7 before I came up here. We want to help cushion the impact of reform and we want to help make sure that the people of Russia know what you're doing to help the economy. And if you're going to keep on the reform path, it'll be easier for us to do that, because then we'll be able to make sure that the IMF and the World Bank support you as well as these individual countries.

So I was -- I found it to be a satisfactory conversation. You know he's in some -- the political situation over there is not free of difficulty. I mean, you just only have to look at the makeup of the lower house of the parliament to draw that conclusion. But I think he'll try to hang in there -- mostly because -- mostly because if you look at the go-slower approach, and you look at Ukraine and you see they're in worse shape than Russia.

And one of the things -- and let me just say that this is something I didn't even talk about on the trip -- but one of the things I want to spend a lot more time doing when I get back and have our people try to be helpful on is trying to dissect what we mean by reform, because there are at least three big elements to it. There's the privatization of government-owned companies, which Russia is doing very, very well -- better than anybody else. There's the management of fiscal and monetary policy, which means -- you've got to keep inflation down at a reasonable level to get private investment, which means you can't just keep on printing money to pay for subsidies --. They're having trouble with that, although they're doing better than they were last year. Then the third area is making sure you've got the infrastructure, if I could use that much -- word, that will attract investment from outside the country and will permit the markets to work. That means you've got to have a system of laws relating to private property, contracts, bankruptcy -- unambiguous taxation laws, that sort of stuff.

If you look at Czechoslovakia, which is the most -- I mean, the Czech Republic, which is the most successful of the former communist -- they're behind Russia on privatization but ahead on the infrastructure. So the one thing that I think we need to focus on is now that they've got a constitutional democracy, and all of them, even the ones who want to slow down reform, want

more investment -- this is interesting -- they all want more investment. They want -- even the ones that think, well, reform has gone too fast, they might be -- they might be for the first time in a real position now to write some of the laws in such a way that will attract a lot more investment.

For example, if you want to make an energy investment in Russia, you may not care what the rate of privatization of small companies is, but you do want to know if you put the money in there; and who you're investing with; is your investment good; what do you in case of breach of contract; what are your tax obligations if you make money. Just clear, simple, straightforward stuff that we take for granted that I think they now have to a little more work on.

Q How concerned was Yeltsin about the rise of ultranationalist sentiment? And did you give him any counsel on how to alleviate those feelings of humiliation?

THE PRESIDENT: Well -- let me see how I should answer that. I don't want to talk in great detail about our conversation. I think -- because I think he should be able to answer that. I don't want to read his mind for you. I think that he believes that more of the voters knew -- know about some of the positions taken by the ultranationalists, including Zhirinovsky, the more likely they will be to pull away from them. And he believes that the promises which were made by the ultranationalists could not reasonably be expected to be kept. So I think that his view is -- what he needs to do is try to do the best he can with his job turning things around, show some successes, and that that's the best way to dampen them down.

One thing I did say to him was that -- just following the campaign from afar, as we all did, that the ultranationalists seemed in some ways -- in some ways the communists did, too -- to lay too much of an uncontested claim to the feelings of national pride. That is, that the reformers, we all know, didn't run in a coherent bloc and didn't present a coherent message. And as the democrats know in the United States -- I kicked -- on purpose because he's talked about this -- it's sort of like that the problems that the democrats had for the last 20 years winning the presidency. You could say, here's a problem and here's my four-point solution to the problem; but if all you get is a good government vote, that's never going to be a majority, especially when people are hurting.

So the only counsel I gave him was that -- that Yeltsin cut through all the traditional barriers when he stood up on that tank. Or even earlier when he became Gorbachev's successor. He embodied the change and the pride of Russia. You didn't have to choose. You saw the pride of Russia and the change in --. And by his actions he did that.

And what I suggested to him was that his group, they needed to find spokespersons and they needed to find ways of saying what they were about that also says we're pro-worker, we're pro-family, we're anti-crime, and we're bringing the pride of this nation back. And our plan will -- because I think to be fair to them, their task has been so daunting; that they would naturally become absorbed in the overwhelming burdens of just doing the details of it. These other guys were never in government, you know, They had the freedom of just going out and making speeches. And the only the thing I cautioned to Yeltsin, I said, look, I saw the democrats in America get killed for years because they go out there and they talk about problem x, y, and z and have a four-point program for every one. And they might be right, but if it didn't resonate with a larger concern for the voters, it could never be translated into a national mandate.

And I think that -- and I think -- we had a great conversation about it, and I think he was interested in it, because he understands that that's how he got to be President in the first place -- change and pride.

Q You don't think he's emotional enough?

THE PRESIDENT: I think he's deeply emotional enough. But in the last election, keep in mind, he put all of his prestige and effort into passing the constitution. And he prevailed. So a lot of people voted for Boris Yeltsin and his constitution and also voted for the communist candidate, the agrarian candidate, Zhirinovsky and his crowd. That's the point I'm trying to make. And he needs to win the overlap. He can't let them win the overlap if he's going to govern the country and move it forward.

Q How about Assad, what are your impressions?

THE PRESIDENT: Smart. Very tough.

Q What is that?

THE PRESIDENT: He's very smart and very tough and has a very clear view of what he thinks has happened in the Middle East in the last 25 years and what he thinks ought to happen. On the other hand, I think that he has reached a conclusion that it is in the interest of his people, his administration and his legacy to make a meaningful and lasting peace. I believe that.

Q -- talk about moving his troops out of Lebanon at all?

THE PRESIDENT: Well, he said, first of all, that he thought that -- he agreed with me that there ought to be a peace in Lebanon -- agreeing -- agreement that operated was developed in parallel with the Syrian track, and that the end of it ought to

be a fully independent Lebanon and consistent with the Taif Accords, which -- therefore, the inevitable answer is yes.

Q Did he ask you if there was peace between Israel and Syria if would commit -- equipment -- to commit U.S. troops in the Golan Heights in order to keep the peace?

THE PRESIDENT: He did not ask it just like that. What he did say was -- he said that there needed to be mutual security guarantees, that Israel's security is not all that was at stake, that Damascus was closer to the Golan than Tel Aviv or Jerusalem, and that artillery could go up the hill quite nicely. That's what he said -- he said, we're not talking about rifles here. He said, rifles -- all the advantage goes to the people on top of the Golan. When you're talking about artillery, it's a mixed bag. He did not -- that. What he said was that he -- that both sides would need security assurances.

Q -- commit our troops if there was a serious peace agreement --

THE PRESIDENT: And I said to him, and what our country has said repeatedly for years now, is that, obviously, if both sides made an agreement and both sides wanted this, we would have to give it serious consideration. That's something I would have to talk to the Congress about, do other things -- but I couldn't make any kind of commitment, particularly in the absence of an expressed decision by Israel and Syria -- we would certainly give it consideration.

Q You certainly think you pushed the momentum on this.

THE PRESIDENT: Oh, yes, I think it's forward now. We've pushed it forward. It's clearly the biggest step forward since September 13th. Maybe in some ways a bigger one because we all knew -- we all knew on September 13th that in the end the only way to hold this thing together was to get the rest of it done.

Q Did you bring up the issue of the Syrian control of Hezbollah and other terrorist groups that are operating through Syrian-controlled Lebanon in attacks upon Israel?

THE PRESIDENT: I brought up Hezbollah, the Jibril group, and the PKK specifically, as I said in my press conference that I did. I did. And he gave his view that he stated many times --. He stated his position; I restated mine. I said, look, we're not going to resolve this today, and I don't -- but we can't have normal relations between the two of us as opposed to what's going on in the Middle East until they are resolved. And so I suggested that we give the Secretary of State and the Syrian Foreign Minister the opportunity to develop a mechanism to try to honestly and openly deal with these issues and let us bring our

concerns and real specificity to them, let them respond and see if we can work through it.

Q What was the real highlight of your trip? What will be the thing that you truly remember -- sentimentally, emotionally, spiritually?

THE PRESIDENT: Well, the sentimental highlight was walking across the bridge in Prague for the first time in 24 years with Havel -- this enormous sense of pride I had in the freedom that he had brought to the country and what I remembered from all the young people when I was there in Czechoslovakia 24 years ago, how deeply anti-communists were -- they were 24 years ago. Desperately they wanted to be free. And just walking across the bridge with me this guy who had gone to prison for his beliefs and who so completely represented the best of his culture -- you know, was the President of the country; and then we walked across the bridge, and then had dinner in that little pub with the couple that I stayed with 24 years ago. That was the sentimental highlight. The emotional highlight was going into that cathedral that has just been resanctified, that Stalin tore down and turned into a public restroom, and being invited by the priest to light a candle for my mother. Those are just personal things, you know.

Q Any disappointments?

THE PRESIDENT: No. I still think we've got to -- I wouldn't all it a disappointment because to be disappointed you have to -- it has to fall short of your expectations. But I think we've got some work to do within NATO in defining this whole area of -- you know, out of area missions. Is NATO going to have a military mission beyond protecting the security of its members and the Partnership For Peace.

I am -- I'm more convinced than I was when I went there that the Partnership For Peace is the right idea at this time and that we're giving Europe a chance to have a different history than it's past, and it's enormously significant.

But we don't have -- the NATO -- NATO was never organized or set up for out-of-area missions. They've done a terrific job with the airlift. I talked to some of our personnel today in Switzerland who were working with the airlift. They've done a great job -- the mechanics of the embargo. When you really think -- it was never conceived that NATO would use force in any way, even in a very limited way, outside it's -- guaranteeing the security of its members. And I just think that not only in terms of Bosnia, but just generally, that whole thing has to really be thought through.

Q Just a last question. Did you expect it to take off, the whole question of partnership like it did? And, two, who thought of the idea first? Was this an NSC -- got to go there with something positive?

THE PRESIDENT: The answer -- the first question is, I didn't know what to expect. But it's taken off; it's exceeded my expectations. I mean, I just knew how passionately I felt that it was the right approach. And I knew that I had to work through in my own mind -- sort of, it was one of those things that the more I thought about it, the stronger I felt about it. It's not something, as you all know, that just knocks you off your feet once you hear about it. You've got -- we all know that. But the more I thought about it, the stronger I felt about it. And I think what's happened was there began to be a consensus in Europe that this was what made sense, that we had to try for a better future, not just a better division than we had before the Cold War, but a future without division; and that if we could do it in a way that would permit us if circumstances turned against that dream to still do the responsible thing by those that clearly were part of the West that wanted to be part of, then we ought to do it.

Tony would have to answer the other question in terms of the label and all that. But it was an American idea. We started by consulting all the allies; we realized that there was -- there were a whole range of reasons that -- for reservations for expanding membership. And then there were some who had some question about whether NATO had any role at all. And we talked through what our objectives were independent of NATO: What would you like to have happen in Europe in 10 years? What is it we're trying to get done? And then all of our folks went back together and came back with that idea. I have no idea who thought of it, who labeled it or who -- I got it through the NSC; and I talked -- and State and Defense. We all talked it through before I got there, because it was essentially a military training and planning concept. And I'm sure somebody knows the answer to your question, but I don't.

Q I'm sure that it was -- a synthesis --

THE PRESIDENT: I think it's something they just sort of came to. Our process worked.

THE PRESS: Thank you.

END 3:32 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

For Immediate Release January 14, 1994

PRESS CONFERENCE BY PRESIDENT CLINTON
AND PRESIDENT YELTSIN

Kremlin Press Center
Moscow, Russia

11:41 A.M. (L)

PRESIDENT YELTSIN: Ladies and gentlemen, I'll tell you the main thing now. The first official visit paid by the President of the United States of America Clinton to Russia has been very fruitful. It couldn't have been otherwise because we know one another only too well, and we needed a great job to do and two great hopes were placed on us by our nations.

This visit is based on today's realities and, at the same time, it projected itself into the future as regards the difficult past. We and the President of the United States wrapped it up solidly back in Vancouver. Work in Moscow was very intense to obtain great results. The concrete agreements made are crucial to Russia and the United States and to the entire world.

The talks were held at a history-making time for both countries. Old habits and stereotypes fade away. We are searching for new things in Russia and in America. I must say that we're in the thick of the Russian-American joint revolution.

During the free democratic elections, the Russians have proved the new constitution, and for the first time, with no coercion, they elected their own Parliament. I don't agree with those who believe that the first pancakes did not turn out right. You should take a better look at individual names and popular slogans; you will see that the people chose a better way of life: legality and predictability.

This is a lesson for all of us to learn. Yet, in order not to repeat past mistakes I made it perfectly clear to the President that we would expand the scope of reforms, focusing more on the social dimension. I am confident that this country will have a greater stability and a durable social peace.

Bill Clinton demonstrated he has a fine sense of our particular situation. Indeed, the Americans also survived a lot and they continue to survive a lot. We may count on their full support for the reforms implemented by the Russian President, government and reformists in the new Parliament.

I discussed problems concerning our economy and positive changes that happened, and I referred to elements of stabilization. And I would like to underscore that what we need now is not humanitarian aid, but rather full-scale cooperation with due regard for the period of transition the young market economy in Russia is going through now.

Specifically, along with the Tokyo package and the Clinton package and Vancouver, the most tangible support for Russia would be the opening of the American market for our exports, whether raw materials or equipment. And I'm very much satisfied that today we finally, after two years of discussion, we signed an agreement on uranium.

All the Cold War restrictions should be lifted like the Jackson-Vanik Amendment. We need to remove artificial barriers that were put up under the excuse of Russian dumping practices. As regards uranium, I think it is rather a fear of competition with more advanced technologies and cheaper materials.

Since Vancouver, Bill Clinton has done a lot, keeping his promise to remove the economic bad things of the Cold War. Discriminating restrictions were struck off from the American domestic legislation; I mean the bulk of those. No more high custom duties are levied on about 5,000 Russian products.

The U.S. President has done a great job of integrating Russia into international financial and economic organizations. I believe that it won't take much time for the Group of 7 to turn into a Group of 8. During our negotiations, the Russian American relations have reached a point where they became a mature strategic global partnership along all the lines. It is based on a commonly-held view of new prospects and fresh problems. We are both confident that today's world should be democratic, open and integrated.

As regards equality, mutual benefits, regard for one another's interests, no more references should be made to that, because those are implied. This basic dimension of our partnership is formalized in the Moscow declaration we signed. It demonstrates and consolidates the historic shift in the Russian American relations in Eurasia and in the entire world.

Our interaction is now freshly meaningful, and it is geared toward a better strategic stability and security. Thanks to that, over a few recent months the world and our countries avoided quite a few traps and miscalculations. There was some progress made -- better cooperation in the areas of security and disarmament, peacekeeping, and promotion of economic transparency.

The landmark step that we have finally made in Moscow is the package of agreements leading to the elimination of nuclear weapons in the Ukraine. I believe that this is a history-making document that was signed today by the three Presidents. Everybody benefits from it and, in the first place, the Ukrainian people.

The agreements reached at our three-party summit will save money, remove differences and set a good example for other countries to follow. They are consolidated by the Russian American Declaration concerning the consolidation of all mass destruction weapon nonproliferation regimes. And nonproliferation, as you know, is being called into question now, or is running a very serious test of strength.

The U.S. President gave me fresh information about the Partnership For Peace concept that was approved in Brussels. This idea comes from the NATO, but there is some basic element of the Russian-American cooperation in it. This concept is a very important step toward building a security system from Vancouver to Vladivostok that would include -- that excludes the emergence of new demarcation lines for areas of unequal security.

We believe that this idea may prove just one of the scenarios for building a new Europe. Just one of those will well impart very specific cooperation in this dimension of cooperation, including the military area. Of course, we will keep track of whether collective security structures in Europe, including such time-tested institutions like the United Nations and the CSCE.

I provided very detailed information to President Clinton about the integration of processes that go on in the former Soviet Union, including our latest meetings -- summit

meetings within the framework of the CIS. You shouldn't be fearful of some neoimperial ambitions. Russia is only interested in stability, and it takes very honest mediation efforts to extinguish the hotbeds of conflicts along its new borders.

We are ready to expand our cooperation and coordinate our action with the United Nations, CSCE, and the international community. It is too bad that the international community is yet to show great enthusiasm. It responds, but frugally, to our concrete proposals concerning either Akhazia or Nagorno-Karabakh or Tajikistan. I believe that we will have a greater understanding with the United States of this very crucial issue.

I raised the issue of human rights violations and national minorities, especially in the Baltics. No double standards should be allowed here, whether it happens in Haiti or in the Baltics. As a result, we adopted a very forceful declaration on security human rights. And the President confirmed that he will take appropriate steps in making contact with the Baltics so that no more discrimination would be allowed there against the Russian-speaking population there.

I don't want to be too optimistic now. This does not reflect the nature of our sincere and business-like conversations. We've had differences, and we'll continue to have some differences in the future. But what is crucial here is looking for an understanding that will turn into a specific policy.

This is our flight plan for the Russian-American partnership that will substitute the flight plan for strategic missiles that would not be targeted against one another.

Thank you very much. Now, Mr. Clinton.

THE PRESIDENT: Thank you very much.

Nine months ago President Yeltsin and I met in Vancouver, and there we laid the foundation for a new partnership between the United States and Russia -- a partnership based on mutual respect. We have just concluded an excellent and very productive summit meeting in which we took important steps to strengthen that partnership. I want to thank President Yeltsin and his entire team for hosting us and for making these days so productive.

Throughout our discussions I reaffirmed the strong support of the United States for Russia's commitment to democracy and transition to a market economy. I informed President Yeltsin that the United States is committed to specific projects --100 percent of the $1.6 billion of assistance that I announced in Vancouver, and that we have actually expended about 70 percent of the funds.

The President and I also discussed the additional $2.5 billion in assistance for Russia and the other newly-independent states that my administration proposed in Tokyo in April, and which Congress fully funded this September.

The President gave me strong assurances of his intention to continue the reform process. He and I discussed a number of way in which the United States and the international community can assist in the promotion of reform and, at the same time, assist Russia in cushioning the social hardships which reform has brought to many Russians.

As a concrete expression of our commitment to reform the United States is opening the doors this week to the Russian Small Enterprise Fund and has established a new fund for large enterprises to promote private-sector development here. That

latter fund will be chaired by the former Secretary of the Treasury Michael Blumenthal.

We also signed a contract to purchase $12 billion of highly enriched uranium over the next 20 years. And I have asked the Secretary of Commerce Ron Brown to lead a very high level presidential trade mission to Russia in March, including leading CEOs who would be in a position to promote both trade and investment here.

We issued today also a joint statement on human rights in which we express our common resolve to combat discrimination in all forms of intolerance including anti-semitism. Today I also had an opportunity to describe further the results of the successful NATO Summit this week, and President Yeltsin assured me, as you just heard, of Russia's intention to be a full and active participant in the Partnership For Peace.

We took several historic steps to ensure that the fear of nuclear confrontation will remain a relic of the past. As you know, Presidents Yeltsin and Kravchuk and I signed an agreement that commits Ukraine to eliminate over 1,500 nuclear warheads. All the most modern and deadly missiles in Ukraine, the SS-24s, will have their warheads removed within 10 months.

Second, President Yeltsin and I agreed that as of May 30th, the nuclear missiles of Russia and the United States will no longer be targeted against any country. And, third, we signed an agreement to work closely together in regions where proliferation risks are greatest, including the Korean Peninsula and the Middle East.

We also agreed that the sovereignty and independence of Russia's neighbors must be respected. In that respect, I expressed my strong hope that Russia's negotiations with Estonia and Latvia will lead to the withdrawal of troops in early 1994. And I did agree, as President Yeltsin said, to press strongly the proposition that the Russian-speaking people in those republics must be respected.

Let me close by noting that President Yeltsin and I have agreed to meet in Naples at the G-7 summit in July, and I am pleased that he has accepted my invitation to make a state visit to the United States this fall. I look forward to those meetings.

I came to Europe with the hope of beginning to build a new security rooted in common commitments to democracy and free economics and mutual respect for security and territorial borders. I came with a dream that at the end of the Cold War we might all be able to work together to have a Europe that is integrated, politically, economically and in terms of security; a Europe that, for the first time since the establishment of nation states would not be divided by present conflict or lingering animosities.

I now believe we have a better chance to create that kind of new security -- a security in which great nations will be able to treat each other as genuine partners, chart their own futures, without being dictated to by others. A future in which I believe greatness will be defined fundamentally by our capacity to enable the men and women and the children who live within our borders to live up to the fullest of their capacities.

I thank President Yeltsin for his partnership of that endeavor, and I assure you we will continue to work as hard as we can toward that common mission.

PRESIDENT YELTSIN: Thank you, Mr. President.

Due to the protocol, we have restricted opportunities to take questions.

Q Good afternoon. You mention frequently that you would consider the outcome of the election campaign that happened on December 12th in your domestic policies. Do you intend to correct your foreign policy, and in particular, your policy toward the relations with the United States.

PRESIDENT YELTSIN: I believe that we have very stable and steady relations with the United States that are well checked and based on partnership. But, of course, some adjustments will be made, especially with respect to the social sphere. We believe that in contrast with the Vancouver meeting, we will not count on humanitarian aid and direct social aid. This is our business to attend to.

We are requesting the U.S. side to open the doors of the American market, to have the restrictions lifted to help us with our debts, to show support for our reform in terms of conversion of our defense-related industries, and so on. We don't need direct social aid because such aid is also needed by the United States people, by the American people.

It wouldn't be serious. You want to relieve the pressure of unemployment in Russia without creating jobs for your own Americans back in your country. We believe this is our business to attend to. And out of the forms of support, the rescheduling of the debts, structural changes in our national economy, we will look for social guarantees for our own workers so that -- which would reduce impoverishment or the poverty level that exists today in this country.

Q Do you mean that you are going to retreat a bit from shock therapy and go a little slower in order to improve the lives of --

PRESIDENT YELTSIN: No. In terms of reform we will take resolute action and will continue to press ahead. And in this regard, the U.S. President is in agreement to support such a policy.

PRESIDENT CLINTON: If I could respond briefly to both of the last two questions, from my perspective. I commend President Yeltsin for his commitment to continuing the path of economic reform. If you look at 1993 as compared with 1992, if you look at how much the deficit was reduced as a percentage of annual income, if you look at how much inflation was brought down, if you look at how much the stabilization of the currency was improved, I think that the continued work toward hooking the Russian economy into the global economic system based on markets is a very sound thing.

We had great, long talks about what could be done and what kind of assistance the United States and others could provide to recognize that there are certain dislocations which come from these changes, so that the people of Russia will know that there is an effort being made to deal with those problems. But I also have to tell you that I believe that the people will begin to benefit in ways that they could not see perhaps last year, in the coming year when we have more trade and more investment. And as people around the world and in the United States, in particular, see that the President is serious about this, I think the benefits will begin to flow.

That, plus constructing the kind of social support system in job retraining, unemployment -- all of those things that just have to be put together and are not easy to put together when you don't have one -- I think these things will help a lot.

The other point I'd like to make to you, sir, is that from my point of view, President Yeltsin has been unfairly criticized in some quarters for his relationship with the United States. The implication that somehow we have tried to direct the course of Russian policy is just not accurate and not true. The people of Russia have to define their own future. All I have tried to do is to say that as long as we share the same values and the same vision, as long as we share a dream of political freedom and economic freedom and respect for our neighbors, I want to be an equal partner, because I believe this is a very great nation and that the world -- the whole world -- and particularly Europe has a real interest in seeing Russia succeed, in seeing this reform movement succeed.

So I think our relationships in that sense have been quite correct all along, and some have sought to mischaracterize them in a way that I think is not accurate. I come here as a friend and a partner, not -- we have our problems at home, too -- every country does. The United States has no interest in charting Russia's future; that's for Russia to do. But we can be partners and we should be.

Q My question -- and I refer it to both Presidents -- during the Brussels visit, the Russian party requested the United States and NATO to make a greater influence on Ukraine concerning strategic arms. Have your expectations come true, given the agreements you've signed in Moscow?

PRESIDENT YELTSIN: Our expectations came perfectly true, promptly. We've signed an agreement with Ukraine to eliminate all of Ukraine's nuclear weapons. Their nuclear weapons will be shipped to Russia for destruction. And, of course, with respect to uranium, we need to provide some compensation. Instead of weapons-grade uranium, we need to provide them with fuel grade uranium. And we are in agreement.

We will continue to process -- with U.S. assistance -- we will continue to process weapons-grade uranium into fuel uranium. And since we've signed an agreement on uranium today, it appears to me that today our agreement with the three-party agreement with Ukraine signed by the three Presidents is a history-making decision. And I believe that there is a great role that has been played by Russia and the United States and personally by the U.S. President Bill Clinton.

PRESIDENT CLINTON: I am fully satisfied with the agreement. I want to compliment again President Kravchuk for seeing what I believe are the real security interests of his country. I think his country is stronger for signing this agreement. It will certainly be more economically powerful in the years to come as more investors are more interested in supporting the decision to be nonnuclear.

And I want to support and compliment President Yeltsin. The United States, I believe, played a very valuable role in this, but it was President Yeltsin's suggestion to me that we set up this trilateral process. I have enjoyed working in it. I worked hard on this. Vice President Gore worked hard on this. And, of course, the rest of our team did. And I assure you that I intend to maintain an intense personal involvement in this whole area.

I think, by the way, a strong and an independent Ukraine is critical to this whole development of an integrated Europe that we are working on in our partnership here.

Q A question for both Presidents. President Yeltsin, you have made a commitment today and President Clinton has agreed and has urged you to continue the commitment to the economic reforms. It will take a while, though, to create the institutions that can cushion the effects. The recent elections have shown that only 15 percent of the people elected support

that policy. How can that be sustained politically given the opposition you're going to face in the Parliament?

And, President Clinton, without direct aid, what really can the international institutions do to make this more viable for President Yeltsin?

PRESIDENT YELTSIN: Firstly, I disagree with your statistics -- 15 percent of the Russians support the reforms. This is not the case. This is untrue. You should take a look at the results of the voting for the constitution. The constitution is support for the reforms. I'm not talking about individual people or voting for individual parties or blocs of parties. They voted for the constitution that will decide the future of Russia and the future of Russia reforms. This is where the Russians made their choice. And they number about 60 percent -- 60.

Now, with respect to support from international institutions, we discussed this topic. Incidentally, we've discussed about 30 issues, or even more than that, both domestic Russian issues and domestic U.S. issues, bilateral relations, international relations and so on and so forth. Security relations. There was a large host of such issues that were discussed.

I believe that the fact that we approved the Tokyo package and the fact that that is too bad that the Group of 7 is not very happy, or is very slow in implementing that decision, that is bad.

Bill Clinton kept his promise he made in Vancouver. The first package worth $1.6 billion was paid; the second package worth about the same amount of money, to be approved by Congress, will in 1994 and 1995, will be paid. And as regards Group of 7 commitments, or the Big 7 commitments, I think the case is much more difficult here. The decision was made, but they're very slow in implementing that decision. And that saddens my friend, Bill Clinton.

PRESIDENT CLINTON: Let me respond to your question, because I think it's important to talk about what we are doing here. First of all, getting the deal on uranium is a big thing. That guarantees a steady stream of commercial -- it's a business deal, but it will guarantee some money flowing in here every year for a long time.

Now, in addition to that, I have asked in my '95 budget for $900 million in aid. And if you take that plus the $2.5 billion in this second package for the entire republics of the former Soviet Union, but most of it will come here to Russia, there will be more than $1 billion in aid in each of the next two years.

In addition to that, we have reached agreement with the G-7 countries to do a number of other things which I think will help a lot. We are opening an office here headed by an American -- that's a G-7 office -- to make sure that all of the commitments are followed through on. And it's open now this week. We are going to work with trying to get funds, which I'm confident we can, to Russia's energy customers so that they can pay their bills for the energy that Russia is providing them. That again -- that's a business deal, but it will give them a significant amount of money.

We have offered technical assistance, which is all President Yeltsin has asked for, in trying to help work through these social services issues -- how do you set up the training programs and other support programs to cushion the dislocation. We are beginning this week again under the leadership of Jerry Corrigan to fund the Small Business Development Fund, and we're setting up this large business fund.

And I think -- let me say one final thing. The willingness of President Yeltsin to continue on the path of economic reform, I think, will be met positively by the international financial institutions in a reasonable way. And I think that that can free up billions of dollars of assistance in the next several months for continued reinvestment. And again, when Ron Brown comes here in March, I think you will see a significant increase in trade and investment from the United States.

So we are going to be heavily involved in this in ways that I believe will begin to affect the ordinary Russian people in a positive way. The problem is that there's always a time lag between taking these tough decision and when somebody can feel it in their own lives. And that's what I was trying to communicate when I was walking the street yesterday here in Moscow, shaking hands with people and talking to them and listening to them. We have to, all of us who care very much about the greatness and the potential of this country and who want a genuine partnership, have to be sensitive to that. But I believe that these initiatives will begin to be felt in the lives of average Russian working people. And I think they will -- in the aggregate they will be quite significant over the next couple of years.

Q -- Russian Television. We have millions and millions of Russian TV viewers. A question for Boris Nikolayevich. Given the composition of the new Parliament in Russia, do you believe that you will have some problem having the Parliament to ratify our agreement with some Western partners -- maybe foreign policies will suffer as approved by the Parliament? Do you believe that you as the President of this country are in some difficulty in dealing with your foreign partners?

PRESIDENT YELTSIN: I don't believe that this is the sort of Parliament that we have. I believe our Parliament is smarter, more intellectual, more experienced. The upper chamber of the Parliament, I believe, will pursue policies shared by the President and by the government. And state duma, the lower chamber, will get to that with time. They will realize that such major international agreements and treaties may not be delayed in terms of ratification. I mean, agreements like the one we concluded on the destruction of chemical weapons and such like.

I don't believe they will do that. Otherwise they would show no respect for their own people. But I believe that there are members of Parliament -- and I mentioned that in my message -- should be mindful of the fact that they are representatives of the people and the people told them how to behave in the Parliament. They should have a fine political sense.

Of course, our Parliament is very young, but I'm still confident that the Parliament will proceed constructively.

Q President Clinton, I wonder what are your impressions after your firsthand experience here in Moscow? What is your assessment of the threat that the ultranationalist movement poses to the movement toward democracy?

PRESIDENT CLINTON: Well, those who are in the Parliament are, after all, the product of democracy. And I think that there are two separate things here. I think we have to respect the democratic process. And in every democratic process, no one is satisfied with the outcome of all elections. I can testify to that. So in that sense, I don't think they present a threat to the democratic process.

Now, I think what is happening here is that Russia, which is and has been a very great country for a very long time, is doing what countries are required to do from time to time --

they're having to redefine what greatness means, establish a vision for the future. And when times are difficult -- and the Russian people have been through some difficult times -- there are those, always, in every age in time, who can generate some support by defining greatness in terms of the past. But in the end, the only people who really make it work are those who define greatness in terms of the future.

And that's why I think the reform movement in the end will prevail. Because if you look at the nature of the global economy, if you look at the things that are happening that really move and change people's lives, I think history is on the side of the reformers.

And I also believe what will happen is -- keep in mind you're going to have some interesting debates in this duma. I wish I could -- I enjoy watching the news every night. It's nice to be in a place where some other President's having trouble with his Parliament instead of me. (Laughter.)

But as -- President Yeltsin made a valuable point here -- when these issues begin to be debated and when people move from the level of campaign rhetoric, which is always highly abstract, to the real problems of real people, you also may see a new consensus developing. And the only thing I would say to all of the people who are in this newly-elected duma is that you have an enormous opportunity and a responsibility. You are the product of the first genuinely democratic, constitutionally-provided Parliament in the history of your country, and you ought to be willing to just listen and learn and grow and deal with the issues.

I don't think the United States or anybody else should overreact to this. These folks are just getting started on what will be a great and exciting journey. And I think we ought to wish them well and see what happens.

PRESIDENT YELTSIN: Due to the protocol commitments we have to limit the time of our press conference. Just one more question on the Russian and U.S. side.

Q I would like to get a more specific sense of your view, Mr. Clinton and Boris Nikolayevich. I'm talking about prospective admission of other states to NATO, and I mean -- I am referring to states there on the borders of Russia. Do you believe that Russia will join NATO sometime in the future and on what conditions?

PRESIDENT YELTSIN: I believe that the initiative displayed by U.S. President Bill Clinton and by some European politicians, I mean in terms of not admitting one country by one to NATO, but rather to declare them Partners For Peace and security, provides a very good formula. Because we need to draw up one more line here because if you divide us in the black and the white it is no good.

On the other hand, the time will come when Russia will be integrated and all the others will be integrated, but they will be integrated with one another in just one package, as they say. And this will bring security to everybody. But if you sort of dismember us, I mean, accepting us or admitting us one by one is no good. I'm against that -- opposed. That is why I support the initiative shown by the U.S. President with respect to the Partnership For Peace.

PRESIDENT CLINTON: The whole idea behind The Partnership For Peace was to develop a post-Cold War mechanism in which countries that shared the same commitments -- in this case, the commitment to respect the territorial borders of their neighbors, a commitment to civilian control over the military, a commitment to joint planning and training and military exercises -- that these countries could work together and could work toward

eventual NATO membership if they wish it and if that is the direction that seems best for security in the post-Cold War world. That is, the NATO plainly contemplated an expansion.

But this Partnership for Peace is a real thing now. It is real now. Everyone -- we invited all the republics of the former Soviet Union, all the Warsaw Pact nations, and the other non-NATO members of Europe to be part of the Partnership for Peace. All were invited. All were told that this can also lead to eventual membership in NATO, but that our objective is to create an undivided and united Europe, united around political freedom, economic freedom, military cooperation and respect for one another's borders -- for the first time in the history of the nation state. It has never happened before.

So the short answer to your question is, yes, this could happen. And I think we share that vision. And I think that we have a particular responsibility, the two of us, to try to work toward that vision.

MS. MYERS: This will be the last question.

Q President Clinton, did you discuss the subject of Bosnia? What was the nature of your discussions? And does President Yeltsin agree with the intention expressed at the NATO meetings of launching air strikes if the situation does not improve in Sarajevo, or in all of Bosnia, really?

PRESIDENT CLINTON: First of all, since I asked the NATO people, my colleagues in NATO, to debate this issue with great precision, let me try to characterize with great precision what it is they voted to do.

They voted to reaffirm the position that air strikes should be considered if Sarajevo is shelled to the point of, in effect, being threatened or strangled so that the U.N. mission could not proceed. That is, the United Nations mission in Bosnia cannot succeed unless Sarajevo is there as a place where there are hospitals, a place where we can get humanitarian aid and where we can get medicine and things like that in and out of.

They voted to ask the military commanders to examine whether or not anything could be done with air power or any other military resources to guarantee the transfer of troops, the exchange of troops in Srebrenica, and the opening of the air strip at Tuzla, again, for humanitarian purposes.

I want to emphasize that because there is a lot of confusion here. None of the things in the NATO resolution are designed necessarily to bring a peace agreement to Bosnia. They are all designed to further the United Nations mission in Bosnia, which is to try to keep as many people alive as possible until the parties will make peace.

I think I should let President Yeltsin speak for himself on what he thinks of what NATO did on Bosnia. We've all had our differences over Bosnia, and everybody's got a different idea about it. What we did talk about last night was whether there was anything else either of us could do or whether there was anything we could do together to try to bring the conflict to an end. I mean, that's what we want. We want those people to stop killing each other and make a reasonable peace in which they can all live and start raising their children and going back to a normal life again.

We reached no conclusive results, but we had a pretty honest conversation, and we had -- a few things were said that I think we might be able to follow up on. Anything I were to say -- excuse me -- anything I might say with greater specificity would probably only confuse things and raise false hopes. This is a real thicket. But we had what I thought was an honest, good conversation about the larger issue, which is, is

there anything else anybody from outside can do to help make peace.

But I think it's very important, because this air strike thing has become sort of a psychological litmus test. What NATO did was to list three possible areas of military action all designed to further the U.N. mission; none of them pretending to ultimately settle the conflict. The NATO leaders said over and over and over again, ultimately, the parties will have to willingly agree to a peace.

So what I discussed with President Yeltsin was whether there was anything we can do to help bring peace. We've reached no conclusive results, but we had the basis for continuing discussions about it.

PRESIDENT YELTSIN: Thank you, ladies and gentlemen. The news conference is over. Thank you very much.

PRESIDENT CLINTON: He said he agreed with my characterization of our conversation. (Laughter.)

END 12:29 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

For Immediate Release January 14, 1994

REMARKS BY THE PRESIDENT
IN LIVE TELECAST TO RUSSIAN PEOPLE

Ostankino TV Station
Moscow, Russia

3:30 P.M. (L)

MR. NIKOLAIOVICH: Ladies and gentlemen, several years ago, the United States and the Soviet Union got a wonderful opportunity to lose the Cold War. And they did that with courage in a noble way and with dignity, thereby opening up a new path for human development. And the very difficult burden of reconstructing the world, this problem stands before us now, is to a great extent on the shoulders of two leaders of two states, on the United States and of Russia -- and, of course, the leaders of the rest of the world.

It is in this context that the Russian people view this serious and historic visit of the President of the United States of America to Russia. And I'm glad for the opportunity to welcome the President to our studio. The President of the United States of America. (Applause.)

THE PRESIDENT: Thank you, Alexander Nikolaiovich, for that introduction, for your lifetime of accomplishment and your support for free speech and for reform.

I am deeply honored to be here today at this station, which has become for all the world a beacon of information and truth. Attacked three months ago by opponents of reform, Ostankino stands as a symbol of the power of free expression and of the brave sacrifices the Russian people have been making to build a great and free future.

I'm so glad there are many young people here and I hope there are many, many more watching us on television, because it is the future of the youth of Russia that I wish to speak about. Once every generation or two all great nations must stop and think about where they are in time. They must regenerate themselves. They must imagine their future in a new way. Your generation has come of age at one of those moments.

Yesterday I walked through Moscow. I stopped at a bakery and bought some bread. I went into another shop and talked to the people there. I talked with an awful lot of people on the street. I went to Kazan Cathedral and lit a candle in memory of my mother. It is a cathedral which, like Russia itself, has been built anew on old foundations.

Over the centuries the Russian people have shown their greatness in many ways, in the arts and literature, on the battlefield, in the university and in space. Though the communist system suppressed human rights and human initiative and repressed your neighbors and brought the world the Cold War, still the greatness of the Russian people shown through.

Now on the brink of the 21st century, your nation is being called upon once again to redefine its greatness in terms that are appropriate to the present day and to the future, in ways that will enable your nation to be strong and free and prosperous and at peace.

We live in a curious time. Modern revolutions are changing life for the better all over the world. Revolutions and information and communications and technology and production, all these things make democracy more likely. They make isolated, state-controlled economies even more dysfunctional. They make opportunities for those able to seize them more numerous and richer than ever before. And yet even in this modern world, the oldest of humanity's demons still plague us: the hatreds of people for one another based solely on their religion or their race, or their ethnic backgrounds, or sometimes simply on the piece of ground they happen to have been born upon.

In the midst of these conflicts between the faces and forces of tomorrow and the forces of yesterday, I believe that the greatness of nations in the 21st century will be defined not by whether they can dictate to millions and millions of people within and beyond their borders, but instead by whether they can provide their citizens, without regard to their race or their gender, the opportunity to live up to the fullest of their ability, to take full advantage of the incredible things that are in the world of today and tomorrow.

Therefore, if we are to realize the greatness of Russia in the 21st century, I believe your nation must be strong democratically and economically. And in this increasingly interconnected world, you must be able to get along together and to get along with and trade with your neighbors close at hand and all around the globe. To do that, I think we will have to write an entirely new future for all of Europe -- a future in which security is based not on old divisions, but on a new integration of nations by means of their shared commitment to democracy, to open economies, and to peaceful military cooperation.

I come here as a friend and supporter of the democratic changes going on in this nation. I hope that my nation and I can make a positive contribution in the spirit of genuine and equal partnership, not simply to these large changes, but a positive contribution to the everyday lives of ordinary citizens of this great nation.

In the end, you will have to decide your own future. I do not presume to do that. Your future is still yours to make, yours to write, yours to shape. But I do come to say that my nation and its President want very much to be your equal partners and genuine friends.

If I were in your place listening to this speech, I might ask myself: Why is this guy saying this? What is on his mind? Why is he really eager to work with us? First of all, I identify with and even sympathize with the difficulty of the changes you face. I ran for President of the United States in 1992 because I was convinced that my nation had to make some very hard changes and some tough changes in order to keep the dream that had inspired Americans for 200 years alive; in order to keep the hopes of our working people alive in a fierce and difficult and ever-changing new global economy. So I understand that.

I have devoted myself at home to making those changes, and I know the changes are difficult, even in an environment in which they are easier than the ones you face. So I come here in genuine sympathy and understanding.

Secondly, I am interested in supporting these changes because my nation stood for so long against a communist system, against its lack of freedom, against its excessive dictates, against its imperial impulses, and I could not bear to think that a majority of your people would ever be sorry to have given it up.

I come here because I believe that, together, we can write a new future for Europe and help the entire world to have a

more peaceful and prosperous future. And, frankly, I come here because I believe your success is clearly in the best interests of the United States and of ordinary American citizens. For it is in our interest to be able to spend less on defense and to invest more in our own people, in the education and health and welfare and technology that will help to carry us into a better time in the 21st century.

It is in our interest to curb the spread of weapons of mass destruction and to cooperate with you in reducing threats to peace all around the world. It is in our interest to develop new trade ties and new customers. And each of these developments is more likely if we have a genuine, equal partnership with a strong and free Russia. (Applause.)

I believe how you define your future will be determined in large measure by how you decide to respond as a people to the three great challenges facing you. First, will you continue to work for a genuine market economy, or will you slow down or turn back? Second, will you continue to strengthen and deepen your commitment to democracy, or will you allow it to be restricted? And third, how will you define your role in the world as a great power? Will you define it in yesterday's terms or tomorrow's?

Let me begin with a challenge that clearly most affects the daily lives of the people of this nation -- the economic one. I know that your transition to a market economy has been hard, painful, even emotionally disorienting to millions of people. But if the change seems costly, consider the price of standing still or trying to go back. A rigid, state-run economy simply does not work in the modern world.

To be sure, the system you had produced a very literate society, made some of you the best educated people in the world; developed a high-tech base and developed a strong industrial base tied quite closely to her military might. But it is inadequate to a dramatically changing, highly competitive, increasingly flexible global economy in which all decisions simply cannot be made by a handful of people from the top down and in which no country is immune from the forces without.

The old system failed before. That is why you are in the present period of transition. If you attempted to reimpose it, it would fail you again. Let me make it clear that I do not suggest that markets solve all problems. They clearly do not solve all of society's problems. And indeed, they create some problems for every society -- problems which must be frankly and forthrightly addressed by people who propose to have a strong community of common interest and common concern within their nation.

Yet it is clear that the surest way to prosperity in the world in which we live is the ability of people to produce and to sell high-quality goods and services both within and beyond their borders. There is no other clear path to prosperity.

Russia clearly has the capacity to do well in this kind of economy. You have enormous technological prowess, a highly educated citizenry that is known and respected around the world. You have immensely valuable natural resources. It is clear that you have the capacity to do well. You have a rapidly growing private sector. Already your nation has privatized nearly one-third of its industry. About 600 businesses a month are privatizing. Tens of millions of your people now own private property and are gaining daily experience in market economies. But there remain serious problems -- the most profound, of course, is high rates of inflation.

Inflation at high rates destroys wages. It makes people feel that they can't keep up and that no matter how hard

they work, they will not be rewarded for their labor. It hurts the ordinary working people, the very people that are the backbone of any society who have to believe that the future can be better than the present. It undermines that very belief and makes it so difficult to develop and maintain a majority for the changes and the short-term sacrifices that have to be made. So inflation must be tamed. And as everyone knows, that also has its price, for inflation can only be tamed if the government is willing to print less money and therefore to spend less.

The next problem you have, it seems to me as an outside observer, is that even though you have a lot of privatization of companies, the systems on which every private economy depends are not as well-developed as they ought to be. There are not enough laws which clarify and protect contracts, which makes tax systems clear, which provide, in other words, the framework within which all different kinds of transactions can occur. But that can be rather easily corrected.

There are other problems. I might just mention one other that President Yeltsin has talked about quite a lot lately and that has received a lot of attention all around the world since the last election here in Russia, and that is that your country must develop some sort of social safety net as all other successful market economies have to deal with the fact that some people are always going to have difficulties in a rapidly changing economy.

Most people can be restored to participation in the economy in times of prosperity, but in any market economy there will always be people who are dislocated. So you have to have training systems, retraining systems, systems to make sure that new businesses can always be started when old businesses are stopping; and systems to deal with people who simply are not competitive in difficult times.

Now, you must determine how to do this. No one can determine how to do it for you, or even whether to do it. But as your partner, I can tell you that the United States will do what we can to help to ease your hardships as you move forward on this path, and do what we can to help you make the decisions that you are prepared to make. (Applause.)

Let me say that I think this has been one of -- in some ways, the most difficult period of all for you because you have taken a lot of risks, you have made a lot of changes already, and yet the changes have not been felt tangibly in the lives of most ordinary citizens in the country. And that is very difficult. But I can say that just as an outside observer, it seems to me that it is likely that you will begin to see those changes.

Let me just give you a couple of examples. I asked Vice President Gore and Prime Minister Chernomyrdin to work on a program of economic cooperation in the fields of energy, the environment and space. You have massive energy resources. If we can just get a few more things worked out, it will lead to big flows of money and investment, prosperity and jobs into this nation.

We have reached an agreement, an unprecedented agreement for cooperation in space. Next month, Russian cosmonauts will serve on our space shuttle. We will share our resources, share our knowledge, share our training. And we will uncover things in space and in our venture which will have direct economic benefits to the people of Russia and the people of the United States. We both have different but very significant environmental problems which require high levels of skill and technology, but which generate enormous economic opportunity and large numbers of jobs. These things will come.

Secondly, last April when I met with President Yeltsin, I pledged $1.6 billion in United States aid. We have now committed all that aid, and 70 percent of the money has been spent. And I provided a map the other day to show that it had been spent all over the country in all kinds of different ways -- mostly to help you to develop a private economy. You will begin to see the benefits of that.

Just this week, the G-7 big industrial nations opened an office in this city, led by an American, for the purpose of making sure that we speed up the aid that was promised last summer, but which has been coming too slow. In September, the Congress of the United States approved another $2.5 billion aid package which can now begin to flow again to try to create jobs and opportunities, and to help slow the rate of inflation in this country. So I believe that specific benefits will begin to be felt, and people will come to see that there is a light at the end of this long tunnel. (Applause.)

Just today we announced the signing of a contract for the purchase of highly enriched uranium, a contract which will bring another $12 billion to this nation over the next several years. And we are working hard to get assistance to the nations which buy your energy because so many of them cannot afford to pay for it; to make sure that you can be paid in cash, promptly, as you sell your energy resources. All these things will begin to have an impact on the lives of ordinary citizens. That is something that, as someone who also has to run for election on a periodic basis, I am sensitive to that.

In a democracy, if you put people in the driver's seat, they are going to drive. So it is best to give them a good road to drive on, and we are working with that.

The next great challenge Russia faces is the consolidation of democracy, and I want to say just a few words about that. Just like the market, democracy is no cure-all for all economic troubles or social strains. It is always a noisy and messy system. Our common ally in World War II, the British Prime Minister Winston Churchill once said that "Democracy is the worst possible form of government, except for all of the others." Why did he say that? Because the debate is so wide, the opinions are so different and, sometimes, the differences are so sharp that you wonder if anything will ever be done. But democracy still offers the best guarantee of good decision-making and the protection of individual and minority rights.

In a society like yours and mine, and throughout the multiethnic expanse of Europe, democracy offers the best hope of protecting diversity and of making diversity a source of strength, harnessing it to a world in which diversity is perhaps the overwhelming fact of life.

That is why I would argue to you that each of us, in order to protect your democracy and mine, has a personal responsibility to denounce intolerance and ethnic hatred and anti-semitism, and anything that undermines the ability of everybody who lives within our national borders to be as productive as possible. Because, keep in mind, in the world in which we live, if you make any decision that deprives anybody who lives in your country of the right to live up to the fullest of their capacity, you have weakened your own ability to be free and prosperous and successful. (Applause.)

I might say it is also why the United States has cautioned other nations to respect the rights of ethnic Russians and other minorities within their borders. In both our nations the success of democracy depends partly on a formal constitution and partly on regular elections and respecting those elections. But it also depends upon a full array of other free associations that give real life and texture to democracies; independent trade

unions, newspapers, and a wide variety of civic and cultural associations.

If, like me, you are in a position of authority, you know that the freedom of speech can sometimes be a painful thing. Even in Roman times the great Emperor Marcus Aurelius said that the freedom of speech for someone in power was something to be endured, not enjoyed. But it is essential to democratic live that people feel free to say what they believe without fear of retaliation.

We are committing to fostering this kind of democratic ferment, and we are prepared to provide whatever kind of technical assistance we can to help it do well here. I say that because some people are concerned at the wide variety of views and the loud expression of those views we see in the Duma here after the last election. That can be a healthy thing if, but only if, everybody else's views are respected and protected, too. For once democracy becomes an instrument of crushing the views of the minorities, those who disagree, those who don't have the muscle, then democracy itself soon disappears.

The third great challenge you face today is redefining the role of your great nation in this age: What does it mean to be a great power in this 21st century? How will you define it? How will you know Russia is a great nation? If someone asked you to describe it, looking to the future, how would know? If someone asked you to describe it looking back in the early 1800s, you would say we are a great nation because we beat Napoleon and ran him out of Russia. Right? Whether you agree or disagree with the communist system you can say you were a great nation in the sense that you loomed large at the height of the Soviet empire with the Warsaw Pact. Great does not always mean good, but at least it's large.

How will you define your greatness? It is a profoundly important question that you must answer. I think there are some different ways to describe it. Russia co-sponsored with the United States the Middle East peace process. I think it was a very great thing when Israel and the PLO signed their accord on September 13, 1993. I think it is a good thing that we are continuing to work until a comprehensive settlement is reached in that troubled area.

I think it was a great thing what we did today with the Presidents of Ukraine and Russia and the United States agreeing to get all the nuclear weapons out of Ukraine and to give fair compensation to that nation for the uranium they are giving up. It makes the world a safer place. It makes your nation and mine less vulnerable to nuclear terrorism or threats. It shows that we can move beyond the nuclear age entirely.

There are still questions, you know, in the world about how you will define your greatness. When I was at the NATO Conference and afterward, there are nations that live between Western Europe and the border of Russia who still wonder what the future holds; nations who said, "Put me in NATO now just in case. Oh, I believe this President of Russia when he says he respects the territorial borders of other nations, but look at the history of Russia. Think of the national impulse. Draw another line across Europe while you have a chance."

There are people who are in the Baltic nations now who hear some of the debate in your politics; who hear the threats to take them over again. One of your political leaders even suggested you might like to have Alaska back. I don't think I can go along with that. (Laughter.)

I say that because all those definitions I would argue to you are looking to yesterday. What in the world would you do with an army of occupation to the East? How would you pay for it? And what would it give you? How would you be more

powerful than some small nation, one of the industrial tigers of Asia, for example, producing and selling goods and services at such a rate that their people's incomes are going up by 10 percent a year, and they are giving the people who live their the opportunity to do things that would have been undreamed of by their parents or grandparents? This is a very serious thing.

I believe that the greatness of a nation that lasts for centuries and centuries and centuries, as this nation has, is the ability to redefine itself in every age and time. The young people of Russia especially now have a chance to show that a great power can promote patriotism without expansionism; that a great power can promote national pride without national prejudice. That, I submit, is your challenge.

Today you face no threat from invasion. That was a legitimate concern of Russia for decades and decades, a legitimate reason to want to buffer zone around your borders in former times. It is not there now. I believe the measure of your greatness in the future will be whether Russia, the big neighbor, can be the good neighbor.

That is why it is so important that as your forces operate beyond your borders, they do so according to international law; why it is important that you continue your planned withdrawal from all the Baltic states; why it is important that your nation work with the United States and the rest of Europe to build the Partnership For Peace called for at the NATO Conference this year, so that for the first time in the history of nation states we can have a Europe that is united by a shared commitment to democracy, free-market economies and mutual respect for borders, instead of the Europe that is divided for the first time in history. (Applause.)

I'm very proud and pleased that President Yeltsin decided to participate in the Partnership For Peace and work for an integrated Europe; that he signed the historic accord with President Kravchuk and with me today to eliminate over 1,800 nuclear warheads. These are hopeful signs, and I believe signs that indicate you can make a future that is different from the past.

Yours is a history of heroism and of persistent hope. The question now is, can we make the economic decisions, the political decisions that foster hope? You will have to decide these things. I'm amused when I come here in the spirit of genuine partnership and respect and some people say, well, the United States is trying to dictate our course. Nothing could be further from the truth. Believe me, my friends, it's all we can do to deal with our own problems. We don't have time to try to dictate your course. But the course you take will affect us and so we want you to make decisions that are best for you.

And I will close as I began: Will you define your future greatness in terms that were relevant to the past or terms that will shape the future? This is a crossroad, and a difficult one. But the younger generations of Russians will look back on this time with either gratitude or regret, depending on how those questions are answered -- the economic, the political, the military questions.

I believe you will choose the future. After all, Russia did not get to this point by making all that many wrong decisions in the past. And every nation makes a few mistakes. There are few people anywhere that have more knowledge of history, both positive and negative, that have more reason to hope for the future than you do. I know the present is difficult, but if you make the right decisions, if you choose hope over fear, then the future will reward your courage and your vision.

Thank you very much. (Applause.)

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THE PRESIDENT: Now we're going to take some questions from the audience. And what I will do is, we have also some remote sites, so I'll take one from the right, one from the left, I'll do the screen and come back, okay. I can't see so well, so --

Q Do I need to speak Russian or English?

THE PRESIDENT: Speak English. And they they can listen to the translation and I'll listen to you.

Q I am a student of Moscow University. Mr. Clinton, what do you think about the future education in Russia, what it needs to be, how it needs to be done, and what changes are needed?

THE PRESIDENT: Well, I'm not an expert in your education system, although I have spent a little time trying to find out about it, because in my career in the U.S., my major area of interest was education. I think first you have a very strong basic system. Virtually all your people are literate. An enormous number of your people speak more than one language. And you have very strong technical programs.

I would say you need to develop some of your educational programs for the professions that manage market economies. Do you have enough people who can run things in a very rapidly changing world. I think there are some gaps here, in other words, in the kinds of training you have for the kind of economy you're trying to develop. And I think some studies should be done about that, and you should provide those education programs. But you're actually quite fortunate in having a very literate society and a very strong background in the arts, the humanities and in science and technology.

Keep in mind one other thing. In most modern market economies, the average person, even if he or she stays with the same employer will change the nature of their work seven or eight times in a lifetime. So it's impossible to give someone, even a university degree, that answers all the questions they will face in the workplace forever. So you have to develop systems of learning for a lifetime. And the most important thing is that you just get a good basic foundation that enables you to think well, to solve problems and to change, to learn as new things come along.

Q I am a first-year student at the Department of Foreign Languages at Moscow University. First, I'd like to --

THE PRESIDENT: Well, I'd say you're a successful student. No accent. (Laughter.)

Q I'd like to thank you for what you think about our future in economics and in democracy. But I'd like to remind you that -- how I see tomorrow of our country is the spiritual power. Some astrologists say that Russia will soon become the center of everything because we have this spiritual energy here. What do you think of that? You didn't mention anything about our cultural future. Thank you.

THE PRESIDENT: I do think -- well, I mentioned a little bit about it, but I think you have enormous cultural power. I think you also have enormous spiritual power. There is a great energy in this country that communicates itself. It's always been here, I think. And in some ways it was repressed in the last several decades. And it's coming out now in all kinds of ways, not only in terms of creative culture, but also in terms of new interest in religion and faith and all kinds of things

that show the character and depth of the nation. And I would urge you to cultivate that, both in terms of culture and faith.

Someone ask a question, I can't pick anyone there. You'll have to be self-selective.

Q Good day, Mr. President. This is the cradle of perestroika. This is the birthplace of the last President of the Soviet Union. (Applause.) This is a multinational area. We have all kinds of people here -- students, workers, office workers, representatives from the Cossacks, also refugees from the hotpoints in the former Soviet Union.

Mr. President, on the territory of the former Soviet Union, civil wars go on without end. Russia, unfortunately, either cannot or doesn't want to settle the civil strife. What is your feeling? Does the United States of America plan to get involved in these conflicts? And if so, in what way? And more so because there is an example of Yugoslavia. There is a danger here of taking sides in the West -- the West is supporting the Muslims in Yugoslavia.

Let me repeat the question: If there will be an involvement in the United States, what kind of involvement would this be?

THE PRESIDENT: Well, first, I don't think it's entirely accurate that Russia has not been involved at all. There's no question that Russia and the Russian military was very instrumental in stabilizing Mr. Shevardnadze's position in Georgia. So I think there will be times when you will be involved, and you will be more likely to be involved in some of these areas near you, just like the United States has been involved in the last several years in Panama and Grenada near our area.

The thing I think that we have to try to do, as I said in my speech, that when there is an involvement beyond the borders of the nation, that it is consistent with international law and, whenever possible, actually supported through other nations either through the United Nations or through some other instrument of international law.

Now, let us also frankly acknowledge that some of these conflicts -- take the one in Yugoslavia, Bosnia, for example -- some of these conflicts represent longstanding conflicts that were actually repressed during the time when these countries were effectively controlled from above and when the various warring factions were, in effect, occupied.

What happened in Yugoslavia was when Mr. Tito died and then the central government's authority began to erode and then all the various parts of Yugoslavia began to try to be independent, Bosnia-Hercegovina, which always had these three different factions, basically degenerated back to the conflict which had been there for hundreds of years.

And you can -- there is no perfect solution to any of life's problems, you know, and I still think, on balance, we're better off without empires and countries are better off seeking their own determination. But in this case, the truth is people there keep killing each other.

Now, what I have done is -- the reason that you say that we have supported the Muslims in Yugoslavia, we supported the multiethnic government in Bosnia because it was recognized by the United Nations. So the United States supported it because it was recognized by the United Nations. However, we also support a peace process which would give some territory to the Muslim-dominated government, to the Serbs and to the Croats. So what we're doing in Bosnia is to try to support the U.N. mission and trying to urge the parties to stop killing each other.

If you don't have an imperial army, if you don't just go in and take people over and tell them what to do, then you have to make some allowances for the fact that occasionally they'll do the stupid thing and keep on killing each other even when it doesn't make any sense. And there are some areas where you can stop it and some where you can't.

If you look at Africa, for example, and Brunei and Angola in the Sudan -- never mind Somalia, just those three countries -- hundreds of thousands of people have died in each of those countries just in the last couple of years because of civil war. That is what I said in my speech. There is still too much tribal and ethnic hatred in this world and we can't control it all, not and take care of our problems within our borders.

Q I'm a journalist. Mr. Clinton, what would you like the historians to say about you once you finish your tenure as President?

THE PRESIDENT: I would like them to say I restored a sense of hope and optimism to my country, that I strengthened the economy, and made it possible for my people to lead the world economically into the 21st century and that I restored the sense of community in America; that we came back together as a people, even though we are very diverse now. And I would like it to be said that I helped lead the world to more peaceful cooperation, into a future very different from the bloody and divided past of the 20th century.

Q I'm a journalist also. Mr. President, if at a dinner table, let's say, President Yeltsin would ask you to switch places with him, would you make such a risk? Would you risk doing that?

THE PRESIDENT: No, I like the job I have. (Laughter) And I wouldn't do it because I'm just as proud to be an American as he is to be a Russian. But if I asked him to switch places with me, he wouldn't do it either.

You know, I'll tell you, the one thing I believe about President Yeltsin, he's just like me. We make mistakes and we're not perfect, and we don't have all the answers, but I'll tell you one thing about him, he at least gets up every day and tries to make a difference. He is trying to do something. The world is full of politicians who in times of change only worry about maintaining their popularity instead of making decisions. At least he is trying to make decisions and move generally in their right historical direction.

So if you disagree with him, you should get in here and contribute to this great democratic debate and try and help develop better policies. But it is a good thing, I think, that you have a President wade into the tides of history and make decisions. (Applause.)

Q You've been talking about the future of our nation, that that was -- that we must look into another future, but the nearest future is two years for the new presidential elections. And Mr. Yeltsin with whom you personally indicate** Russian democracy, will not run for reelection because he leaves. And we can see at the moment he leaves is the moment democracy leaves. So it means in two years we'll have a different President. He could be either a communist or a nationalist. Is America ready or getting ready to deal with this situation? And, gentlemen, in concern with this why are not you willing to give protections to the nations who seek it? For instance, the Baltic situation? Thank you.

THE PRESIDENT: Wait, stand up. First of all, one of things you learn now that you have these elections all the time is that two years is an eternity in democracy. Just because

there's nobody on the scene now doesn't mean there won't be somebody on the scene that none of you have ever heard of two years from now that a majority of the people will fall in love with and make president of the country. So you cannot assume that.

On the other hand, I would say this not only to the forces of reform, but to any other blocs. One of the most important responsibilties of political parties in a democracy is to always be grooming new leaders and to never treat anyone, no matter how great he or she may be, as totally indispensable. So this is something that all of these groups will have to learn. You have to always be grooming new people for leadership. But I wouldn't assume that there would be no future leaders besides out of the other two blocs you mentioned.

Now, on the Baltics, we have not denied them the right to protection. In fact, we have invited them to be part of this Partnership For Peace. And in order to be part of it -- and, keep in mind, Russia has agreed to be part of it. They will participate in joint military planning, joint military operations. And as we do the exercises, the only way you can be part of it is if you promise to respect the territorial boundaries of all of the other countries that are part of this. So we are giving them a great deal of protection. It just means that they're not members of NATO right away.

The other NATO members will tell you that, to be part of NATO, you have to be in a position to assume certain responsibilities as well as just ask for the security guarantee. But there are significant increases in security just for being part of the Partnership For Peace.

Before we go to the screen again, to St. Petersburg, I would like to introduce the most important person in this audience to me -- my wife, Hillary, who just came to Russia this morning. Stand up. (Applause.)

A very large number of the people I have met in the last two days, especially young women, have asked me about her, so I thought I would introduce her, and I thank you for that.

Is someone going to ask a -- St. Petersburg, do you have a question?

Q Very recently, the political and economic assistance was very closely linked to human rights. And why, at the present time, does America help the Baltic states in spite of the repression against Russians in that country?

THE PRESIDENT: Which country?

Q Baltics.

THE PRESIDENT: First of all --

Q I'm talking about all three Baltic countries -- Latvia, Lithuania, and Estonia.

THE PRESIDENT: Well, first of all, in Lithuania, your government, the Russian government withdrew the troops because it was satisfied with the relationship between the two countries.

There are still outstanding questions with Estonia and Latvia. An international group from the Council on Security and Cooperation in Europe, CSCE, is now in Latvia studying the situation. And we have made it clear -- I have personally met with the leaders of all of the Baltic states, and I have said we were for the independence and the freedom of the Baltic nations, but we expect the Russian minorities to be protected. And if we

have evidence that they are being abused, it will affect our policies toward them.

So I assure you, sir, that -- I am waiting for the report right now on Latvia by the unbiased, sort of third-party source. And if there is evidence that they are abusing the rights of the Russian minorities, then I will act accordingly.

I don't think we can have a double standard. We can't have one standard for the United States and Russia and say if you're a smaller country you can do things that bigger countries shouldn't be permitted to do. (Applause.)

Q Mr. President, will America give strong financial support to the businessman who would like to invest in the economy of Russia?

THE PRESIDENT: We have -- where is our support for them -- is that what you said? We have some institutions -- the Export-Import Bank and the office of private investment, which help private investors to invest in other countries. But the main thing we are trying to do now, we need much more -- there should be much more American investment in Russia.

Two of my Cabinet members met with the American business community here yesterday morning. And in March the Secretary of Commerce is coming here with a large group of American businessmen to encourage them to invest. We have also taken all the duties, all the extra taxes off of nearly 5,000 Russian products which can now be sold without handicap into the United States.

So we are trying to figure out not only how we can invest more here, but how we can buy more of your products. And in the end, that is much more important to your economic future than any direct government aid, because there -- in our economy, there is so much more money in the private sector than in the government sector. So we are working on that. And I hope in March when the American Investment and Trade Mission comes here, it gets a lot of publicity and that they get a chance to meet a lot of people and to learn a lot about how we can do that.

But let me -- if they need help for with the financing for investment, we actually have institutions to do that also to help them move --

Q In your speech you mentioned about your intention to support, to protect full Russian democracy. Is it the same for you, Russian democracy and the President Boris Yeltsin? That's the first part of the question. And the second one: How far the United States is going to go to protect Russian democracy?

THE PRESIDENT: The answer to your first question is that -- is Russian democracy the same thing as Boris Yeltsin? No. Not now, because you also have a democratic constitution

The answer to your first question is that, is Russian democracy the same thing as Boris Yeltsin? No. Not now, because you also have a democratic constitution that the people have voted for and a democratically elected Parliament that the people have voted for. But before the last election, you only had one person who had ever been voted on in a free election by all of the people of Russia -- the President.

Now, do I intend to work with President Yeltsin as long as he embodies Russian democracy and as long as he is the choice of the majority of the people of Russia to be the President? Of course, there is no other President. There may be some people in Russia who wish someone else were the President of the United States, but I'm the only U.S. president you have right

now. You see? That's not the same thing as saying that I'm all there is to American democracy, I'm not.

So what we wish to do -- yesterday evening, Ambassador Pickering, our American Ambassador, and Mrs. Pickering were both here, held a reception for me at the American Ambassador's Residence, Spaso House, and we had a lot of the leaders of Parliament, a lot of the leaders of the regional political groups, a lot of people from the private sector -- some of whom are from different political groups -- there to meet me. Because now, democracy is three things: It's the elected president, the Constitution, and the Parliament, plus people who have been elected in various ways throughout the country, pluse people who are in free associations, like laboir movements.

Now, one thing democracy is, beyond majority rule, is respect for minority rights, for individual freedoms, like the freedom of speech and the right to vote, even if you don't vote the way people like. So when you said, how far would I go to protect on Russian democracy, I want an equal partnership here. I don't want to have any dictatorial or control in Russia. I just want to be an equal partner with a strong partner. And I will be an equal partner as long as there is democracy, which is, majority rule under the constitution, and respect for minority rights and minority interests.

Q Mr. President, what do you think is the main difference between Russia and the United States?

THE PRESIDENT: I think the main difference between Russia and the United States today is that we are the oldest, now the longest-lasting continuous democracy on the face of the Earth, and you are one of the youngest. We have now been a free democracy for over 200 years. And that affects the way we are and the way we deal with things.

On the other hand, we have a lot of problems in common and we have a lot of good things in common. We are much more -- our people have deep roots in the soil, we're much more likely to be much more sort of open and friendly and gregarious in a certain way that many people in other countries -- we also, unfortunately, have a lot of the same problems that you are now dealing with a crime problem, and my country has one of the worst crime problems in the world.

So we have a lot in common, our two peoples do. And we have always pretty much gotten along, except for the tensions caused when we had different political systems before and after World War II. But I would say the biggest difference flows out of the fact that we have had the benefit of being a democracy for 200 years, and you are one of the youngest.

Q We welcome you here in the Kremlin. I would like to tell you briefly about the history of my city. This is one of the largest industrial cities, but unfortunately, there is a major military industry here and this is the place where acadamician Sakharov was exiled. At the same time we're one of the focal points of the reform. And I can judge about that just by looking at the people who are next to me. Around me are people who are helping along to reform.

This is the Mayor. He is welcoming you now. We have a twin city in the United States, which is Philadelphia. This is one of our businessmen who owns a joint venture with an American partners. This is an ordinary citizen of our city, who is now holding a famous festival. One of them has been attended by Rostropovich. And we have many many students who have studied in the United States.

We had just one question. Right next to me is a teacher. She is running student exchange programs.

Q I've been doing this for a long time. But usually these are one-sided exchanges. Does Mr. President think that American students would have something to learn from Russia, as well? (Applause.)

THE PRESIDENT: Absolutely. Yes. First of all, I'm glad you have a sister city relationship with Philadelphia. It is a wonderful, wonderful city. They also voted for me for President. (Laughter.)

But the answer to your question is definitely. I came here in the first week of 1970 as a student, on my own when I was living in England because I wanted to learn about this country, and because I believed that we ought to be friends, and because I was so worried about what then seemed to be the differences between our two nations and the fact that we could blow up the world almost by accident. So, yes, I think we should send large numbers of American students here. I think we have a lot to learn.

Keep in mind, if we were having this -- if Boris Yeltsin came to the United States and did what I'm doing here, all -- very few of the students could stand up and speak to him in Russian as you are speaking to me in English. We have a lot to learn from you, and I would like more of our students to come here. (Applause.)

Yes. Yes. This is our youngest questioner so far. How old are you, young man?

Q I'm 13 years old.

THE PRESIDENT: Thirteen, not 30. (Laughter.)

Q I saw your picture shaking hands with President Kennedy and I'd like to ask you how old were you and when you got your idea to become a President of the United States. (Laughter and applause.)

THE PRESIDENT: Come here. Come up here. Come shake hands with me and maybe you'll be President of Russia some day. (Applause.)

I was 16 when I shook hands with President Kennedy, and it was about that time that I knew I wanted to go into public service. But, of course, at that time I had no idea that I could ever be elected President, or that I would ever have a chance to. But sometime when I was a fairly young man, I decided that I would work hard and that if I ever got an opportunity that I would try to become President.

Probably our greatest President was Abraham Lincoln, who was the President of the United States during the Civil War in the mid-1800s. And when he was a young man, Abraham Lincoln wrote in his diary, "I will work and get ready and perhaps my chance will come." I say that to you.

And one thing we do have in common that I have always admired about your country is many of the leaders of your country, like me, have come from basically quite humble circumstances, have been working people. And that's a great thing for a nation -- to make it possible to cast the net for talent very wide so that anybody has a chance to rise to the top if he or she has the ability and the good fortune to do so.

So good luck to you.

Q Thank you.

Q Mr. President, I have two questions for you today. You stated that you have your idea of what democracy is and that is quite natural. It has three component parts, but

don't you feel that in England there is a completely different democracy as there is in France? When you do visits around the world and say this sort of democracy is the very best model -- in other words, okay, Russians, follow us, follow our model. I think this isn't quite correct. I have another question. If I can ask this one.

THE PRESIDENT: May I answer that one first? Let me answer this one first.

I perfectly agree with that. I think you could have a system, a democratic system like the British, like the French, like the Italians, like -- you name it, but they all have certain things in common. They all have opportunities for the people to vote and a system for them to have elected representatives who themselves get to vote on which laws govern the people, and some system for the protection of individual rights and the rights of minority groups. But how you do that is perfectly up to you. There are many different ways you can do it. Yes, the British system is different from the French system and both of them are different from our system.

Interestingly enough, your system is different from ours, too. You elect one president and then a parliament, but the upper chamber of your parliament has more control over the lower chamber than ours does; and your president, on paper at least, has more power than I do. I sort of like your system. (Laughter)

No, they should be different. I agree with that.

Q I have a second question then. During your election campaign you demonstrated how you can play the sax. I wonder if you demonstrate for us here today. (Applause.)

THE PRESIDENT: No. I played for President Yeltsin last night. I have a quota, one saxophone play per country. (Laughter.) I didn't bring the horn today, but I thank you for asking.

Q Mr. President, just imagine the situation. You don't have an opportunity to speak to this pretty large audience. You don't have the opportunity to pop into the bakery, buy some bread and chat with some people on the street. You just have an opportunity to choose one person, one Russian person and talk only to him. From what social layer would you choose this person? Would it be -- I don't know -- an economist, interpreter, student, businessman, politician?

THE PRESIDENT: If I could only speak to one person, I would speak to the wisest person I could find in a medium-sized city in Russia that was having a difficult time with these economic changes. I would talk to someone, regardless of what economic strata they were from, he or she was from, had a lot of friends from all walks of life -- who could tell me how they were viewing what is going on now. I would pick someone from a sort of medium to small-sized town because they would be more likely to know all different kinds of people.

Red Square. We need to take one question from Red Square. Red Square can you hear me? I've gone over my time already 10 minutes.

Q You have a very educated auditorium here, and I was thinking, I wonder if you could gather as many people in the U.S. in one studio who would be as fluent in Russian as these people in Ostankino are fluent in English.

Anyway, I am here in Red Square. The people who are here would like to ask one question. Mr. President, we're getting an impression that you're supporting not so much the reforms in Russia but the personality of President Yeltsin. What's this connected to?

THE PRESIDENT: Well, I already answered that question, or I tried to, but I will answer it again. Until you had your last election and you adopted a new constitution and you elected a new parliament from people with -- lots of people from different parties, President Yeltsin was the only person who had actually been elected by all the people of Russia in a full and free election. Now, you have three sources of democratic legitimacy, if you will. You have the parliament, the President and the constitution. We have no interest in picking favorites or defining Russian democracy in terms of anyone. So you have done that, and you must do that.

The second thing I would say, however, is that no country can have more than one President at a time. Every nation needs someone who's the leader, who then works with the leaders of other nations. And I'm the President of the United States. If I want to work with you and help you, I should be open to meeting with and listening to all the democratic voices in Russia. But in the end, I still have to work with your President. (Applause.)

Q Mr. President, when you were a student you were in Moscow. And now you're the President of your nation. I'm a law student at the Moscow International University. And could you give me some advice how I can follow your career path?

THE PRESIDENT: Well, I can tell you this. I came from a family that had no money, no influence and no particular interest in politics. My mother got interested in politics after I started running, but not before. My advice to you would be two things. One, get the best education you can; and two, involve yourself in politics and figure out what you believe; which party and group you want to be identified with; work in the elections; work on some problem that the people have.

And then the third thing I would say is this: Try to develop a genuine interest if you don't have it in the real problems and hopes of ordinary people, because in a democracy, the only way you can really k eep going throughout all the things that will happen, all the ups and downs, is if you really care what happens to other people as well as what happens to you in your own career.

They say we have to stop. I've had a wonderful time. I'm sorry, but they're telling me I have to cut off.

I want to thank you again. Thank you very much for this. Thank you. I want to thank you again. I wish we had another hour. I'd like to take all the questions, but I have abused the network. We are now 18 minutes over time. And if you'll hang around here a little bit after, we'll shake hands and I'll try to answer your questions at least face to face. But I have to let the network cut off.

Thank you, all of you, from our remote sites. Thank all of you for being here. And Hillary and I are delighted to be with you. Good luck to you. We'll try to be good partners and good friends. (Applause.)

END 4:46 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Minsk, Belarus)

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIAL

January 15, 1994

Vosgoviy Guest House
Minsk, Belarus

1:03 P.M. (L)

SENIOR ADMINISTRATION OFFICIAL: This is BACKGROUND. Let me first tell you about what happened at the ceremony this morning, and then I will talk about this meeting.

At the Kremlin this morning -- as you know, the President stayed overnight at the Kremlin with his family and with some lucky White House staff members. And they had an excellent evening. Last night's dinner was truly a terrific experience -- in the Hall of Facets, beautiful medieval hall, with about a six-course dinner, with wonderful --

Q What was the main course?

SENIOR ADMINISTRATION OFFICIAL: It was fish. It was trout. And wonderful Russian delicacies -- caviar and salmon and fish and turkey and vodka. And they had wonderful accompaniment in the background -- piano and strings.

Q Why do you say it was extraordinary?

SENIOR ADMINISTRATION OFFICIAL: Well, because the Hall of Facets is one of the great rooms of Europe, and it's where the czars used to receive their generals after victories over a period of hundreds of years.

And then we proceeded from the Hall of Facets to St. George's Hall, where there was a musical entertainment which consisted of a string orchestra that played Tchaikovsky, The Waltz of the Flowers. During that piece, 10 young -- very young teenage couples, ballroom dancers, came in and danced to it. There were two female Russian vocalists. There was Russian folk dancing. There was acrobatic dancing. There was a jazz band. It was just a terrific evening, and it was really wonderfully put together by the Russians. And I think everybody --

Q Too bad we didn't cover it.

SENIOR ADMINISTRATION OFFICIAL: Everybody had a great time.

Okay, this morning the President --

Q What staffers stayed over in the Kremlin?

SENIOR ADMINISTRATION OFFICIAL: I'm sure we can get you a list of that.

Q Did you?

SENIOR ADMINISTRATION OFFICIAL: No, I did not.

Q Did Christopher?

SENIOR ADMINISTRATION OFFICIAL: No, no, the Secretary stayed with his team back at the hotel.

Q So basically the First Family --

SENIOR ADMINISTRATION OFFICIAL: The First Family and a number of personal staff --

MS. MYERS: And personal staff -- Wendy and --

Q Did Lake stay?

SENIOR ADMINISTRATION OFFICIAL: No, we were all back at the hotel.

MS. MYERS: Personal staff.

Q All personal staff?

SENIOR ADMINISTRATION OFFICIAL: Yes.

So this morning, we went to the --

Q Chelsea was at the dinner?

SENIOR ADMINISTRATION OFFICIAL: No, she was not.

This morning, the President had a brief conversation with President Yeltsin. It was just the two of them. It was a one-on-one meeting this morning between the two Presidents; no staff, just interpreters. They said their good-byes, of course.

Q Where was that?

SENIOR ADMINISTRATION OFFICIAL: It was in the Kremlin. I don't know which room it was in because I wasn't there.

There was a formal departure ceremony which was very much like the formal arrival ceremony that I think the pool did see. The two Presidents and the two First Ladies walked and met each other at the center of the hall. There the National Anthems were played. Both Presidents made departure statements, which are going to be available, I'm sure, to you. And it was a very nice occasion.

Q Was anything significant said in the departure statements?

SENIOR ADMINISTRATION OFFICIAL: Nothing new. Nothing new that you hadn't heard before in the President's statements or President Yeltsin's statements. And then we left.

This morning the President was met at the airport by the Chairman of the Belarussian Supreme Soviet, Mr. Shushkevich -- Stanislav Shushkevich. We road in, had a very, very good meeting which I'd like to tell you about.

Chairman Shushkevich is a leading reformer in Belarus. He's a person that the President met last July at the White House. He is a nuclear physicist who was instrumental in trying to help this country deal with the effects of Chernobyl back in 1986. In fact, he led the drive to try to bring in international assistance to cope.

I don't know if you know or not, but Belarus was terribly affected by Chernobyl; in fact, more so than any other country in the region. There have been, unfortunately, thousands of tragedies -- children developing cancer as a result of Chernobyl and its aftermath. We have tried to help in providing on this trip a 1,500-bed hospital from Germany, from our military

forces of Germany, and also some badly-needed pharmaceutical equipment.

Q It was transported here -- the hospital?

SENIOR ADMINISTRATION OFFICIAL: Transported here. In fact, I believe that members of the party will be visiting the hospital. I think that is one that -- Mrs. Clinton might be doing that.

MS. MYERS: The children's facility -- yes.

SENIOR ADMINISTRATION OFFICIAL: Children's hospital, yes.

Q When was that brought in?

SENIOR ADMINISTRATION OFFICIAL: That was brought in in the last couple of days. It's been planned for a couple of months, but we wanted, of course, to get it done by the time the President was here.

Q It s from the military?

SENIOR ADMINISTRATION OFFICIAL: Yes. You know we're closing down from our bases in Germany and we have hospitals that we can no longer use -- and the equipment. And we are donating a number of those hospitals to countries in the region. We are donating -- we are giving Belarus a 1,500-bed hospital with all the equipment and all the facilities for such.

In the meeting this morning, Chairman Shushkevich paid tribute to President Clinton. He said that President Clinton had set some very high standards in his defense of human rights and his promotion of democracy in his part of the world. And the first thing he said was he wanted to thank the President for having done so much over the past year to assist those who believe in reform in this part of the world.

I began to say Shushkevich is the leading reformer. This country is polarized by those who favor reform and those who favor the continuation of the past -- command* economics and a less liberal political system.

Q He said that?

SENIOR ADMINISTRATION OFFICIAL: No, I'm just trying to explain who Shushkevich is. Shushkevich stands for a democratic political system. He wants to move for elections and a free-market economy.

The President was very much taken with him last summer, has a great deal of respect for him. One of the reasons we're here is to pay our respects to Chairman Shushkevich and to see what we can do to promote reform and democracy here.

Chairman Shushkevich started by thanking President Clinton for his support of democracy. The President said that we had two major goals in our relationship with Belarus; we're, of course, interested in the process of democracy and wanted to help promote that process as much as we could, and that we also wanted to help Belarus deal with the consequences of denuclearization.

As you know, Belarus was the first country of the former Soviet Union to voluntarily give up its nuclear weapons. It had 76 nuclear missiles in its territory after the Soviet Union dissolved. It joined the NPT, the Nonproliferation Treaty. In fact, Chairman Shushkevich presented the Articles of Accession to the NPT to the President last year -- last July.

Q They are removing them -- are they all gone?

SENIOR ADMINISTRATION OFFICIAL: They are not all gone, but they are in the process of going.

Chairman Shushkevich responded to the President's opening by saying that he felt that Partnership For Peace was a very, very positive and promising concept.

Belarus, actually, in its constitution, has a neutrality clause, and he explained that until the new constitution is written, it will not be possible for Belarus to actively join the PFP. He was hoping that in the process of writing a new constitution it would be done in such a way that Belarus could do that.

Q Is that something that can be rewritten sometime soon?

SENIOR ADMINISTRATION OFFICIAL: Well, they're in the process now of writing a new constitution. I don't know what the process is of adopting.

The President said he would very much welcome Belarus' participation in PFP. He also described in general his meetings in Brussels; the fact that the Poles, the Czechs, the Russians and Ukrainians had been very positive about PFP.

Q What did he sign this morning?

SENIOR ADMINISTRATION OFFICIAL: He signed the Bilateral Investment Treaty. But let me get to that in a minute, because there are some other interesting things that happened.

Chairman Shushkevich* said that dealing with denuclearization was a huge problem, and a very large percentage of their budget. President Clinton promised an additional $25 million in Nunn-Lugar assistance from the United States. That brings the total of our Nunn-Lugar assistance to this country to little over $100 million in the last year. And it's pretty much money that the President has put in place since he took office on January 20th of last year.

In addition to that --

Q That's for dismantling --

SENIOR ADMINISTRATION OFFICIAL: Yes, this is for dismantling nuclear warheads and helping to remove them to Russia, and the helping them to deal with the consequences of defense conversion as part of this process. So it's $100 million over the last year.

Q -- the $25 million that was disclosed today?

SENIOR ADMINISTRATION OFFICIAL: The President announced a new $25-million apportionment today that brings the total of the Clinton administration's assistance over the past year to $101 million, actually. They talked a little bit about the trilateral agreement that was signed between the three countries yesterday in Moscow. As you know, Belarus is going to be compensated by the sale of highly enriched uranium to the United States. We talked about this purchase yesterday. The contract was signed between the United States Enrichment Corporation and Russia yesterday.

Part of the proceeds of our purchases will be distributed among three countries beyond Russia: Belarus, Kazakhstan and Ukraine.

Q How much of that --

SENIOR ADMINISTRATION OFFICIAL: That is going to be worked out -- these are going to be bilateral agreements worked

out between Russia and each of these countries, because Russia is the party selling --

Q Have you got an estimate?

SENIOR ADMINISTRATION OFFICIAL: I don't have an estimate for you. I could probably get one for you, but --

Q The total is $12 billion? Is that right?

SENIOR ADMINISTRATION OFFICIAL: The total is $12 billion over 20 years that we are going to purchase from Russia, which will own the HEU, but Russia has agreed in writing to compensate Belarus, Ukraine and Kazakhstan a percentage of that.

The President encouraged elections here. Chairman Shushkevich would like there to be elections for a new parliament, and for president. Others in the political system do not favor elections. The President said we stand for democracy, want to support it, and he would speak to that today. And he also -- no, Shushkevich was not elected in the national elections.

Q And he's the old communist party?

SENIOR ADMINISTRATION OFFICIAL: No, Shushkevich is not. Shushkevich is a nuclear physicist who came to politics late in life. He was not affiliated with the communist party, for he is a democrat. And the President offered that the United States would be glad to assist in the process of those elections, not in getting involved in a partisan way, but in the mechanics of the elections, much as the way we did last autumn before the Russian elections.

Q In the autumn?

SENIOR ADMINISTRATION OFFICIAL: He was elected to the parliament, I think, in the 1990 elections, and was chosen, once elected, to be the head of the Parliament. It's the old Soviet-style elections. And they signed the bilateral investment treaty. That's intended to promote trade and investment between the United States and Belarus. The President also said that we would be setting up an American business center here through the Department of Commerce to promote American business trade and investment.

Q When?

SENIOR ADMINISTRATION OFFICIAL: When? Well, he announced today that we would do it. I would imagine it would happen in the next couple of months. Yes.

Q What does this bilateral treaty do, other than to say nice things?

SENIOR ADMINISTRATION OFFICIAL: That's very important, actually. It provides for national treatment. National treatment means that American firms that come to invest here have joint ventures, and will receive the same tax and property rights as Belarusian firms, so they won't be discriminated against. And it's something that you really need to do to create a level playing field for American companies. And since we are trying to push American trade and investment and American exports, the President wanted to do this.

Q There's no new money --

SENIOR ADMINISTRATION OFFICIAL: No, there's not a financial commitment there. We have to pay for setting up an office, staffing it with people, but it's not a financial contribution of the government.

They signed the bilateral investment treaty. It's a formal treaty that requires senate ratification. And that's what they signed. But in addition to that, they agreed to establish an American business center to promote trade and investment between Belarus and the United States.

Q Does that treaty require us to do anything? It requires them to grant equal status.

SENIOR ADMINISTRATION OFFICIAL: It's a very long and involved treaty. It has alvagations on both sides.

Q Can you tell us some of the other --

SENIOR ADMINISTRATION OFFICIAL: National treatment in the United States.

Q Oh, for Belarusians?

SENIOR ADMINISTRATION OFFICIAL: It's reciprocal. And as I say, it's actually a standard treaty format that we've used in a number of countries in this region.

Q There were news reports about the moving of the site -- the timing for the Kuropaty visit. Can you address that, why -- to make it later --

SENIOR ADMINISTRATION OFFICIAL: I believe the Kuropaty visit is scheduled for later this afternoon.

Q A report suggests that the less democratic members of this government were those who pushed for the later -- why did we agree to move it later when --

SENIOR ADMINISTRATION OFFICIAL: The government requested that the event be held later in the afternoon. We agreed to that request. Before agreeing to that request, we checked with the sponsors of the event, and we had their agreement to do this. So we're looking forward to this event. The reason the President wanted to visit Kuropaty is to show our respect and sorrow for the hundreds of thousands of people who were killed there. He is also very much interested in meeting Mr. Povniak*, who is, of course, the man who uncovered the Kuropaty graves, who is a reform leader, someone for whom we have tremendous respect. He's looking forward to meeting him.

In fact, he'll be meeting him in just a minute, and I've got to go upstairs to greet Mr. Posniak.

Q And Mr. Posniak agreed to have it moved later, because I think he's been quoted as having objections.

SENIOR ADMINISTRATION OFFICIAL: Are you talking about The New York Times article? I believe there have been some conversations since The New York Times article between us and the democratic opposition. But right now what's going to happen, in addition to Mr. Kevich*, I've got to leave.

The President will be meeting with members of the democratic opposition, including Mr. Posniak, upstairs, and he'll be talking to them about elections, political process. I think he'll give them -- he'll want to give them a measure of support for democracy, and he'll look forward to seeing them later in the day at Kuropaty.

Q Why did the government request it be later in the day?

SENIOR ADMINISTRATION OFFICIAL: I don't know. I wasn't involved here on the ground in scheduling on the matter. I was back in Moscow.

Q When you say "government," does that mean Shushkevich, or does it mean Kevich?

SENIOR ADMINISTRATION OFFICIAL: No. It's important to understand that Chairman Shushkevich is the Chairman of the Parliament, and Prime Minister Kevich is the head of the government.

Q So it's Kevich who requested the --

SENIOR ADMINISTRATION OFFICIAL: I believe it was the government. I don't know if it was him personally, but I believe it was the government.

Q Does Shushkevich have a position on whether it should be earlier?

SENIOR ADMINISTRATION OFFICIAL: I don't know.

Q Would they have considered it an insult of some sort to go to the memorial first before --

SENIOR ADMINISTRATION OFFICIAL: I don't know. The President is also visiting the World War II memorial, another important thing for the President to do, because many -- I think we know that one out of every four Belarusians died during the second world war, which is the highest rate, I believe, of any former republic of the Soviet Union. And so he wanted to pay his respects to those who died during the war and to the --

Q Can you spell the name of the democratic leader of the opposition?

SENIOR ADMINISTRATION OFFICIAL: Pozniak.

Q Would you give us a briefing from the meeting with Shushkevich and Pozniak?

SENIOR ADMINISTRATION OFFICIAL: I'd be glad to -- one of us will be glad to do that. I don't know if it will be me, but yes, certainly. I'm going to be late for this meeting. I don't want to miss Mr. Pozniak.

Q You don't know whether Shushkevich asked for it to be delayed, then?

SENIOR ADMINISTRATION OFFICIAL: We never heard that. I don't believe it was Mr. Shushkevich. I believe it was maybe other members of the government.

END 1:20 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

For Immediate Release January 13, 1994

PRESS BRIEFING BY
SECRETARY OF STATE WARREN CHRISTOPHER
AND SECRETARY OF THE TREASURY LLOYD BENTSEN

The Radisson Hotel
Moscow, Russia

3:57 P.M. (L)

MR. GEARAN: Good afternoon. The format for this briefing will have Secretary of State Warren Christopher followed by our Secretary of the Treasury, Secretary Bentsen. For your informational purposes, at the end of the day, towards 10:00 p.m. or so, we'll have an additional background briefing on events for the balance of the day for all of you to -- we'll post an exact time and let you know at the appropriate time.

Let me just give some -- at the beginning, some general impressions from the President on his day here in Moscow in his meetings this morning with President Yeltsin.

He sees President Yeltsin as being very confident, very much on top of the job here. He sees that -- he believes the President can figure a way to work with the parliamentary body and the challenges that lie ahead; that he's committed to reform, and that he expressed his enthusiasm for the Partnership For Peace.

In terms of President Yeltsin's team and the other officials that our delegation met with, the President saw them as very positive and very engaged in the work that they're doing, not particularly obsessed with their political opposition, and upbeat and confident. Overall, he saw this as very reassuring for the United States and, indeed, for the cause of freedom and democracy all over the world.

are some questions from those members of the pool [illegible] to the church, there able to go into the small church. For those of you who have seen the pool report I'm sure noted that this was a Russian Orthodox church that was burned under Stalin and used as a public restroom and recently rebuilt in the last two years. The President had heard about it and read about it and expressed an interest to going there. He has a very strong interest in the role of religion in - the role that religion has played in democracies in this region.

While he was in the church, the priest allowed him to light a candle in a special place where they have for loved ones that are deceased. The President was very appreciative of that because he related to us that he had wanted to find a place to say a prayer for his mother.

Let me introduce the Secretary of State, Warren Christopher.

SECRETARY CHRISTOPHER: Good afternoon. It seems like I've seen a number of you not too many hours ago. We're about one-third of the way through our stop here in Moscow and I thought I'd give you a preliminary readout, although obviously it's only a very early readout.

We came here with essentially four purposes: First, it was an opportunity for President Clinton and President Yeltsin to renew their acquaintance after about six months after the Tokyo summit, a good opportunity for them to bring each other up to date.

Second, it was an opportunity for President Yeltsin to give President Clinton a report on developments here in Russia from an economic standpoint and a political standpoint as well. Third, it gave President Clinton an opportunity -- the trip did -- to report on the stops he's already made in Europe, Brussels, Prague and Kiev. And, finally, the purpose was to enable the two leaders to discuss foreign policy issues, particularly Ukraine.

Just a few words about the one-on-one session. It lasted about an hour and 20 minutes, perhaps a little more than that. I'm going to take off the subjects they discussed without trying to get into the substance. No doubt, the Russians will at some point want to characterize the substance as well.

First, the Russians indicated an unstinting commitment to the reform process; indeed, an intensification of the reform process. They discussed this in the context of the need for greater concern over the social consequences of the reforms. Secretary Bentsen will be obviously going into much greater detail on the economic discussions that have been had today.

Second, there was a discussion of the Partnership For Peace, which is really the conceptual continuity between the stops that we've had in Brussels, Prague and here. This Partnership For Peace provides a concept for the integration of Europe as a whole, the new architecture for European security in the future.

The third subject discussed was Ukraine, where President Clinton thanked President Yeltsin for the cooperation that has been afforded by Russia to enable the agreement to be reached which will be signed tomorrow.

In the larger economic meeting, President Clinton also acknowledged and thanked Prime Minister Chernomyrdin for the very strong support he has given to the completion of the agreement between the three -- the trilateral agreement. Throughout the course of the last week Prime Minister Chernomyrdin has been very helpful in finalizing this highly-significant agreement.

The fourth subject they discussed was President Clinton's reporting on efforts he is making in the G-7 to obtain further multilateral support for economic reform here in Russia. And finally, President Yeltsin gave President Clinton a rather thorough report on his appraisal of the political situation here in Russia.

The one-on-one meeting was followed by a rather detailed and lengthy economic meeting which Secretary Bentsen, who will be the principal person speaking this afternoon, will report to you on. Tonight we will be having a working dinner devoted largely to foreign policy, where I'm sure these subjects, among others, will come up: security in Europe; the Russian relationships with their neighboring countries of the new independent states; nonproliferation, that to include both Ukraine and North Korea; Bosnia; and finally the military-to-military cooperation between the two countries. As you probably already know, Under Secretary Risner and General Ryan are here representing the Defense Department.

That is a skeletal outline of what the two leaders and their colleagues have done up to this point. I had about an hour and fifteen minutes with Foreign Minister Kozyrev in which we devoted our discussion to the Partnership for Peace and to

Bosnia. I would say up to this point we have had an extraordinarily productive meeting -- still a considerable distance to go, but it is reassuring to be back here in the presence of the Russian leaders and find them undeterred by any events, indeed, redoubling their efforts to move forward with the reform process both on the economic side and on the political side, and very important to me, on the foreign policy side.

Thank you very, much. And here is Secretary Bentsen.

SECRETARY BENTSEN: Well Russia certainly is a critical juncture, but I sense their commitment to reform is going right ahead. There's not going to be any hesitation on that one. There was unanimity of opinion in that regard.

President Clinton and President Yeltsin had a discussion about how far the progress had gone thus far; and it's really substantial. If you take a look at the situation where inflation was at 30 percent at the beginning of this, and now it's at 12 percent; if you look at the budget deficit as compared to the GDP, starting out at 20 percent and now at 9 percent; if you look at dollar wages rising three-fold in that same period of time, after President Yeltsin and Deputy Prime Minister Boris Fyodorov described Russia's impressive economic record, President Clinton said that that was a real achievement and that message just has to get out to the world to understand how much progress has been made in reform thus far.

I told President Yeltsin that in my capacity as Secretary of the Treasury I'd traveled quite a bit around this world, and of the economic teams that I had seen, that his was one of the best. President Clinton and President Yeltsin certainly agreed that Russia had a very strong economic team, and that there was no turning back from fighting inflation and continuing to privatize. President Clinton promised that as long as Russia keeps reforming, we'll work with the G-7, with the IMF and the World Bank to get that support as rapidly to them as possible.

President Clinton assured President Yeltsin of the strong support the West has for the reforms that are being made, and we do not want this momentum to slow. President Clinton also agreed with President Yeltsin that more attention has to be paid to easing some of the hardships that we've heard about. We talked about finding ways to cut back on the red tape and to get some of this aid and support to them faster. And I think that the support implementation group can play a very important part in that. And, as you know, the new director flew in with me yesterday and is now on that job.

We discussed how Russia and the international financial institutions can cooperate more effectively so we can have more reform and more support. And we also discussed trade and investment issues. Now, before the large bilateral, I met with Mr. Fyodorov and the First Deputy Prime Minister, Mr. Gaydar. The three of us had a good talk about the wide range of economic subjects. I found both Fyodorov and Gaydar quite eager to carry on those reforms, and even to accelerate them. And that's the way it has to go. I also assured Mr. Gaydar that the West wants to see foreign assistance advance as fast as the reforms advance.

When Mr. Fyodorov and I were talking about how privatization is going, he told me that some of the people in Russia used to line up, queue up for bread and now that they're queuing up for vouchers for businesses, shares in business, and that those things had increased in the last few months six times.

And, finally, Secretary Christopher and I met with the new American Chamber of Commerce, and told them how we're

urging the Russians to create the kind of body of contract law that will encourage investment from the private sector.

With that, I'd welcome any questions you have.

Q Mr. Secretary, thank you. Did you or anyone else bring up with the Russians the problems created by government corruption and the cynicism that that engenders among the public?

SECRETARY BENTSEN: No, that was not -- I don't recall that being discussed, Johnny.

Q Secretary Bentsen and Secretary Christopher both, what is your view of the LDP Party, the way the United States should treat them, and why wasn't the representative of the party invited to the reception this evening?

SECRETARY CHRISTOPHER: Well, we didn't invite Mr. Zhirinovsky because his actions and his language and his statements do not make him fit to be in a meeting or invited by the President of the United States. The invitations were issued on an individual basis, and the individual was invited on that basis.

Q Mr. Secretary, could I just follow up on that? This person you're saying then will not be coming as a representative of the party? And I guess the question is, are we to understand that the President does not have a problem with the philosophy of the party, it's only a problem with the person of the man Zhirinovsky?

SECRETARY CHRISTOPHER: I don't want to get into trying to characterize or judge the party at this point, simply reiterate what I said, that we felt that it was not appropriate for the President of the United States to be inviting a person who has made the statements and whose conduct has been the conduct of Mr. Zhirinovsky. The other individual was invited because we thought he could make a contribution to the meeting.

More broadly, I think when you see the guest list tonight you'll see that it's really quite eclectic in its selection, a wide range of people invited, which is exactly what President Clinton intends.

Q Mr. Secretary, when you had the discussion of the need to ease the social pain in the country, did you also discuss the need to ease that pain within the military, not in the institutional sense but the personal sense, for all of these young troops and officers who have no housing and so on?

SECRETARY BENTSEN: We did not discuss that specific part of it. We did talk about the fact that the World Bank has some $500 million ready to assist insofar as easing some of the social burdens that have taken place, some of the hardships. They were particularly interested in funds for retraining, for worker dislocation, and in turn, for some of the equity funds to go into some of the major industries that are not competitive anymore, to try to see that we get some equity capital in those and to make them productive. Those things were discussed and we have funds for that purpose.

And if you look at what we had insofar as the revitalization, reorganization in that fund, part of it was supposedly dedicated for that. In addition to that, you're seeing $100 million now set up -- and Mr. Blumenthal is the director of that -- to assist in the modernization and the productivity and the creativity insofar as industry to make it more productive.

Q Since restiveness within the military is obviously going to be a continuing concern, do you anticipate

that you're going to have to concentrate on this specifically, since so many --

SECRETARY BENTSEN: I would assume on that one that the government of Russia would be leading that.

Q Could you please give us a sense of how central you or Secretary Christopher believe Boris Yeltsin's participation is to reforms? It's hard for some of us watching this trip to decide whether President Clinton is here supporting Mr. Yeltsin personally or supporting the concept of reform. And could you give us a sense of how those two things interrelate?

SECRETARY BENTSEN: Well, I think they very much interrelate insofar as the support for President Yeltsin and for reform. I think one of the very pleasing things to me was to see the continued commitment by President Yeltsin to reform and in talking to Gaydar and to talking to Fyodorov, they felt in some instances it had to be accelerated and that some of the pain that they had was by not going fast enough on reform.

One of the cruelest taxes of all is inflation, if you're talking about pensioners or you're talking about middle income people. And if you want to see business investment made you have to have a stable economy, or American business, a foreign business is not going to invest. So it is a primary responsibility.

Q That doesn't answer the question about the President's -- where the President's commitment is. Does Mr. Clinton feel a certain personal commitment to Boris Yeltsin here? Is that one of the things he's trying --

MR. BENTSEN: Well, I certainly think he is committed to trying to help him in this regard, because he is carrying out the kinds of policies that we think are important for Russia to further democratize, to further privatize to a market economy that gives us a peaceful neighbor with a rising standard of living and with an expansion of trade on both sides.

Q I was going to ask Secretary Christopher, how much in control is Yeltsin at this point? Is there a real threat from the opposition party, the nationalists, and will they join the Partnership For Peace? Did you get any sense of affirmative --

SECRETARY CHRISTOPHER: To take the second part first, we got a very positive response from the Russians, both the President from President Yeltsin, and myself from Foreign Minister Kozyrev, on the Partnership for Peace. I think it's up to the Russian government to formally respond to the invitation which they'll soon be receiving.

On the second point, as I say we're only part of the way through our visit, and you'll have a further readout ON BACKGROUND tonight with respect to the one-on-one meeting, but I don't have any sense at all, other than that President Yeltsin is firmly in control. He was definitely in charge of the bilateral meeting on economics today and seemed, as Mark said, very much on top of his game.

Q Secretary Bentsen, can you explain how you balance your belief that they have to continue very firmly toward reform with your thoughts about cushioning the effects of that, perhaps through the multilateral -- your thoughts about cushioning the effects of the reforms? What can be done to cushion the effects, while not giving up the pace and the momentum?

SECRETARY BENTSEN: I think that can be done. That money is there. You see, one of the problems that you had was, in borrowing money, they wanted to look at the cash flow for

whatever was being invested in to be sure that was going to be paid. Now, one of their problems right now is the expansion of credit to industries that are not competitive, that are not selling or making a product that will be bought in the rest of the world or even domestically. And that is a very high subsidy to pay to try to get to some of the social problems.

It is much better taken care of by some of that subsidy being taken away from some of the outmoded industries and, in turn, go to the social structure insofar as retraining dislocated workers, the creation of jobs by equity investment coming in, taking them in a different direction, developing a competitive product. Those are the types of things that can be done. And the World Bank is in a position to do that.

Q Mr. Secretary, you said a moment ago that Messers Gaydar and Fyodorov spoke about accelerating reform.

SECRETARY BENTSEN: They said in some instances to accelerate it, yes.

Q Well, did Boris Yeltsin indicate that he's even going to keep them on his team and that he shares their view on accelerated reform?

SECRETARY BENTSEN: Well, I didn't ask that. He spoke about -- I spoke about the competence of his economic team, and he agreed we had one that is making economic history for this country for the kind of transformation and the kind of change that's taking place here.

Q Well, how do you square those comments with what Mr. Chernomyrdin has been saying to the Duma just in the last few days that this reform has to be controlled and be carefully crafted.

SECRETARY BENTSEN: Well, I think that that's true, and that that doesn't stop you for a minute from pressing on. But, controlled and carefully crafted? Sure. But it's reform and it is major reform, and it is taking place and it's going to be continued from everything I heard and, in some instances, actually accelerated. One of the points that was being made, though, was that they have to have a containment of the expansion of credit. That has to be to be able to curb inflation and to put together a kind of a package that's going to accelerate the payments from the IMF.

Q -- complains about political and economic instability here that make it difficult for them to invest. Is it your sense that this country has settled down enough now for American businesses to put big money into Russia?

SECRETARY CHRISTOPHER: Well, when one goes and meets with American businessmen, as I frequently do when I'm traveling abroad, you hear an evaluation of the situation in the country that always focuses on the problems they're facing. They do that because that's what I ask them to do in the main, because it doesn't help us do our job if they only tell us what's going right. So we did hear a list of things that might be done better here and might be more conducive to investment.

But sitting at the head table and talking to the others, I see a number of countries just right on the edge of making major investments here. They're looking toward further reform. They're looking for further refinement in the legal structure. They're looking for clarification on the tax front. But I think the main theme that I got out of the meeting was what a tremendous opportunity there is here in Russia, which has brought 25 companies together to form the American Chamber of Commerce, which has been 80 percent subscribed* in the first month in which they've been trying to put the American Chamber together. So there's a very strong interest by American business in Russia, no doubt working through some very serious problems.

Thanks.

SECRETARY BENTSEN: Let me comment on that a little. Let me comment on that just for a minute, if I may, without interruption.

Q Remember the full question, though, please. Has the country settled down enough?

SECRETARY BENTSEN: Well, I think what you're seeing is a country that is stabilizing. They have some decisions to make and they are at a critical juncture. But when I looked at a meeting that must have had 400 or 500 people there who are interested in business and investing here, is it risk capital coming in? Of course, it's risk capital. But when you see risk capital coming into a market like this, they are coming because they think there is also the opportunity for great rewards.

To see them continuing to try to improve a body of contract law, which is terribly important, to encourage that kind of investment, that's progress being made. More to be made? Of course, there is.

THE PRESS: Thank you.

END 4:21 P.M. (L)

Pool Report #34
Arrival at the dacha, motorcade back
Jan. 13, 1994

First, some Yeltsin Q & A as he waited Clinton's arrival outside the dacha.

Q. Did the president offer you economic help to cushion the blow to the people?

""We have discussed economic questions practically all day. Except for the one on one meeting we devoted the entire time. Tomorrow we will discuss trade and international issues.''

Q. What specifically would you like the president of offer you, he's not bringing any new aid ?
A. ""No more than has been promised.''

The answers in Russian were relayed in English by an interpreter standing next to Yeltsin. He joined him late though and we did not get a translation to a couple of questions that were asked in Russian.

We also did not get an official translation of his answer to the question "do you have a deal on de-targeting ?''

But a CNN Russian speaking producer looked at the tape and said Yeltsin did not appear to understand the question because he did not have his translator with him. He just gave a general answer &about the talks going well and wanting to increase the breadth of the relationship.
He also said a Russian reporter asked ""What do you think of the Partnershipo for Peace? Do you support it?"" Yelstin replied, ""I support it. I support the concept.''

Yeltsin, who came out several minutes early to greet Clinton, also chatted about New Year's Eve with us.
"Do you in the United States celebrate the old-style New Years?'' he asked the pool. When someone said ""which is?'' he replied, ""which is this day.'' Told no, he joked, ""therefore I will not congratulate you.''

(continued)

Good report 34

Clinton arrived around 7:45 p.m. shook hands with the waiting Yeltsin. (Each wore an overcoat, but no hat. With Bentsen at his side, Clinton visited briefly with his host before going inside. ""Nice little place you have,'' Clinton (clearly impressed with the digs) laughingly told Yeltsin. Yeltsin replied, "" This is my country house.''
He then said, "" . . .New Year's Eve and tomorrow we will have New Years.".
Bentsen, pointing towards the extensive snow-covered landscape, asked Yeltsin a question which we could not hear.

Christopher then joined them and they headed up the steps and inside. Clinton did not answer a question about what he could do to help with the safety net.

Some info from USIS:

The dacha, built in 1896, is called Novoye Ogaryova. It's about 29 kilometers west of Moscow. We were told it was built for the uncle of Nicholas II.

It is a state dacha or country house that Russian and before them Soviet leaders have used to entertain official guests. Thatcher and Bush have both been there.

It's a three-story yellow brick and stone structure located on an expanse of wooded property. It's very secluded. There was a tall evergreen with colored lights as we approached the dacha.

Yelstin greeted Clinton on the far side of the dacha which overlooked large snowy lawn lit with white lamposts. Colored lights were strung along a fence beyond the driveway and around the doorway to the dacha. The Russian and U.S. flags flew on either side of the door. A beige Persian rug runner lined the stairs which are flanked by two large stone lions.

There were more lit trees on this side and one spotted in a sitting room where a chamber group was preparing to play. Yelstin could be seen inside chatting with someone as he awaited his guests. Outside someone had been summoned to straighten out the American flag which had become entangled.

The dacha at one end has an impressive two-story glass green house that was lit by white and purple stain-glassed chandeliers. The greenhouse was filled with tall palms and other plants.

The entrance way to the property is secured by a tall stone wall and iron gate and guards
The first cars started departing the dinner at 10:30, but Clinton's motorcade didn't take off until 11:05 p.m. He was back here around 11:30 p.m.
--Kathy Lewis
Dallas Morning Newss

January 16, 1994

POOL REPORT ABOARD AIR FORCE ONE, GENEVA TO ANDREWS AFB

Your pool was kept waiting outside the Intercon for several minutes before the motorcade set off to Geneva's U.S. mission, just five minutes or so from the hotel. There the President met with mission personnel and their families for 20 minutes before moving on to the airport.

Members of the presidential advance were on hand to say goodbye to the Clintons and Chelsea, who bound up the stairs into Air Force One before her parents. She was wearing a blue cap topcoat. Hillary Clinton, wearing bright red, got out of her car and jointed the President as he finished saying a warm goodbye to the advance team. Then the two of them boarded the plane together. Wheels up was at exactly 6:01 p.m.

The highlight of the flight was an invitation by the president to the print reporters to join him up forward outside his cabin for an on-the-record reflection on his trip as a whole. Our camera, video and sound broadcast colleagues argued vigorously to record the session for video and sound broadcast, but White House staffers speaking on behalf of the president said that there had been many video interviews during the summits and now it was time for the print folk to have their share. Our colleagues reluctantly agreed that half a loaf was...well, you know the rest.

By the time you get this report, the full interview will have been transcribed by the White House, whose sound gear overcame the high noise level in the cabin. Our collective equipment did not. Here are the main outlines and highlights of the interview, including important quotes.

The president, dressed in a blue sweatshirt with the worlds Radisson Hotel, Moscow, in Russian and English on its, blue jeans, and running shoes, was sitting on a couch drinking coffee from a plastic cup. When we arrived, he was halfway through a slice of cheesecake.

He looked tired, but relaxed and was solicitous about our level of fatigue. "I think we had a good trip," he said, "and I'm sorry I put you through so much. You must be tired. I know I am."

He said he had called Yitzhak Rabin and Egyptian president Hosni Mubarak to brief them on his talk with Assad. He said he had tried, but failed to reach Saudi Arabia's King Fahd by phone, but would try again in the morning. Rabin and Mubarak, Clinton said, had seemed pleased by the president's account of the meeting.

Reflecting on the trip overall, Clinton was obviously very satisfied with what he felt had been accomplished. "Looking back on the trip," he said, "I can say without any hesitation that it certainly met all of our objectives." There were three main areas of success, he said:

1) "The prospect of uniting Europe for the first time since national were on the landscape." He said the Romanians, among other countries, had expressed interest in P4P. Even the Swiss had, despite their history of neutrality.

2) "The nuclear breakthrough" on Ukraine and the detargeting of nuclear missiles by Russia and the U.S. against each other. There had been "important discussions" with the Russians on the implementation and ratification of START 1 and START 2. "This was a very good meeting," he said, speaking generally of his summit with Yeltsin.

3) The movement towards getting growth back on track within the European Union.

On Russia in general, Clinton said he thought privatization was going ahead faster in some other former Communist countries. He didn't believe Russians in general wanted to return to a more authoritarian system.

Clinton nevertheless acknowledged that there were difficulties with reform in Russia, and explained: "While there were uncertainties amongst the people because of all the hardship, I think there was a lot of emotion that the people want to rule the country."

Summing up the trip in the context of these objectives, Clinton observed: "I think that on the goals of building a united Europe in terms of security, working to minimize the nuclear threat and economic reform, this was a very successful trip."

On the Assad meeting:

"I went to this meeting hoping I could get a commitment from Assad that would bring real peace," he said. He said he thought Assad's commitment had indeed been "clear and unmistakable." He found Assad "very smart and very tough," with "a very clear vision of what he thinks has happened" in the last several years in the Middle East, and what he thinks is about to happen. "At the same time," the president went on, "he has reached the conclusion that it is in the interests of his people and his legacy to achieve a peace."

Clinton said that there needed to be mutual security guarantees that Israel's security was not all that was at stake and that Damascus was closer to Golan than to Tel Avid or Jerusalem.

"Obviously, Clinton said of the issue, "if both sides made an agreement and both sides wanted us we might have to give it serious consideration. That's something I would have to take to the Congress about."

"I think (the process) is moving forward," he said, adding about Assad: "He pushed it forward. It's clearly the biggest step since September 13. Maybe it's a somewhat bigger one because we all know that in the end the only way to hold this thing together was to get the rest of it done."

The President was asked if he'd raised the issue of allegations of Syria's terrorist connections. He replied that he had spent a good portion of the meeting with Assad -- about one hour -- on the issue. He also indicated that there had been clear disagreement on this issue between himself and the Syrian president. "I brought up Hezbollah, the (Ahmed) Jibril group, and the P.K.K. (Kurdish Communist rebels who have been operating against the Turkish government with encouragement and backing by Syria).

"He gave his view that he's stated many times. I restated mine. I said, 'Look, we're not going to resolve this today, but we can't have normal relations between the two of us as opposed to what's going on in the Middle East until they are resolved." Then he talked about his proposal for the Secretary of State and the (Syrian) foreign minister to develop a mechanism to try to deal with mutual U.S.-Syrian differences.

In fact, Clinton said he specifically raised the Pan Am 103 issue. "I can tell you we had absolutely no evidence," Clinton said, and Assad denied any connection to it. The Syrian president said that a Syrian citizen himself had been killed on the flight, and it turned out he came from a village near Assad's own home area. Assad told Clinton that the entire Pan Am 103 affair was "brutal and senseless," and he asked the U.S. to produce any evidence of Syrian involvement if they had any. Assad insisted to Clinton that "he had no part in killing all those students."

Clinton spoke mostly about the Russian part of his trip and the still-fresh impressions of his four and one half hours of tough meeting with the Syrian president. Yeltsin, he said had told Clinton that there was a strong possibility that Gaidar would decide to spend all his time leading his political party. In effect, Clinton replied, Yeltsin was hinting at the fairly imminent departure of his key economic adviser. Nonetheless, Clinton recalled, Yeltsin had added: "We don't want to reverse or reform efforts and we don't want to slow them down."

Clinton noted that Gaidar had left the government once before (he was referring to Gaidar's ouster under pressure during the stormy parliament v. executive struggles of 1992) and had later returned to government. The reforms had not slowed down

during this earlier hiatus, Clinton added. Yeltsin, said Clinton, "wanted to make them (the reforms) work better." Yeltsin had told Clinton that he wanted "a team" of reformers. One argument for maintaining the pace of reforms, in Clinton's view: "Ukraine went slow and is in worse shape."

Making a comparison between the varying rates of economic reform in Eastern Europe and Russia, Clinton said he was struck by the fact that while privatization was moving rapidly in Russia, that country lagged behind the Czech Republic in such infrastructure areas as legal system, private property law, tax codes. It was difficult to make the reforms work better in Russia, Clinton said, if this kind of infrastructure, which had become available in the Czech Republic, was not available in Russia."

Turning to a question from a pooler on the Russian ultranationalists, the president said he had had a long talk with Yeltsin on this topic. Of Yeltsin's views, he said: "I think that he believes the more the voters know about some of the points of the ultranationalists, the more they will pull away from them." Clinton said that many in the U.S. watching the Russian campaign before the election had been struck by the extent to which the ultranationalists had made more vociferous claims to represent Russian feelings of national pride.

In this respect, Clinton suggested that Yeltsin, who had "stood up on the tanks and embodied change and pride of Russia, had in fact yielded this issue to the opposition. "I told him, " Clinton said, recalling his conversation, "that he needed to find spokespersons who can say and people who can say we are against crime. Yeltsin needs a national mandate on change and pride," Clinton added.

Clinton was asked if there were any high points of the trip. He became quiet and pensive before replying, but then said: "walking across the (Charles) bridge with (Czech President Vaclav) Havel. It was the first time in 24 years (since Clinton had been in Prague) with a guy who had gone to prison for this beliefs." Clinton said that on hi first trip to Prague, the Czechs he had met all hated communism, and all wanted life to be different.

Another deeply moving incident, the president said, was "going into that cathedral (the Kazan Cathedral in Red Square, only recently restored and rebuilt) that had been resanctified, that Stalin had turned into a restroom, and lighting a candle" for his mother.

As the interview came to an end, Clinton spoke warmly of the last year of his mother's life, and of how good the times with her had been. They had spent Thanksgiving and Christmas together. She didn't have any suffering and she died peacefully, Clinton said. Clinton has enjoyed the book she had written about

her life and would "not change any of it. It's Mama's book, it's her story," he said.

Finally it was football talk. "When you get to be my age you start pulling for all the old guys like Joe Montana." Clinton wondered if the Packers had a chance against the Cowboys because the Packers were such a physical team. He expressed surprise that the Giants were beaten so badly by the 49-ers.

We said that the interview was the highlight of the flight, and it obviously was. We would be remiss, however, if we did not provide you with a detailed account of briefings provided by the pool by White House very early in the flight.

Dee Dee Myers and Mark Gearan came back to the press area about 6:36 p.m., just as the movie The Firm was getting underway. Dave Gergen joined them about 15 minutes later.

Myers said that on Monday the president would have an 11:00 a.m. announcement on fair housing; at noon a statement on empowerment zones with Secretary of Housing an Urban Development Henry Cisneros. At 1:00 p.m. he would make a speech at Howard University on the legacy of Martin Luther King. There would be a "a few paragraphs about the trip" that would show the linkage between domestic and foreign policy.

Tuesday, the president would have a 4-5 hour "perfectly routine" physical check-up at Bethesda Naval Hospital. "He feels great," said Myers, who agreed, when asked if Clinton were tired, "Yes, very."

Asked about criticisms in the media and elsewhere that the president, by meeting Asad, was associating with the "head of a terrorist nation," Myers said that terrorism was indeed discussed at length with Assad, along with human rights abuses and drug trafficking. She referred to the mechanism you have already heard about by which the two countries could discuss these questions.

The Assad meeting, Myers said, lasted about 4 1/2 hours, with one 20 minute break. The one-on-one with Clinton and Assad alone, had lasted about 40 minutes.

After the meeting, Myers said, the president had gone to a holding room and briefed Secretary of State Warren Christopher, Anthony Lake, Dennis Ross, Martyn Indyk, and others. "Ross and Indyk are heading for the Middle East," Myers said, implying soon, but not saying so specifically.

Myers confirmed that going to the Kazan Cathedral in Red Square and lighting a candle for his mother had been "a very personal moment that really stood out." Myers added that the visit to the Kuropaty memorial to tens of thousand of victims of Stalin's Great Terror, in Belarus, had also been deeply moving.

Clinton had also been struck by the "reaction of the Belarus people, literally thousands of people on the streets," to Clinton's presence, she said.

The most fun time for the president? His night on the town with Vaclav Havel.

The biggest surprise of the trip? Being served moose lips.

Any illnesses in the group? Yes, "Mack" McLarty who had flue and had to fly back one day early.

Any Clinton purchases? Yes, a Czech puppet for Chelsea.

Dave Gergen said that one result of the trip would be that Europe's doubts about Clinton's commitment to Europe would recede. Already, Gergen said, positive reaction to the trip was pouring into Washington from U.S. embassies around the world. Gergen said that the Syrians had been informed the night before that an Israeli reporter would be present at the press conference.

Gergen said that Assad's commitment to normal relations with Israel was new. He had been committed to "peace" before, Gergen said, but not "normal relations."

On the unexpected departure of Russian Deputy Prime Minister Yegor Gaidar, Gergen said that there had been indications as early as Thursday night that he might be leaving. The president knew about these indications. But it was Gergen's assessment that Gaidar was only one person and the reforms could continue without him. It was positive, Gergen said, that "we worry about who the economics minister is rather who the defense minister is."

Air Force One was due to land at approximately 8:30 p.m. at Andrews.

Poolers David Aikman, Time
Tim Russert, NBC

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

For Immediate Release January 14, 1994

PRESS AVAILABILITY BY PRESIDENT CLINTON,
PRESIDENT YELTSIN AND PRESIDENT KRAVCHUK
IN SIGNING OF
TRILATERAL DENUCLEARIZATION AGREEMENT

St. Catherine Hall, The Kremlin
Moscow, Russia

8:55 A.M. (L)

Q What will be the impact of this agreement on the national security of Russia?

PRESIDENT YELTSIN: We have never believed and we have never perceived that there is any kind of danger coming our way from Ukraine. Nevertheless, in terms of world politics, today is an historic day where the three Presidents have signed an agreement that would eliminate nuclear arms from the territory of Ukraine, and whereby Ukraine will be exceeding the treaty on the nonproliferation of nuclear weapons. This will be another important step towards getting rid of nuclear weapons throughout the world.

Q There is an opinion that if the Ukraine gets rid of its nuclear weapons it will lose its authority, so to speak, among other nations. What is your opinion on this, Mr. President?

PRESIDENT CLINTON: Well, of course, in the end this is a question that Ukraine has to answer for itself, but I can only tell you what my opinion is. My opinion is that Ukraine will increase its authority among nations for doing this. After all, Ukraine has enhanced the security of the United States today by agreeing to remove 1,500 nuclear warheads aimed at our nation. Ukraine has enhanced the security of Ukraine and Russia by agreeing to dismantle these warheads which means that there is less chance of nuclear accident, nuclear espionage, nuclear terrorism.

And more important, Ukraine has shown an understanding that as we move into the next century, the greatness of nations will be defined by their ability to work with each other and to develop the capacities of their people. And I think you will now see people all over the world more interested in working with Ukraine in partnership because of this very brave and visionary act.

So I believe that Ukraine is a stronger nation today for having done this. And I think almost everyone else in the world will believe the same thing.

Q President Clinton, we've been told by one of your aides that the timetable for this agreement is going to remain secret. Is that, in fact, the case? Are you going to at least tell us when dismantlement of the first nuclear warhead in Ukraine will take place?

PRESIDENT CLINTON: We have reached an agreement on which details will be made public and which will not, and today all the things that can be made public will be made public. I want to be -- we've been working so hard on this, I want to be very careful about it.

Let me tell you that I am completely comfortable with the agreements that we have made and with the understandings between both Russia and Ukraine about how it will be handled. I think it's a very good thing for the world and a very good thing for the United States.

Q What does Ukraine receive from giving the warheads and missiles deployed in its territory?

PRESIDENT KRAVCHUK: From the political point of view, we get a greater security for having signed the documents with the Presidents. Both Presidents and the countries confirm this higher change of security.

And the second point, the Ukraine confirms its policy which was proclaimed earlier, thus indicating the continual character of its policy. And the third, Ukraine receives compensation for nuclear weapons. And the fourth, Ukraine enters into normal relations with other states, and this is the primary thing for great security.

I say it like that -- if Ukraine is in friendly relations, further ties with Russia and the United States, it will be secure.

END 9:20 A.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

For Immediate Release January 13, 1994

REMARKS BY THE PRESIDENT
DURING RECEPTION

Spaso House
Moscow, Russia

6:28 P.M. (L)

THE PRESIDENT: Thank you very much. I want to begin by thanking Ambassador and Mrs. Pickering for having us here tonight, and for giving us all a chance to meet and to visit in what I imagine is an extraordinary and unprecedented gathering, not only of Americans but of Russians who come from different political perspectives. (Laughter.)

I am told that 60 years ago at a Christmas Eve party here three trained seals went crazy in the ballroom. Now, in the United States, when people from different political parties get together, they sometimes behave the same way. (Laughter.) So I'm glad to see you all getting along so well tonight.

It is a great honor for me and the Secretary of State, the Secretary of Treasury and all the other members of our party to be here with so many representatives of the new Russia. Each of you who have participated in this new democratic process have my respect, my admiration and my pledge of equal partnership. It is difficult for most Americans to even imagine the size and scope of the changes going on in your nation now.

When I leave you, I am going home to attempt to reform our nation's health care system. It is a very big job. It comprises one-seventh of our entire economy. You are in the process of transforming your entire economy while you develop a new constitutional democracy as well. It boggles the mind, and you have my respect for the effort.

Over the years, over the centuries, the Russian people have shown their greatness in many ways -- in culture, on the battlefield, in government, in space. And now on the brink of the 21st century, this great nation is being called upon to redefine its greatness again in terms that will enable your nation to be strong and vital and alive for hundreds of years into the future.

We live in a curious time where modern revolutions are transforming life for the better -- revolutions in communications, in technology, and in many other areas. And yet the oldest of society's demons plague us still -- the hatreds of people for one another based on their race, their ethnic group, their religion, even the piece of ground they happen to have been born on.

In the midst of this conflict of historic proportions, I believe that greatness of nations in the 21st century will be defined by how successful they are in providing the opportunity for every man and woman, every boy and girl living within the nation's borders to live up to the fullest of their natural capacity.

If we are to have any chance at all to realize that future in the world, I believe this nation must be strong democratically and strong economically. And I believe we will

MORE

have to write a new future for all of Europe and create a future which, for the first time in history, Europe is not divided by some political line which leads to war, or which is the product of a destructive isolationism borne of past divisions.

So as I look around this room at the faces of tomorrow's Russia, people from different political parties, people who are members of the Duma and people who are governors, and people who represent local government, people who are in private enterprises: I say to you there is lots of room for difference of opinion.

Indeed, the world we are living in and the world we are moving toward is so complicated and changes so fast, all of us desperately need to listen to one another's opinions. But if we are to realize the measure of true greatness in your nation and in mine, we must keep our devotion to democracy, to a certain freedom in our economic affairs, and to a respect for one another's neighbors, for greatness in the next century will be defined not by how far we can reach, but by how well we do by the people who live within our borders.

I came here as a friend and supporter of the democratic changes going on in this country. I hope that together we can make a positive difference in a genuine and equal partnership. But in the end, you will have to decide your future. American support can certainly not make all the difference, and American direction is unwarranted. The future is for you to write and for you to make. But I come to say, from the bottom of my heart, the people of the United States and the President of the United States wish to be your partners and your friends.

Thank you very much. (Applause.) (Laughter and applause.)

END 6:40 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIALS

January 13, 1994

The Radisson Hotel
Moscow, Russia

4:21 P.M. (L)

SENIOR ADMINISTRATION OFFICIAL: Good afternoon everyone. I am going to speak very briefly about the first expanded meeting that was held this morning in the Kremlin. It was on economic issues. It followed the initial one-on-one meeting between President Clinton and President Yeltsin.

Let me just say a few words to fill in some of the detail, and to add to what Secretary Bentsen and Secretary Christopher said. Another Senior Administration Official will follow me with some more detail and then we'll be glad to take your questions. I would say this was an excellent meeting. In fact, of all the meetings that I've been to since 1989, all the summits, this was the single best meeting in which I had participated.

President Yeltsin, at the end, said that it was fruitful, specific, exciting and constructive. Both Presidents were engaged on the strategy of the session and both on the details, details because they discussed many of these issues at Vancouver and Tokyo. They committed themselves to continuing the economic relationship they began at Vancouver, and they were both adamant that their governments both execute what they said they were going to do.

The meeting was two hours. It was twice the scheduled time. In fact, at one point when we neared the scheduled completion of the meeting, President Clinton said that we should simply disregard their clock and continue because the discussion was so intensive.

The Russian delegation, President Yeltsin and his ministers, essentially presented their views of the economic reform program as it now stands and what their intentions are. Prime Minister Chernomyrdin spoke as well as President Yeltsin, also Minister Fyodorov and Minister Davidov.

My colleague will discuss with you their comments on the reform program and also international assistance. Let me just limit myself to bilateral issues. President Clinton reported, in essence, to President Yeltsin on the past year's performance in the delivery of U.S. assistance. I think you've got the figures.

At Vancouver there was a $1.6-billion program announced by President Clinton. It has been 100 percent obligated, and 69 percent of those funds have been expended. In ten months this is a very solid record. He also talked about the additional $2.5-billion package of assistance appropriated by the Congress in September.

The President distributed a map in Russian which shows where the aid has gone. The great majority of this assistance, U.S. assistance, has gone outside of Moscow and St. Petersburg, the two major cities. We have copies of that map in English

available to you if you would like to see it. It shows what types of projects have been delivered to which regions.

The President ran through a number of commitments that he had made to President Yeltsin in Vancouver and gave essentially a status report. Let me give you a few examples: The Enterprise Fund that was announced in Vancouver, $300 million, opens its doors next week. It's chair is Jerry Corrigan, formerly Governor of the New York Fed.

There is going to be a new second enterprise fund devoted to assistance to the large state enterprises. My colleague will tell you about that. The former Secretary of the Treasury, Michael Blumenthal, has been appointed by President Clinton as the head of that. It's capitalized at $100 million.

Secretary Bentsen mentioned that we are setting up a G-7 office in Moscow, as was agreed at the Vancouver Summit, and an American is heading that office. They also discussed trade and investment, and President Clinton made the point that this is, in many ways, the most important part of their relationship for the future.

There was a considerable amount of discussion about the activities of the Gore-Chernomyrdin Commission. President Clinton told President Yeltsin that Secretary of Commerce Ron Brown will be coming with a presidential trade mission, with a group of CEOs of major American corporations in early March to concentrate specifically on what we're calling the Pioneer Projects in Energy, in oil and gas.

President Clinton specifically mentioned a couple of projects. One was Texaco's project -- Timon Pechora. The other was the Sakhalin Island offshore oil deal in which Marathon and McDermott, two U.S. companies are involved. Both are multibillion-dollar deals. Both, we think, would make a difference here, once they are concluded.

In addition to that, the President reviewed a number of steps that he thought that the Russian government could take to improve the business climate -- tax measures, regulatory measures, ratification of a bilateral investment treaty. They finished the discussion by reviewing the market access issue. Essentially, both of our governments want to reduce barriers to trade. There are things that both Presidents can currently do within their powers to accomplish that.

There are other measures that are much more difficult to contemplate, and they agreed that they would undertake together an effort to try to look into the market access issue.

Having said that, let me just turn it over to my colleague for some comments, and ten we'll be glad to answer any questions you have.

SENIOR ADMINISTRATION OFFICIAL: Thank you very much. I want to comment briefly on the Russian economic situation, on two of the initiatives -- the large enterprise fund and the support implementation group that my colleague referred to, and talk about the international financial institutions' role in supporting reform in Russia.

Finance Minister Fyodorov commented in the bilateral meeting and commented in the meeting he had with Secretary Bentsen that he had recently completed a review of Russia's economic situation in 1993. And he highlighted, and President Yeltsin did also, the very real progress that has been made. Everybody highlights the tremendous achievements in privatization, where more than 40 percent of the employees and large manufacturing enterprises are now working in enterprises that are in private hands. More than 70 percent of the small shops and restaurants are in private hands, and both those figures will be approaching 100 percent by July of next year.

But Minister Fyodorov also emphasized -- and I think the President welcomed -- the progress that has been made in stabilizing Russia's economy. Inflation's down by a factor of 2.5 from where it was nine months ago. The ruble has appreciated very substantially in real terms. That's why, as Secretary Bentsen said, dollar wages are three times as high as they were. And real interest rates -- for the first time in 1,000 years -- are positive in Russia, and that means that the capital that had been flowing out is flowing back into the country.

There was an agreement on both sides -- a very strong agreement -- that the work of reform, of stabilization, of privatization had to, and would, continue. I think it's a -- if I might interject a personal comment -- it is remarkable to think, if one thinks back five years or ten years ago, that one would think of what one meant by "tough" in the context of a Russian-American summit as "tough" means being strongly opposed to inflation; one thinks about the kinds of messages that "tough" meant even a decade ago.

We talked about how the U.S. program of assistance can be more effective. One of the initiatives that was discussed was the fund for large enterprise reform. This will be an initiative very much like the privatization fund that Mr. Corrigan is heading -- the Russian American Enterprise Fund -- but directed at the particularly difficult and challenging problem of reform of large enterprises, and it will make equity investments in those enterprises because that's what Russian enterprises need. They don't need more debt where the banker's going to come knocking on the door in six months, they need access to equity.

President Clinton also referred to the support implementation group whose director, Michael Gillette, is now in Moscow that will undertake the hard work of trying to cut through the red tape so that assistance can -- red tape in the West and red tape in Russia so that assistance can move more effectively.

Finally, the President discussed with President Yeltsin a number of areas and approaches through which the cooperation between Russia and the international financial institutions can be energized in the context of reform. These included carrying through promptly, in the context of reform, on the program of assistance that was agreed in Tokyo last April. That means measures such as the STF, such as critical import lending from the World Bank. President Clinton indicated that the G-7 was determined that reforms, as they come, be promptly supported.

President Clinton also discussed the importance that we attach to the rapid implementation of the privatization and restructuring program that was agreed at the Tokyo Summit, and in particular to the support for oblasts in the context of that reform that would enable essential social services to be maintained as privatization took place.

President Clinton also emphasized the importance that we attach to cushioning the consequences of reform. He emphasized his willingness to provide American technical experts in the design of programs to ensure economic security. And he stressed our desire to respond, creatively and flexibly, in the international financial institutions to Russian proposals as to how the transition could best be cushioned.

And while President Yeltin did not respond in a highly specific way to that, he made clear that he welcomed that support on President Clinton's part, and that a dialogue would ensue. So the overall message of the meeting was, I think, a very positive one; stronger reform, stronger support is what's going to happen, moving forward.

Q Can you be a little bit more specific in detailing for us what will be used to respond to a vote on December 12th that [illegible] against reform so far and an

SENIOR ADMINISTRATION OFFICIAL: I don't think the Russian officials that we have spoken with would accept the conclusion that the vote was a vote against economic reform. They would, I think, say, and it would certainly be my view that what we had was a vote against difficult economic conditions, and that the way to alleviate those difficult economic conditions was through continued economic reform. And, indeed, I think one of the very encouraging parts of the discussion was precisely the fact that the economic diagnosis on both sides was so similar.

SENIOR ADMINISTRATION OFFICIAL: Let me just add to that. I just want to give you a sense -- and I'll paraphrase something that President Yeltsin said at the very end of this long and very good meeting. He essentially said -- I'm not quoting, I'm paraphrasing -- that he thoght he had an excellent team of reformers in the government, that there would be no backpedaling on reform; he wanted to assure President Clinton of that. That reforms would go ahead steadily and, in fact, they would intensify. And I think that the lessons that we heard from the Russian delegation today were that reform must continue.

They've obviously -- there are obviously some improvements that can be made in the prosecution of economic reform. They were looking for some ideas from us and we gave them some ideas about how the G-7 and the international financial institutions could assist that process. And that, by the way, is the major conclusion that the Clinton administration draws from these elections -- that reform must continue, and alongside it must come a development of a more comprehensive social safety net system to cushion people as they experience the shocks and the difficulties, the real difficulties during the transition.

Q Your colleague made the point that you shared the same diagnosis of the problem. But are you confident today, on the basis of your discussions, that you share the same prescription; particularly in terms of restructuring the budget, taking subsidies away from industries, using those to put down the deficit and to cushion some of the impact of the social and economic reforms? That's the prescription you've laid out. Are they committed to that prescription? That's the issue -- there's reform and there's reform.

SENIOR ADMINISTRATION OFFICIAL: We didn't -- in the meeting of the heads of state there was not a technical and detailed discussion of reform strategy. However, President Yeltsin did make it clear that there had to be more rapid motion on inflation. We did refer -- Secretary Bentsen did, at one point, refer to the need to control the growth of credits and there were nodding heads on the Russian side. In our discussion -- in the discussions that Secretary Bentsen had with Minister Gaydar and with Minister Fyodorov, there was, I think, agreement on the broad strategy.

Q We receive a continuing succession of briefings in Washington and places like this about meetings that are invariably described as "good". I've never heard one described otherwise; you have dusted off the superlatives to describe these meetings. Other than the fact that each side seemed to tell each other what they hoped and obviously expected to hear, what was it about these meetings that made them so good?

SENIOR ADMINISTRATION OFFICIAL: I think I used -- I didn't say "good," I used the word "excellent" and I used it advisedly. Because I think that the quality of the economic meetings during the latter part of the Soviet period and the first year or so of the reform period, since '91, have been two sides trying to kind of search each other out for the limits of what we can do together economically. And certainly that was the case in Vancouver. That was the first meeting between the two as Presidents. We didn't really know what to expect in many ways from that meeting. They certainly didn't know what to expect from our government and a lot of the time was spent simply in explaining positions.

What has happened since Vancouver is that we have, in effect, institutionalized a series of relationships across our two governments that have made progress. And I think the best example of that is Vice President Gore's commission with Chyrnamerdin. They've agreed to build an international space station together. We've agreed to put $100 million into nuclear power plant safety in Russia. We've agreed that the oil and gas projects -- private sector projects -- are at the center of what we're trying to do economically and that they need to be pushed, and we've agreed that this difficult issue of market access has got to be attacked by both sides.

So the quality of the discussion today was really fundamentally different for me as a participant than it had been in any of the other encounters I've had over the last four years in the economic field, because we are no longer kind of demarching each other. We're no longer passing points across the table. Prime Minister Chernomyrdin was there, and essentially gave a report to President Clinton about the two meetings he'd had in September and December with Vice President Gore. And Minister Fyodorov gave a report on the sessions he'd had with Secretary Bentsen and Larry Summers -- ongoing sessions, many sessions throughout the year. So we've now built up a pattern of cooperation -- in fact, institutions, commissions that are actually doing things and getting things done that make the relationship different.

What was also different about this meeting was the fact the President Clinton and President Yeltsin have now put economic issues, in my opinion, at the center of this relationship. I think we've made the point before in briefings that during the whole history of U.S.-Soviet relations, arms issues and foreign policy disagreements were at the center of every summit. The center of Vancouver was economics. The center of this summit is integration -- economic integration of Russia with the West, security integration through the Partnership For Peace, the President's just come from Brussels and Prague. And there is a different feel to this particular relationship, especially in the economic sector right now.

Q Why, with all the emphasis on the importance of credit policy, has Secretary Bentsen not arranged to meet with Central Bank Chairman, Victor Geraschenko, whose Central Bank is right now arranging to start subsidizing once again the countries --

SENIOR ADMINISTRATION OFFICIAL: Secretary Bentsen is on a very tight schedule in his meetings with the -- in participating in the various meetings that the President is participating in, and has chosen to meet with members of the Yeltsin government rather than the somewhat separate Central Bank just because the time is very short.

Q Could you clear up something we've been hearing about a possible agreement announced tomorrow, detarget remaining nuclear weapons?

SENIOR ADMINISTRATION OFFICIAL: Okay, we spent -- two of us have spent our whole day on economics. I can simply tell you that this has been under discussion for so many months, in fact, since Vancouver between our two governments. I know the issue is still being worked at the working levels. I expect there will be some further discussion; but the two presidents have not had a specific meeting yet on foreign policy or security issues. So I really can't tell you much more than that.

This evening's working dinner outside of Moscow will be devoted primarily to foreign policy issues. Tomorrow morning, in addition to the trilateral meeting and signing ceremony with the Ukrainians, there is going to be a U.S./Russian bilateral on security issues, and I expect that will come up. And then there will be a bilateral press conference, and so I think that's probably the appropriate time for us to talk about that.

Q You deny there is already an agreement today. You deny there really is an agrement on the retargeting of nuclear warheads.

SENIOR ADMINISTRATION OFFICIAL: Well, it's not a question of denying or saying -- to the best of my knowledge, and I've been spending the day on economics, I don't believe that this issue has risen above the mid levels of the delegations. And, in fact, I'm quite sure that the President has not been given any options on this issue. So, I would just ask you to wait until tomorrow when it will be taken up.

Q Will be the Partnership For Peace be taken up tomorrow? Will the information be formally delivered?

SENIOR ADMINISTRATION OFFICIAL: The Partnership For Peace was covered, as Secretary Christopher said, in his bilateral with Minister Kozyrev. It was discussed during the one-on-one this morning. It runs through this entire summit and I think it will be most intensively discussed this evening at the dinner.

Q It seems like that's the major development of change that both sides are talking about. You're both committed to going forward, accelerating on the reforms. What specifically are we talking about giving them to make the cushion? What will we do, we are they going to do to provide the safety net regarding that?

SENIOR ADMINISTRATION OFFICIAL: I'm not in a position to go into detail on that because it depends upon the design on the kinds of programs that Russia wants to have. What I think is clear is that the G-7, working through the international financial institutions, is committed to doing much more than we have done in the past to address those needs in whatever way the Russians find most constructive. And in particular to accelerating the support for oblasts for regions that are hard hit by restructuring that was one element to the privatization and restructuring program that was agreed in Tokyo.

Q But on that point, is this idea of one of the things you've mentioned is redirecting the subsidies. Isn't that a little phony because a lot of this money that was being used for subsidies was in fact going through big enterprises to education and health and those basic sort of human services. So where does the extra, where does the other money come from?

SENIOR ADMINISTRATION OFFICIAL: I'm not sure I completely understand the question. What is clear and what the Russian reformers have stressed is that Russia needs to support people.

Q Yes, but there's --

SENIOR ADMINISTRATION OFFICIAL: May I finish? May I finish?

Q They were supporting the people --

SENIOR ADMINISTRATION OFFICIAL: May I finish?

Q -- through the, well, since you didn't understand the question, can I rephrase it?

SENIOR ADMINISTRATION OFFICIAL: No. (Laughter.)

Q I wouldn't want to confuse you --

SENIOR ADMINISTRATION OFFICIAL: What the Russia reformers have stressed is that Russia needs to provide support to people rather than to industries, that a strategy of providing large credits to industries that are producing products that nobody wants is an extremely inefficient way of supporting people.

It's true that some of those subsidies find their way into the schools and health clinics. But the larger part of those subsidies find their way into the purchases of raw materials -- raw materials that if they were not purchased in that way would instead be available for export that would generate hard currencies. And, therefore, the strategy of supporting heavy indutries, which in some cases actually have negative valued added -- that is, the output they produce is worth less than the sum of the inputs -- is an extremely inefficient way of meeting basic social needs; and that a more targeted strategy of support for social needs is appropriate.

Q But what's the factor in there? What is the waste --

Q How much will you gain from this more efficient way of running the safety net?

SENIOR ADMINISTRATION OFFICIAL: Oh, I think that most of the economists who have studied the Russian economy would agree that only the smallest part of the subsidies for heavy industries, in fact, go through to meeting basic social needs, and that the largest part of them is wasted.

Q When is -- funds coming from the IMF?

SENIOR ADMINISTRATION OFFICIAL: That we hope that in the context of -- in the context of rapid reform it could come very soon.

Q -- the assessment of IMF and the World Bank in their recent note -- there was a very large difference between the IMF and the World Bank assessment in their note of last week, and your assessment of Russian economic reform. How will you convince them that the funding you back, because they are the medium through which the money is going to be delivered, how will you convince them of the preparedness of the Russian government to reform?

SENIOR ADMINISTRATION OFFICIAL: The plans that the Russian government now makes will be crucial in that regard, but I would say I think there is a general feeling in the G-7 of the need to rapidly reinforce reform.

Q Anything more than $2.6 billion -- are we talking about providing anything more than $2.6 billion at this point?

SENIOR ADMINISTRATION OFFICIAL: Are we talking about providing anything in addition to 2.6?

Q Exactly.

SENIOR ADMINISTRATION OFFICIAL: Well, the President mobilized $4.1 billion in 1993 for reform in Russia and the other new independent states. That was the $1.6 billion at Vancouver and the additional $2.5 billion that he received from the Congress. He is not providing any new offers of economic assistance at this summit. The emphasis is on implementation.

If I could just take a minute, or even half a minute, Cragg, to try to respond in part to your question, I would say the question is not how to build a new social safety net for Russia, it's how to transform an existing social safety net which is huge and labyrinthine and which is outdated. And as the economy privatizes, the institutions that provided the social safety net are going to be utterly transformed so that to be competitive in the world they're not going to be able to provide hospitals and educational facilities for average Russians. And so those services will have to be provided by private organizations or nonprofit organizations, and that is a tremendous challenge -- it's going to be generational. All we're trying to do right now is understand the problem, discuss it with the Russians and begin to go down the path of working with them on this big project.

Q Could I just ask a question just vis a vis red tape, and this ties in a little bit to the nuclear issue. If you remember, in the Bush administration there was a very big deal made of the need to gainfully employ Russian scientists because of the fear of a brain drain and/or the fear they would peddle their services elsewhere. The United States, with great fanfare, announced that it was going to open an institution that was actually going to help employ these people. Whatever became of that? Has there been any discussion of it? Have you given up on it, or do you have hopes that it can ever be effective? Do you no longer think it's necessary to employ Russian scientists?

SENIOR ADMINISTRATION OFFICIAL: That's a good question. That was a Bush administration initiative, not a Clinton administration initiative.

Q Does that mean it's been dropped?

SENIOR ADMINISTRATION OFFICIAL: No, the effort continues. I don't have all the facts at hand. There was money allocated in the last year of the Bush administration to that project. I can get it for you, but I don't have it right here right now.

END 4:51 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary (Moscow)

For Immediate Release January 13, 1994

Statement by the Press Secretary

Attached is the prepared statement of the President on the occasion of his bilateral and multilateral leaders with the leaders of the Visegrad nations in Prague on January 12.

# # #

Prepared Statement by the President on the Occasion of his Luncheon with the Leaders of the Visegrad Countries in Prague, Czech Republic, January 12, 1994

I am delighted to be here with the leaders of the Czech Republic, Hungary, Poland and Slovakia. This region has contributed so much to my nation's history. Officers from your lands helped lead our fight for independence, and your sons and daughters helped build our cities and communities. Two of my senior national security advisors were born in this region -- my UN Ambassador, Madeleine Albright; and the Chairman of our Joint Chiefs of Staff, General John Shalikashvili. I asked Vice President Gore to make his first official trip abroad to this region, to Poland in April. And I asked him to come here again in December to pay my nation's respects to Hungary's great Premier, the late Joszef Antall.

The Visegrad states hold a special place in modern history. This is where the transformations of our era began: with Poland's elections in June of 1989; the opening of Hungary's frontiers; and the Velvet Revolution in Prague and Bratislava. Just as your states have been at the heart of European civilization for centuries, your courageous bid for freedom inspired the march to freedom for half a continent and hundreds of millions of people.

At that time, many doubted your ability to succeed. They said achieving freedom was one thing; building new democracies and market economies was quite another. Some said it would all come to tears -- that carrying through reforms of such magnitude was simply impossible. And there are those who still say that today.

But you have confounded such skeptics. Indeed, you have surprised the optimists. Against great challenges, your people are repairing the devastation of a half century of communism, building new market economies, and doing all of this by way of democracy. And your success helps persuade other nations that such reforms can work.

I have come to Europe this week to work with our European partners in building a new security for a broader, democratic Europe in the 21st century. For half a century, the security of the U.S. and Western Europe was based on the defense of half of Europe against the other half. The new security must be found in Europe's integration -- in the successful expansion of military cooperation, democratic government and market economies. The combination of those practices across a broader Europe is the best protection all our nations can build against creeping instability or a return to the old ways and the old, imposed divisions.

Now those old days are gone and we want to make sure they are gone for good. Let me be absolutely clear: the security of your states is important to the security of America.

Two days ago in Brussels, I began laying out my ideas for how all our states can put the Cold War behind us and move from artificial division to integration. But I am mindful of the old Polish saying, "nothing about us without us," and so I have come to share my thoughts directly with you as well.

I want to discuss three sets of ideas I have about how to build the new security and advance the integration of a broader Europe. First, I want to talk with you about the NATO Summit. Second, I want to discuss how the United States can support your democratic and free market transformations. Third, I want to discuss how our nation can support regional cooperation among your new democracies.

As you know, the NATO Summit approved my proposal, the Partnership for Peace, which builds on shared values and a willingness to assume shared responsibilities. The Partnership invites all the countries of the former Warsaw Pact, plus others, to join in military cooperation with NATO -- military training, exercises and operations. We hope Poland will host such an exercise this year.

The Partnership sets in motion a process that will lead to the enlargement of NATO's membership. I know that many in this region prefer immediate membership. I want to say two things about that.

Partnership for Peace is not NATO membership. But neither is it a permanent holding room. It changes the entire dialogue about enlarging NATO's membership. Now the question is no longer whether NATO will take on new members; but when and how we will do so.

I also say to all in your countries and mine who would draw a new line in Europe: we should not foreclose the possibility of the best future for Europe -- democracy everywhere, market economies everywhere, countries cooperating for mutual security everywhere. We must guard against a lesser outcome, and we have time to do so. But just as others were wrong to assume the failure of your reforms, I urge you not to assume the failure of Russia's reforms. Freedom's boundaries now should be defined by new behavior, not by old history. As Vice President Gore suggested last week in a meeting with Polish-, Czech-, Slovak- and Hungarian-Americans, this is not a rerun of Yalta; it is a first-run of democracy.

Like any security agreement among nations, the Partnership requires two-way effort. For our part, we have begun ending Cold War restrictions on the sale or transfer of defense articles to some Central and Eastern European countries. And we are prepared

to help train some of your military units to NATO standards. For your part, we hope you will join the Partnership, participate actively and work with us to make this the road toward NATO enlargement.

Our second goal is to help solidify your democratic and market reforms. Your progress since 1989 shows that deep, thorough-going reforms work. Today your cities are alive with commerce. But the benefits of reform are unevenly distributed. Those who have had no experience with any system other than a command economy often feel the insecurities of the new economy more than its opportunities.

This is a problem that your nations will solve for yourselves. But we are determined to do what we can to help. I have ordered our programs to give greater emphasis to helping you tend to reform's human dimension.

Ultimately, the success of your economic reforms will depend less on aid than on trade and investment. In Brussels, I called on the European Union to work with us to help open the world's markets to fair exports from your countries. Today, I am pleased to announce that the United States will support your states in the process of achieving early membership in the Organization of Economic Cooperation and Development. I also am pleased to announce a major expansion of programs by the Overseas Private Investment Corporation -- OPIC -- in Central Europe. And in the first half of this year, the US will sponsor a special conference on trade and investment opportunities in Central and Eastern Europe.

We also are working to help you bolster your new democracies. Today all of Europe is facing hard questions about economic transition, social change and ethnic diversity. Those challenges provide a fertile soil for demagogues preaching militant, intolerant nationalism. They say all the problems are caused by "others." They say they will solve everything overnight.

We all have an obligation to foster tolerance, protect individual human rights and to denounce those who sow hatred. That is important in my country as well as yours. But over time, democracy relies on a robust civil society, embedded in a thriving economy. Today, across your cities and towns, your people are fulfilling the promise of 1989 by creating such a civil society -- community groups, free trade unions, environmental organizations and more. To help support this process, this year we are significantly increasing our support for such groups in this region and elsewhere. And today I am announcing a new initiative, "the Democracy Network," to bring new resources to grass-roots and independent groups throughout Central and Eastern Europe.

One of the most important building blocks of democracy is a free media. Over the years, we supported a free flow of information throughout this region and the former Soviet Union through Radio Free Europe and Radio Liberty. Since taking office, I have insisted that these important broadcasting services be continued because they still have a role to play. The Czech government has made a generous offer to help if we decide to move these radios to Prague, and we are looking at this option very seriously.

Finally, my government is eager to foster regional cooperation among your countries. Our belief in regional cooperation flows from our own experience after World War II. One of the central features of the Marshall Plan and the integration of Western Europe was the development of cooperation among those states. It helped turn wary neighbors into staunch allies. We see cooperation among the states of Central and Eastern Europe as an integral part of Europe's broader integration.

We are determined to foster that integration in practical ways. We will provide technical assistance to regional or bi-national groups. We will help mobilize international support for regional infrastructure projects, such as highways and communications networks. And we want to support the development of an integrated system of airports and air traffic control for the region.

All these steps can advance the larger purpose we share -- the integration of Central and Eastern Europe into a broader Europe that is thriving, democratic and at peace. Ultimately, that is the best source of security for all of us.

You and I both understand this work will be neither easy nor instant. But we are not deterred or dismayed. We have been with you in this struggle since the beginning. We pledged in 1989 to stand by you as long as you continued your reforms. And we stand by you today. Together, we can place Central and Eastern Europe at the heart of an integrated Europe, democratic, prosperous, secure and free.

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 14, 1994

RELIGIOUS FREEDOM DAY, 1994

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

This past year, the Religious Freedom Restoration Act of 1993 was enacted, reaffirming our solemn commitment to protect the first guarantee of our Bill of Rights. In the great tradition of our Nation's founders, this legislation embraces the abiding principle that our laws and institutions must neither impede nor hinder, but rather preserve and promote, religious liberty. As it is inscribed on the Liberty Bell in Philadelphia, the words of Leviticus ring out, "Proclaim liberty throughout the land unto all the inhabitants thereof." Our government did not create this liberty, but it cannot be too vigilant in securing its blessings.

It is no accident of authorship that the right to free exercise of religion is the first freedom granted by our Bill of Rights. The framers of the Constitution well recognized the awesome power of religious liberty, not only to unite the citizenry in common cause, but also to empower us to question age-old beliefs and lift this Nation toward enlightenment. Today, as we face a crisis of conscience in our families and communities, as children murder children in our schools, as neighbor turns away from neighbor on frightening city streets -- today, more than ever, we see the fundamental wisdom of our country's forefathers. For at the heart of this most precious right is a challenge to use the spiritual freedom we have been afforded to examine the values, the soul, and the true essence of human nature.

Religious freedom helps to give America's people a character independent of their government, fostering the formation of individual codes of ethics, without which a democracy cannot survive. For more than two centuries, this freedom has enabled us to live together in a peace unprecedented in the history of nations. To be both the world's strongest democracy and its most truly multi-ethnic society is a victory of human spirit we must not take for granted. For as many issues as there are that divide us in this society, there remain values that all of us share. We believe in respecting the bond between parents and children. We believe in honoring the worth of honest labor. We believe in treating each other generously and with kindness. We are striving to accept our differences and to find strength in the dreams we all hold dear.

On this day, let us hear the sound of the Liberty Bell as a clarion call to action. Let us face with renewed determination the problems that beset our communities. Let us replace the instability and intolerance with security and justice. Regardless of our faith, let us be each other's guides along the open path toward peace.

more

(OVER)

The Congress, by Senate Joint Resolution 154, has designated January 16, 1994, as "Religious Freedom Day" and has requested the President to issue a proclamation in observance of this day.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, do hereby proclaim the day of January 16, 1994, as Religious Freedom Day. I call upon the people of the United States to observe this day with appropriate ceremonies and activities, and I urge them to reaffirm their devotion to the principles of religious freedom.

IN WITNESS WHEREOF, I have hereunto set my hand this fourteenth day of January, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

WILLIAM J. CLINTON

# # #

Clinton arrived around 7:45 p.m. shook hands with the waiting Yeltsin. (Each wore an overcoat, but no hat. With Bentsen at his side, Clinton visited briefly with his host before going inside. ""Nice little place you have,'' Clinton (clearly impressed with the digs) laughingly told Yeltsin. Yeltsin replied, "" This is my country house.''
He then said, "" . . .New Year's Eve and tomorrow we will have New Years.".
Bentsen, pointing towards the extensive snow-covered landscape, asked Yeltsin a question which we could not hear.

Christopher then joined them and they headed up the steps and inside. Clinton did not answer a question about what he could do to help with the safety net.

Some info from USIS:

The dacha, built in 1896, is called Novoye Ogaryova. It's about 29 kilometers west of Moscow. We were told it was built for the uncle of Nicholas II.

It is a state dacha or country house that Russian and before them Soviet leaders have used to entertain official guests. Thatcher and Bush have both been there.

It's a three-story yellow brick and stone structure located on an expanse of wooded property. It's very secluded. There was a tall evergreen with colored lights as we approached the dacha.

Yelstin greeted Clinton on the far side of the dacha which overlooked large snowy lawn lit with white lamposts. Colored lights were strung along a fence beyond the driveway and around the doorway to the dacha. The Russian and U.S. flags flew on either side of the door. A beige Persian rug runner lined the stairs which are flanked by two large stone lions.

There were more lit trees on this side and one spotted in a sitting room where a chamber group was preparing to play. Yelstin could be seen inside chatting with someone as he awaited his guests. Outside someone had been summoned to straighten out the American flag which had become entangled.

The dacha at one end has an impressive two-story glass green house that was lit by white and purple stain-glassed chandeliers. The greenhouse was filled with tall palms and other plants.

The entrance way to the property is secured by a tall stone wall and iron gate and guards

The first cars started departing the dinner at 10:30, but Clinton's motorcade didn't take off until 11:05 p.m. He was back here around 11:30 p.m.

--Kathy Lewis
Dallas Morning Newss

Pool Report #34
Arrival at the dacha, motorcade back
Jan. 13, 1994

First, some Yeltsin Q & A as he waited Clinton's arrival outside the dacha.

Q. Did the president offer you economic help to cushion the blow to the people?

""We have discussed economic questions practically all day. Except for the one on one meeting we devoted the entire time. Tomorrow we will discuss trade and international issues.''

Q. What specifically would you like the president of offer you, he's not bringing any new aid ?
A. ""No more than has been promised.''

The answers in Russian were relayed in English by an interpreter standing next to Yeltsin. He joined him late though and we did not get a translation to a couple of questions that were asked in Russian.

We also did not get an official translation of his answer to the question "do you have a deal on de-targeting ?''

But a CNN Russian speaking producer looked at the tape and said Yeltsin did not appear to understand the question because he did not have his translator with him. He just gave a general answer &about the talks going well and wanting to increase the breadth of the relationship.
He also said a Russian reporter asked ""What do you think of the Partnershipo for Peace? Do you support it?"" Yelstin replied, ""I support it. I support the concept.''

Yeltsin, who came out several minutes early to greet Clinton, also chatted about New Year's Eve with us.
"Do you in the United States celebrate the old-style New Years?'' he asked the pool. When someone said ""which is?'' he replied, ""which is this day.'' Told no, he joked, ""therefore I will not congratulate you.''

(continued)

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release **January 14, 1994**

******MEDIA ADVISORY******
PRESIDENT CLINTON AND CABINET MEMBERS
TO PARTICIPATE IN MARTIN LUTHER KING DAY EVENTS

President Clinton will address students and guests at Howard University's Cramton Auditorium and sign an executive order on fair housing on Martin Luther King Day, Monday, January 17, at 1:00 pm. Guests at the speech will include; the "Little Rock 9", the Mississippi Freedom Fighters and Montgomery Bus Boycott participants; litigants in the Brown vs. Board of Education of Topeka, Kansas; Greensboro lunch counter sit-in participants; and Charlayne Hunter-Gault, leader of integration efforts at the University of Georgia.

Prior to his speech, the President will announce the next phase of the Administration's Empowerment Zone and Enterprise Community efforts before a group of business leaders at the White House at noon. President Clinton's Martin Luther King Day schedule concludes with a private reception at the White House honoring individuals who were active in the civil rights movement 30 years ago.

Members of the President's Cabinet will also attend Martin Luther King Day events in Memphis, Los Angeles, Philadelphia, Atlanta, Birmingham, and Beaumont, Texas.

SCHEDULE OF PRESIDENT CLINTON:

12:00 pm President Clinton Makes an Announcement on Empowerment Zones to Business Leaders. The President will be joined by First Lady Hillary Rodham Clinton, Vice President and Mrs. Gore, Agriculture Secretary Mike Espy, and Housing and Urban Development Secretary Henry Cisneros
The White House, State Dining Room
POOL PRESS

1:30 pm President Clinton Addresses Students and Guests at Howard University, Cramton Auditorium
Press Entrance: 6th St., NW, far right door
Satellite Truck Parking: Corner of 6th & Fairmont NW
Press Area Opens: 7:30 am
Closed for Security Sweep: 9:00 - 11:00 am
Final Press Set-up: 11:00
Press Facilities: Throw 75', Lighting Tungsten, Mults provided, stills are encouraged to bring ladders.
OPEN PRESS

MARTIN LUTHER KING DAY SCHEDULE OF THE CABINET:

Veterans Affairs Secretary Jesse Brown will attend Monumental Baptist Church Service and a Parade in Memphis, Tennessee.

Office of Drug Control Policy Director Lee Brown will attend a Breakfast and Parade in Los Angeles, California.

Labor Secretary Robert Reich will attend the Celebration in Washington, D.C.

Attorney General Janet Reno will give a speech on civil rights in Beaumont, Texas.

Education Secretary Dick Riley will attend a King Center Teach-In Day event in Atlanta, Georgia. (Jan. 14)

Health and Human Services Secretary Donna Shalala will attend church services and a march with Coretta Scott King in Atlanta, Georgia.

Transportation Secretary Federico Pena will attend the annual Unity Breakfast in Memphis, Tennessee.

Surgeon General Joycelyn Elders will participate in a Liberty Bell event in Philadelphia, Pennsylvania.

Housing and Urban Development Secretary Henry Cisneros and Agriculture Secretary Mike Espy will join President Clinton for his events in Washington, D.C.

FOR MORE DETAILS ABOUT CABINET SECRETARIES SCHEDULES, PLEASE CONTACT EACH DEPARTMENT'S PUBLIC AFFAIRS OFFICES.

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THE WHITE HOUSE

Office of the Press Secretary
(Moscow, Russia)

BACKGROUND BRIEFING
BY
SENIOR ADMINISTRATION OFFICIAL

January 14, 1994

The Radisson Hotel
Moscow, Russia

12:12 A.M. (L)

SENIOR ADMINISTRATION OFFICIAL: The dinner took place at a dacha. We agreed it was southeast of Moscow, about a half-an-hour motorcade ride -- Novo Ogaryevo.

This, by the way, for history buffs, is the dacha where the former Soviet President Mikhail Gorbachev held the Union Treaty talks shortly before the collapse of the Soviet Union.

I'll start with just some very general statements, no details at all, on the substance of the evening. One reason, of course, that I'm not going to go into substance is because it was a very candid and freewheeling exchange.

Q That's why we'd like to get it --

SENIOR ADMINISTRATION OFFICIAL: I know, I know, Helen. And the other is because many of the points of substance will be touched upon in public events and documents that will be released tomorrow.

There was a continuation of the discussion that began between the two Presidents this morning in their one-on-one talk about the interaction between Russian politics and international politics. President Yeltsin shared with President Clinton and the others -- and I'll come to the guest list in just a second -- some further thoughts on the prospects for the new Parliament and how he and the government intend to work with the new Parliament.

As was the case this morning, he was clearly very aware of the difficulties, the complexities that face the reformers in the Parliament and that face the government. But he also evinced considerable confidence and optimism about the ability of the Executive Branch to work with the new Legislative Branch. And there was a good deal of conversation about how some of the jockeying for different positions in the Parliament is turning out and what that's likely to mean.

But the overall tone of it was certainly one of confidence on President Yeltsin's part both about the ability of the reform program to stand up in the legislature and the ability of the Executive Branch to work with the legislature.

There was a discussion of a number of foreign policy issues, particularly European and Eurasian security issues. This was in part in the context of some further discussion of Partnership For Peace.

The Defense Minister, General Grachev, was at the dinner. He participated in that part of the discussion. There was some talk about U.S.-Russian military-to-military contacts.

Defense Minister Grachev talked about how much he appreciated the relationship that he had developed with Secretary of Defense Aspin. He referred to the meeting that he had with Mr. Aspin in Garmisch back in June, I believe, talked about inaugurating a direct telephone link between the Defense Ministry here in Russia and the Pentagon last week -- on Wednesday of last week. And President Yeltsin expressed a desire to broaden contacts of that kind not only in the military-to-military area, but more generally between the two governments.

The issue of the Middle East came up a little bit, and particularly with regard to Russia's desire to coordinate its policy interests with those of the United States throughout the region.

The two Presidents also talked rather briefly at the beginning of the discussion about the plans for tomorrow. One reason that that was fairly brief was that it had pretty well all been arranged in advance. There was some talk about how the trilateral meeting would go procedurally. There was virtually no discussion at the dinner of the substance of the trilateral meeting because that we believe is well in hand, although there has been ongoing work during the course of the day at the working level of the government on conforming the three-language text for the agreement that will be signed in the trilateral meeting.

Let me go to color, of which actually there is quite a bit. It was a fairly musical evening, and musically eclectic. There was a string quartet playing in the anteroom of this very elegant dacha when we arrived. That continued until we sat down for dinner. About half way through the dinner -- and I do have the menu if anyone is interested --

Q I am.

SENIOR ADMINISTRATION OFFICIAL: That will take up all my briefing time because it looks to be about 24 courses, or at least 24 dishes. (Laughter.) About half way through, President Yeltsin presented President Clinton with a gift which is a small Gzhel blue porcelain figurine of President Clinton with his hand upraised waving to a crowd, signifying his stature as a politician, and his other hand carrying a saxophone. The figurine is probably five inches high. That turned the conversation to the saxophone; there just happened to be a saxophone on the premises.

Q Oh, God.

SENIOR ADMINISTRATION OFFICIAL: I know, I know. Do you want this or not?

Q Yes. Yes. (Laughter.)

SENIOR ADMINISTRATION OFFICIAL: Okay.

Q You buried the lead. (Laughter.)

SENIOR ADMINISTRATION OFFICIAL: We always save the best for the kicker -- In any event, there was what I thought was a fairly great moment where the President was standing at his place with the saxophone, kind of tuning up and playing a few bars. And the pianist who was there with the quartet in the other room sort of picked up the melody line and began jamming with him back and forth between the room where the dinner was held and the anteroom where the string quartet was waiting. So President Clinton suggested that the dinner party adjourn to the other room. And he then played two numbers: Summertime and My Funny -- in C Minor, by the way. He's specified that it be in C Minor.

Q Does he know anything else? (Laughter.)

Q What was the other one?

SENIOR ADMINISTRATION OFFICIAL: My Funny Valentine.

Prime Minister Chernomyrdin, by the way, turned to one of the Americans present when President Clinton started playing Summertime and said, "I recognize that. That's Summertime."

The menu was very long indeed. It ranges from fresh caviar through pickled mushrooms. It says duck in red wine sauce, but instead of duck in red wine stuff we were served -- this is true -- lip of moose. (Laughter.) Lip of moose. That's not a chocolate dessert, that's -- (laughter.)

Q How was it?

SENIOR ADMINISTRATION OFFICIAL: It was -- umm -- it was good. (Laughter.) It was unusual. And stuffed carp. There was also a suckling pig -- or actually, two suckling pigs served, and that prompted some conversation from the President on Razorback hogs -- (laughter) -- the state beast. Only symbolic and social and very much in the spirit of the event.

The guest list on the Russian side was President Yeltsin, of course; Defense Minister Grachev; Foreign Minister Kozyrev; Mr. Ilyshin, who is a senior advisor to President Yeltsin; the First Deputy Prime Minister Oleg Soskovets; and Prime Minister Chernomyrdin.

On the American side, it was Tony Lake, Warren Christopher, Lloyd Bentsen, the President, and Tom Pickering.

Have I beaten you into submission here?

Q You said that Mr. Yeltsin told the President he's broadening his contacts with Russian political figures --

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q Is he, indeed? And could you give some description of the breadth of these new contacts and why?

SENIOR ADMINISTRATION OFFICIAL: I'm sorry, the contacts of --

Q With various Russian figures. And why is the President doing this?

SENIOR ADMINISTRATION OFFICIAL: Well, Barry, in fact, there was some discussion at the beginning of the evening about the reception at Spaso House, which President Clinton had enjoyed for many reasons. And one reason he enjoyed it was because it gave him a chance to meet quite a wide sampling of deputies to the new Parliament. And he said that he was looking forward to both personally getting to know some of them in the future and that he was sure that other American officials, and particularly members of the Congress, would want to have extensive contact. And the Russian side of the table seemed to think that that was a good idea.

We have said all along, of course, that what we're supporting is a process of reform and we're looking for every manifestation of that. And we think that the creation of a Parliament is, itself, a manifestation of reform. Both the Executive and the Legislative Branches of the U.S. government are going to seek very broad contacts with the Parliament, and I think that was in evidence tonight.

Let me just quickly glance -- oh, yes, I'm sorry. There were a couple --

Q Any toasts?

SENIOR ADMINISTRATION OFFICIAL: There were just very -- there were no formal toasts at all. In fact, there was practically no formal diplomatic discourse at all during the course of the evening.

Q But there was vodka, I assume, or wine?

SENIOR ADMINISTRATION OFFICIAL: There was vodka, there was wine and there was lots of mineral water.

The President mentioned that the First Lady and Chelsea are going to be arriving fairly shortly. That prompted President Yeltsin to say that he had arranged for his grandchildren -- I'm sorry, I don't have the names and ages, but they're sort of in the nine-to-13 range --

SENIOR ADMINISTRATION OFFICIAL: Boris and I think there's another girl --

SENIOR ADMINISTRATION OFFICIAL: Katarina, maybe? Katarina? He's arranged for his grandchildren to accompany Chelsea Clinton to the circus tomorrow.

Q Were any women present at this dinner?

SENIOR ADMINISTRATION OFFICIAL: As it happens, no.

Q As it always happens.

SENIOR ADMINISTRATION OFFICIAL: I feel responsible for so much here. (Laughter.)

Q How long did the dinner last altogether?

SENIOR ADMINISTRATION OFFICIAL: About three hours. I think we got out there maybe 7:50 p.m., and broke up promptly at 11:00 p.m.

Q What was the President's gift to Yeltsin? You told us about his gift to Clinton.

SENIOR ADMINISTRATION OFFICIAL: I don't think there was a gift to Yeltsin.

Q Gift to Yeltsin.

SENIOR ADMINISTRATION OFFICIAL: No, I heard the question. There was no formal presentation of gifts. This was kind of a souvenir that President Yeltsin gave to President Clinton.

Q As they talked about cooperation in foreign policy, were there any -- during the discussion, were there any points of diversion or differences on foreign policy that you can --

Q Bosnia?

SENIOR ADMINISTRATION OFFICIAL: Yes, I would say that there are not only some differences, but there was also some discussion of the healthiness that there would be differences and, of course, the inevitability of it, and satisfaction that both points in common and points of divergence could be discussed in an atmosphere of the kind that prevailed.

Q Where were the differences? Bosnia?

SENIOR ADMINISTRATION OFFICIAL: I'm not going to go into that. Yes, there was indeed some discussion of the former Yugoslavia.

Q You mentioned that General Grachev discussed the Partnership For Peace NATO proposal. What was his reaction, and what was Yeltin's reaction to the initiative?

SENIOR ADMINISTRATION OFFICIAL: The Defense Minister did not speak so much about Partnership For Peace per se as the value he found in military to military cooperation with the United States.

President Yeltsin -- I think you were briefed earlier today from this podium, that President Yeltsin's response on the subject of Partnership For Peace during the one-on-one this morning was positive, and there was more positive comment from him during the course of the dinner. And he mentioned that he had said to the press during the course of the day -- and I honestly don't know whether it was the international press or the Russian press -- that the Russian government supported the initiative.

Q Did the two Presidents agree to announce their detargeting deal tomorrow?

SENIOR ADMINISTRATION OFFICIAL: There was no discussion of that at all.

Q When is the communique going to be issued? And is this telephone link a hot line, too, or is it already in --

SENIOR ADMINISTRATION OFFICIAL: No, it's already in effect and it's already been used. I wouldn't call it a hot line. It's a direct telephone link between the two Ministries of Defense.

Q Did the question of how to deal with Zhirinovsky and his forces in the Parliament come up?

SENIOR ADMINISTRATION OFFICIAL: No.

Q Did President Clinton offer any advice or --

SENIOR ADMINISTRATION OFFICIAL: No. Certainly not. There was some discussion of the Liberal Democratic Party and Mr. Zhirinovsky during the one-on-one this morning, but not much of that per se. It was more on some developments during the course of the day. As you all know, I'm sure, the new Parliament is forming itself now, people are jockeying for positions. And there was some discussion of that.

Q -- Yeltsin had invited the Clintons to all stay over at the Kremlin. Did the President give his response?

SENIOR ADMINISTRATION OFFICIAL: Do you have anything on that, Dee Dee, on whether the Clintons will be staying over in the Kremlin on Friday?

MS. MYERS: Yes, he will, tomorrow night.

SENIOR ADMINISTRATION OFFICIAL: Dee Dee says it's okay for me to confirm that that, in fact, will happen.

Q Will?

SENIOR ADMINISTRATION OFFICIAL: Will, affirmative.

Q Tomorrow night?

SENIOR ADMINISTRATION OFFICIAL: Tomorrow night. Right, Dee Dee?

MS. MYERS: The President and family.

SENIOR ADMINISTRATION OFFICIAL: President Clinton and family.

Q When do we get the communique?

SENIOR ADMINISTRATION OFFICIAL: I honestly don't know the timing of the release of the documents.

Q What is the significance of staying over at the Kremlin? I mean, how unusual is that?

SENIOR ADMINISTRATION OFFICIAL: I'm sure the White House has background information on this. I do recall that President Nixon, I think, stayed at the Kremlin on at least one occasion.

MS. MYERS: In '72, I think.

SENIOR ADMINISTRATION OFFICIAL: A long time ago. It was thought to be both a significant gesture and a very friendly one, and obviously an exciting possibility. So the First Family jumped at the chance.

Q Did they speak about the very strong chance that Kravchuk will again be unable to keep his promise to give up nukes?

SENIOR ADMINISTRATION OFFICIAL: No, quite the contrary. I think there was a shared sense that this deal --

Q This time they'll do it?

SENIOR ADMINISTRATION OFFICIAL: As I say, there was very little discussion. There was a very little felt need for much discussion on the trilateral except for a couple of procedural points.

Thanks very much.

THE PRESS: Thank you.

END 12:30 A.M. (L_)

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 14, 1994

MARTIN LUTHER KING, JR., FEDERAL HOLIDAY, 1994

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

On January 15, 1929, Martin Luther King, Jr., was born, destined to make our world a greater and more noble one. Growing up in a landscape disfigured with "Colored Only" and "White Only" signs and a society rife with other demeaning racial barriers and distinctions, Martin Luther King, Jr., sadly learned that the Constitution's guarantee of equality was denied to most black Americans. He dedicated his life to ending the injustice of racism, gracing the world with his vision of a land guided by love instead of hatred and by acceptance instead of intolerance.

Three decades ago, Dr. King described his goals most eloquently in his famous "I Have a Dream" speech at the historic Civil Rights March on Washington. The impassioned plea that rose from the steps of the Lincoln Memorial that summer day stirred the entire Nation, awakening people everywhere to turn from the scourge of racism to embrace the promise of opportunity and democracy for all. He prophetically described a future in which our children are judged "not by the color of their skin, but by the content of their character." His unparalleled commitment to justice and nonviolence challenged us to look deeply within ourselves to find the roots of racism.

Throughout his all too brief life, Martin Luther King, Jr., often confronted powerful and even violent opposition, sacrificing his liberty, his personal safety, and, ultimately, his life for the cause of freedom. Though an assassin's bullet silenced him forever at the young age of 39, Dr. King's words and deeds continue to live on within each of us. We, the inheritors of the fundamental rights he helped to secure, are forever grateful for his legacy.

Today, we live in a nation that is stronger because of Dr. King's work. Unfortunately, there is still much division in this great land. Even though the signs that once segregated our communities have been removed, we are still far from achieving the world for which Dr. King struggled, toiled, and bled. He did not live and die to create a world in which people kill each other with reckless abandon. He did not live and die to see families destroyed, to see communities abandoned, and to see hope disappear. If we are to be faithful to Dr. King's vision, we must each seize responsibility for realizing the goals he worked so tirelessly to fulfill. Dr. King's valiant struggle for true equality will be won, not by the fleeting passion of eloquent words, but by the quiet persistence of

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(OVER)

individual acts of decency, justice, and human kindness. We must carry the power of his wisdom with us, not only by celebrating his birthday, but also by inscribing its meaning upon our hearts, teaching our children the value and significance of every human being.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Monday, January 17, 1994, as the Martin Luther King, Jr., Federal Holiday. I call upon the people of the United States to observe the occasion with appropriate programs, ceremonies, and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this fourteenth day of January, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

WILLIAM J. CLINTON

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 14, 1994

NATIONAL GOOD TEEN DAY, 1994

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

There are now more than 24 million young people between the ages of 13 and 19 in the United States, each of them unique, each with promise, each struggling with the complicated transition to adulthood. These young people hold the keys to a promising future, and we must help them use every available resource to meet the challenges that lie ahead. Few generations have been confronted with so much responsibility, yet perhaps none has been presented with such exciting opportunities.

In spite of barriers and stumbling blocks, most teens play by the rules as they begin the work of building meaningful lives for themselves and finding their places in the community. Most embrace and promote fairness and compassion, often championing such precepts when others forsake them as unattainable ideals. They work together to diminish prejudice and violence; they find joy in family and friends and satisfaction in triumph and accomplishment.

Many teens are heroes who refuse to give up in adversity, to yield to temptation, or to give in to the negative influences around them. They serve as positive role models to younger children, as leaders to their peers, and as inspiration to older generations. They are our future, our hope, and a very real joy to those of us who know them well.

We are justifiably proud of American teens. They deserve our recognition and appreciation, and it is fitting that we honor them. Our country depends on their energy and dedication. Their knowledge, creativity, and dreams can change America for the better.

The Congress, by House Joint Resolution 75, has designated January 16, 1994, as "National Good Teen Day" and has authorized and requested the President to issue a proclamation in observance of this day.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, do hereby proclaim January 16, 1994, as National Good Teen Day. I invite the States, communities, and people of the United States to observe this day with appropriate ceremonies and programs in appreciation of our Nation's teenagers.

IN WITNESS WHEREOF, I have hereunto set my hand this fourteenth day of January, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

WILLIAM J. CLINTON

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THE WHITE HOUSE

Office of the Press Secretary

~~Internal Transcript~~ For immediate release

January 12, 1994

REMARKS BY

GEORGE STEPHANOPOULOS

5:25 P.M. EST

MR. STEPHANOPOULOS: First I'll make a statement, then take a few questions.

The President today has directed White House Counsel, Bernard Nussbaum, to request the Attorney General to appoint a special counsel; a respected, impartial and qualified attorney who is not a member of the Department of Justice, or an employee of the federal government, to conduct an appropriate, independent investigation of the Whitewater matter and report to the American people.

In view of the gravity of the President's responsibilities and the need for a speedy and credible resolution here, the President requests that this investigation be conducted as expeditiously as possible.

There have been no credible allegations of wrongdoing by the Clintons in this matter, and the President has full confidence in the ability of the Justice Department to independently and properly investigate this matter. Nevertheless, the President has decided to ask the Attorney General to resolve the issues surrounding the controversy through a special counsel in order to ensure the public a full and fair accounting of this matter. This controversy is becoming too much of a distraction. The president wants to get on with the vital issues facing the American people.

These facts bear repeating: the Clintons made a losing investment in a real estate venture managed by the McDougals -- the Whitewater Development Corporation; one for which they received no dividends and no income; all the bank loans taken by the Clintons were repaid in full, none were from any S&L; while the Clintons earned nothing from their investment, were not involved in the company's operations, did not keep its records, and did not have access to its records until the later stages of the company's existence. At that point they expended considerable effort assuring that Whitewater's tax returns were filed, that its franchise and real estate takes were paid, and that its few assets were sold off in a responsible manner.

The great bulk of the documents the Clintons have voluntarily turned over to the Justice Department were only compiled after a painstaking effort to gather Whitewater's records.

Several years after the Whitewater investment the principal and managing partner, James McDougal, purchased a savings and loan. The state supervision of Madison Guaranty was rigorous and proper. There is not a single factual allegation that then Governor Clinton took any steps whatever to ease regulatory pressure on Madison.

As the Wall Street Journal concluded editorially, "There is no evidence that Governor Clinton urged [regulators] to go easy." Indeed, it was Governor Clinton's Securities Commissioner who, along with federal regulators, forced James McDougal to resign as head of the thrift. And it was Governor Clinton's Securities Commissioner who asked the federal government to put Madison Guaranty into receivership.

A federal grand jury is currently investigating matters relating to Madison that may touch upon Whitewater. The President and Mrs. Clinton have fully cooperated with the investigation, and they have directed their attorney to continue to do so.

This investigation has been conducted appropriately and independently investigated by the Justice Department. Indeed, the Attorney General has taken all proper steps to assure the independence of this probe. Since the recusal of the United States Attorney for the Eastern District of Arkansas, the investigation has been headed by a career prosecutor who served as a United States Attorney under two republican presidents. There is no reason to doubt that the capable and the experienced staff of the Department of Justice has been anything other than thorough, energetic, professional and evenhanded.

Despite their total and voluntary cooperation with the current investigation, the Clintons have been subjected to a barrage of innuendo, political posturing and irresponsible accusations. It is remarkable that those who call for an independent counsel state that there is no evidence of wrongdoing by the Clintons in this matter. Senator Dole has said, "My view is that the President probably will be cleared and this will not be an issue, but let's go ahead and get it done." And the Washington Post has editorialized, "There has been no credible charge in this case that either the President or Mrs. Clinton did anything wrong." It would be troubling to require the appointment of a special counsel every time there is an unsubstantiated allegation or an unfavorable headline.

Nevertheless, the President believes that it is important to take whatever steps he can to assure complete confidence in the federal law enforcement system when that system scrutinizes a company in which he once owned an interest, even if the factual justification for special measures is entirely lacking. He believes the integrity of high officials must be without question. Above all, he believes that it is critical that his administration's attention should not be distracted in any way from the vital issues facing the American people.

I'll take questions.

Q Did the Attorney General agree to name a special counsel in this case; and if she has, does that raise questions about our own independence since she said that she thinks that would inevitably result in someone who would be seen as politically tainted?

MR. STEPHANOPOULOS: I know that the letter has been delivered and she has received it. And the rest of the questions, you'll have to ask her.

Q Why did you decide to go for asking the Attorney General to appoint special counsel as opposed to urging Congress to pass the independent counsel law and then going that route?

MR. STEPHANOPOULOS: Again, I think the statement speaks for itself. We'd like to go forward with the special counsel. We want it to get done, as the President says in his letter, in as expeditious a manner as possible. I would also point out that this was the course that most of the critics -- including Senator Dole,

As the Wall Street Journal concluded editorially, "There is no evidence that Governor Clinton urged [regulators] to go easy." Indeed, it was Governor Clinton's Securities Commissioner who, along with federal regulators, forced James McDougal to resign as head of the thrift. And it was Governor Clinton's Securities Commissioner who asked the federal government to put Madison Guaranty into receivership.

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and I believe Representative Leach, although I'm not sure about Representative Leach -- have called for.

Q What is your reaction to Senator Dole's call for a Senate Select Committee to investigate in addition to this?

MR. STEPHANOPOULOS: I would just point back to the statement of Senator Dole on January 7th, five days ago, when he said to the Attorney General, "I urge you to exercise your statutory authority to appoint a special counsel to ensure that the Whitewater allegations receive a thorough and independent review. If you appointed a special counsel, a person with a reputation for integrity and competence, there will be no second guessing of the special counsel's investigation."

Q There has been some talk on Capitol Hill that actually the Treasury's bank regulations consolidation proposal might be in jeopardy depending on if the congressional members are convinced that there has been no wrongdoing. In other words, there are some that are saying that without this bipartisan Senate Select Committee, they may or may not want to support the Treasury's plan to only have a single bank regulator.

MR. STEPHANOPOULOS: I don't really see the connection. I think the President's plan will pass on its merits.

Q What is the current status right now of the papers that were being turned over to Justice that are due there by January 18th?

MR. STEPHANOPOULOS: I know that some have been turned over and the rest will be turned over by the 18th. I don't know exactly how many have been turned over.

Q Do you know what percentage of documents are now in the Justice Department's hands?

MR. STEPHANOPOULOS: I know that it started. I just know that we'll all be done by the 18th.

Q When did the Clintons come into possession of the Whitewater corporate records?

MR. STEPHANOPOULOS: I honestly don't know. I know that a lot of them have been compiled over time. I know that they started to request them in the late '80s. I don't have the exact dates.

Q By waiting so long to actually take this move to ask for a special counsel there is the appearance out there that there is something to hide. Why the delay in finally doing this?

MR. STEPHANOPOULOS: Well, first of all, let me say that for all the reasons stated in the statement, we still don't think that the evidence is there to require a special counsel. At the same time, we want to make sure that nothing interferes with the President's agenda. It appears that this could end up interfering with the President's agenda. We don't want to let that happen so we'll go to the special counsel.

Q Were you surprised by how many democrats have now been calling for -- "you" meaning the administration -- surprised by how many democrats have now been calling for a special counsel?

MR. STEPHANOPOULOS: Again, I mean, I can't comment on what has happened in the past. I mean, they were giving what they thought as their best advice. The President is going forward with the special counsel.

Q Would you accept a court appointed special counsel if that could be worked out?

MR. STEPHANOPOULOS: I can't get into that. I mean, the President has requested the Attorney General for a special counsel.

Q Well, the Attorney General has already gotten into it in talking to reporters at Justice.

MR. STEPHANOPOULOS: I can't comment on it and I can't see into the future.

Q You had mentioned this is for Whitewater; is it restricted to Whitewater, or can it look at things like the repayment of the loan in 1985 and other McDougal links?

MR. STEPHANOPOULOS: Those are questions for the Attorney General. The President's letter lays it out and then she has got to make the decision. I don't mean to comment on it in any way.

Q You don't mean to restrict it to that?

MR. STEPHANOPOLUOS: We just sent the letter, the letter speaks for itself. The Attorney General will make her decision.

Q Do you think that there should or will be any connection between this investigation and the investigation into Vince Foster's suicide?

MR. STEPHANOPOLUOS: Again, I don't really want to comment on the different investigations going on in the different bodies. We're just going to send the letters up to the Attorney General and let her make the decisions.

Q You're not suggesting in any way that it be limited to any one particular --

MR. STEPHANOPOLUOS: I'm not going to give directions one way or the other to the Attorney General from this podium. The President sent the letter, he's requested the special counsel.

Q Do you have any problem -- Bob Dole today did call for a select committee to be appointed, does the Administration have any problem with Congress conducting its own investigation of Whitewater?

MR. STEPHANOPOLUOS: We don't think it's necessary. When you look at Senator Dole's own statement just seven days ago, or five days ago, I think you see that this something -- he's the one who's raising the bar and I think it raises the veil on his motives.

I would also point to you the comments of several senators today, including Senator Moynihan, Senator Harkin and several others, who have also talked about the fact that we don't need this committee at this time.

Q Did the fact that ten Democratic senators called for a special counsel contribute to the President's decision to change his mind on the special counsel issue?

MR. STEPHANOPOLUOS: I think it became clear over several days that this issue could end up interfering with the President's agenda for a number of different reasons, and we don't want that to happen.

Q In your statement you referred to innuendo and particularly the political posturing, in that assessment are you

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Q In your statement you referred to innuendo and particularly the political posturing, in that assessment are you

referring at all to former President Carter or to the nine Democratic senators, or so, who had called for a special counsel?

MR. STEPHANOPOLUOS: No.

Q How would you assess those calls then?

MR. STEPHANOPOLUOS: I can't characterize their motives and I think a lot of them thought that they were giving the President good advice, and the President is taking that advice.

Q (Inaudible.)

MR. STEPHANOPOLOUS: I think the question should be to Senator Dole and why he changed his tune. This has been, as you know, it's been in the works, we've had some discussions of it over the last couple of days and the President decided to go forward. It's completely unconnected.

Q There was some suggestion have been some suggestions the last couple of days that Mrs. Clinton was the one who didn't want to go beyond the Justice Department investigation, that it was a private matter. Can you describe her thinking before and does she agree now that it should go to the special counsel?

MR. STEPHANOPOLUOS: I think that there is a general reluctance throughout the White House, a general sense that this isn't necessary, that specific evidence hasn't come forward and that credible allegations have not been brought forward and this could potentially be a serious step and we think it sets a bad precedent. Nevertheless, we do think it has potential to interfere with the President's agenda. That's what everybody here at the White House thinks.

Q What was her role in this decision, Mrs. Clinton's?

MR. STEPHANOPOLUOS: Again, I'm not going to characterize anybody's role in this decision. I'm sure she had some involvement in it, that she was part of some decisions. But beyond that I'm not going to characterize anybody's role.

Q What reason do you have to be confident that this is going to put it behind you?

MR. STEPHANOPOLUOS: Well, I would first of all point you to the statements of several senators and congressmen today who have commended the President on taking this move. I would also point out that this is the --

Q The White House officials have contacted --

MR. STEPHANOPOLUOS: This is the very action -- we're certainly contacting them to let them know what we're doing. Secondly, I would point out that this is precisely the action that several editorial boards across the country have called for; number two. Third, it is standard practice in situations like this at certain times to have a special counsel. We have gone for the special counsel. We believe that a special counsel can conduct an independent and fair inquiry and we believe that it will show what we believe, that the Clinton's did nothing wrong.

Q Was the essence of your statement here cleared directly with the President today in Europe?

MR. STEPHANOPOLUOS: The President, yes, he knew what we were going to say, yes.

Q What specifically was the mandate that the President conveyed to the Attorney General?

MR. STEPHANOPOLUOS: I can read you the letter.

Q Would you?

MR. STEPHANOPOLUOS: Dear Madam Attorney General -- actually, this is a letter, I should say, from the counsel, Bernie Nussbaum to the Attorney General. "The President has directed me to request you to appoint a special counsel or a respected impartial and qualified attorney who is not a member of the Department of Justice or an employee of the Federal Government to conduct an appropriate, independent investigation of the Whitewater matter and report to the American people.

"In view of the gravity of the President's responsibilities and the need for a prompt resolution I respectfully request that this investigation be conducted as expeditiously as possible; Very Truly Yours, Bernard W. Nussbaum."

Q Does the term the Whitewater matter mean to you what it means generally to the journalistic community, all the aspects --

MR. STEPHANOPOLUOS: Is there something that means something generally to the journalistic community?

Q It includes the Foster suicide, it includes Madison Guaranty.

MR. STEPHANOPOLUOS: Again, I don't think it would be appropriate for me from this podium to give out anything that would be construed as directions to the Attorney General. The President's letter speaks for itself.

Q Do you know, can Reno say, "No, I don't think this is the right thing to do." Does she have the option?

MR. STEPHANOPOLUOS: You will have to ask her. I assume so. I have no idea.

Q Was there any concern that you were putting the Attorney General in a drastic position by forcing her to reverse what she had said so strongly was something she should not have to consider?

MR. STEPHANOPOLUOS: Again, this is not a matter we go into lightly or eagerly. It is something that we don't think it is necessary. We believe that the evidence is not necessarily there. We are doing it simply to go forward so it doesn't interfere with the President's agenda.

Q How much of this already has interfered with the President's agenda? You made reference to the fact that --

MR. STEPHANOPOLUOS: I also know that yesterday he was concluding an arms control agreement with Kiev which is going to provide for denuclearization, something that's far more consequential and far more important in history than anything that's happening here over the next few days. The President is having a tremendous trip. It is not interfering at this point at all and we feel confident about that.

Q How much is this cutting into his limelight?

MR. STEPHANOPOLUOS: Again, not particularly.

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Q Is there a timetable on this? Could you explain to us why the President chose not to answer this himself when he was asked in Kiev today. What was his thinking in leaving this to you?

MR. STEPHANOPOULOS: Again, the President had far more important matters to deal with in the Ukraine today. What was the first question on the timetable?

Q The rough timetable. I know you want speed, but is that like a month or a year?

MR. STEPHANOPOULOS: Again, I can't define it any more deeply than that.

Q How much political damage do you think the White House has sustained by the appearance of stonewalling?

MR. STEPHANOPOULOS: (Laughter.) Not now for loaded questions.

Q A lot of your critics say that it gives the appearance of stonewalling.

MR. STEPHANOPOULOS: Yes, and I would just point you to this morning's Washington Post. In fact, this morning's Washington Post points out that the President is more popular today, he has a greater approval rating today than he did before any of these matters were raise. So, I mean, you'll have to go back to the polls and go ask the American people yourself, but we're not too concerned by it.

And again, I would say if in six months is there going to be a difference between whether or not we call for the special counsel today or six days ago, no, I don't think there is.

Q Now that you've rethought your position on the special counsel, are you rethinking your position on shielding the documents from public view?

MR. STEPHANOPOULOS: Well, as you noted in the letter the President sent to the Attorney General, he talks about a special counsel who will conduct an appropriate investigation and report to the American people. We expect that the counsel will do that. We have turned over -- we are in the process of turning over all our documents to the Justice Department. We, of course, will have those turned over to the special counsel and then that's for the special counsel to deal with.

Q Will they be available under the Freedom of Information Act?

MR. STEPHANOPOULOS: Again, that's up to the special counsel. I'm just saying that we're going to turn them over to the special counsel, the appropriate investigatory body. We have asked in the letter to the Attorney General that the special counsel be directed to prepare a report to the American people and we expect that it will.

Q Is the special counsel bound by the subpoena about what he or she can reveal to the American people?

MR. STEPHANOPOULOS: I have no idea.

Q Has the White House handled this matter very well?

MR. STEPHANOPOULOS: I can certainly say that the damage control team in Washington did a worse job than the arms control team in Kiev. But you know, you can always do things better and hindsight

is always 20-20. Do I think it's going to have any lasting effect? No.

Q Would you guys like the special prosecutor to release the documents; and will the documents be released --

MR. STEPHANOPOULOS: Again, from this podium we're not going to give any direction to the Attorney General or a potential special counsel. It's now in the Attorney General's hands to decide, and we're not going to give any direction one way or the other.

Q You will not release any documents between now and whenever the Attorney General --

MR. STEPHANOPOULOS: We're going to turn all of them over, we're going to continue to comply with the subpoena of the grand jury and we will certainly turn them over to the special counsel.

Q What is the status of all of these documents? Has the First Lady been spending -- she or her staff or counsel -- spending time going through this stuff? Are they all working on it?

MR. STEPHANOPOULOS: I know the President's lawyer has been going through it and it's just being, as we said, catalogued and turned over.

Q Have they completed that process?

MR. STEPHANOPOULOS: Again, it will be completed by January 18th. I don't know the up-to-the-minute status of where it is right now.

Q Will the counsel's office or other members of the White House staff continue to have an active involvement in this now that it goes on special counsel, given that it had to do with private financial --

MR. STEPHANOPOULOS: Well, I assume whatever matters have to be cleared up in turning it over will be -- let me take the question. I'm not exactly sure.

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5:40 E.S.T.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 13, 1994

PRESIDENT CLINTON NAMES FIVE REGIONAL REPRESENTATIVES TO THE DEPARTMENT OF EDUCATION

President Clinton today announced the appointment of Loni Hancock, Janet L. Paschal, Stan Williams, Judy W. Harwood, and Stephanie J. Jones to serve as Regional and Deputy Regional Representatives for the U.S. Department of Education in San Francisco, Boston, Atlanta, Chicago, and Kansas City.

"I am pleased to name these hardworking individuals to serve as Regional and Deputy Regional Representatives for the Department of Education," said the President. "Each has demonstrated their commitment to improving education and will serve our country's schools and students well."

Brief biographical sketches of the appointees follow:

Loni Hancock
Secretary's Regional Representative
Region IX

Currently the mayor of Berkeley, Calif., Ms. Hancock will serve as Regional Representative in San Francisco. Since becoming mayor in 1986, she has developed school-linked services, including a high school health clinic and the "Real Alternatives Project," a model case management program serving high risk youth in grades 4-12. She also helped launch a school-to-work program with Miles Inc., Berkeley's largest employer. It resulted in the creation of a "biotech academy" at the city's high school. The program helps prepare non-college-bound students for highly skilled, well-paying jobs in the biotech industry. She also developed a "Community Campaign Against Drug Abuse," emphasizing community policing, substance abuse treatment, and youth programs to prevent violence and create opportunity.

Janet L. Paschal
Secretary's Deputy Regional Representative
Region I

A high school teacher in the Winnisquam School System in Tilton, N.H., Ms. Paschal will serve as Deputy Regional Representative in Boston. In addition to teaching Health Education and Home Economics in grades 9-12, she has also taught at the junior high and college levels. *NEA-NH Educator* magazine recently published a feature story about her with the headline, "Winnisquam Teacher Inspires Youth to Achieve." Ms. Paschal has a B.S. in Home Economics from Henderson State College.

Stan Williams
Secretary's Regional Representative
Region IV

A former IBM community relations manager and native of Greenville, S.C., Mr. Williams will serve as Regional Representative in Atlanta. At IBM, he held various positions in administration, personnel and external affairs. He has also held community leadership roles in South Carolina and Georgia. His B.S. in Business Commerce is from Knoxville College.

Judy W. Harwood
Secretary's Deputy Regional Representative
Region IV

Ms. Harwood served as an education specialist, gathering information from state and federal education sources for constituency use in the office of then-Senator Gore. She will be Deputy Regional Representative in Atlanta. Ms. Harwood, who also ran Vice President Gore's former Senate Office Manager in Chattanooga, Tenn., has a Masters in Education from the University of Tennessee and a B.S. in Sociology from the Tennessee Technological University.

Stephanie J. Jones
Secretary's Regional Representative
Region V

Assistant Professor of Law at Northern Kentucky University in Highland Heights, Ky., Ms. Jones will be the Regional Representative in Chicago. She has also worked in private practice, as well as serving as an administrative assistant to the vice mayor of Cincinnati in 1984 and a newspaper reporter (1982-1983) for the Cincinnati Post. She earned her J.D. from the University of Cincinnati and a B.A in English Literature and Afro-American Studies from Smith College.

Sandra V. Walker
Secretary's Regional Representative
Region VIII

Associate Dean of Arts and Sciences at the University of Missouri in Kansas City, Ms. Walker will serve as Regional Representative in Kansas City. She is a native of Little Rock, Ark., with a Ph.D. in Sociology from Washington University in St. Louis. She has taught at Washington University, St. Louis Community College at Forest Park, Southern Illinois University, Park College and the University of Missouri-Kansas City.

# # #

POOL REPORT #23
January 12, 1994

A senior Administration official says that President Clinton outlined in considerable detail a package of prgrams on trade, economics, and military issues to assist the Visograd group. Meetings took place at U.S. Ambassadors residence.

Clinton met in bilateral and plenary sessions with President Havel and Premier Klaus of the Czech Republic, President Goöncz and Premier Boross of Hungary, President Walesa and Premier Pawlack of Poland, and President Kavoc and Premier Macier of Slovackia.

A senior administration official said Clinton described the Partnership for Peace and suggested that Clinton would make the point that, as a result of the partnership, the question of expanding NATO membership was not a question of whether but when and how. The official said the Partnership will quickly build new military cooperation between participating countries of the former Warsaw Pact and NATO countries. The Partnership will also foster habits of cooperation and consultation.

The official, despite repeated questions, declined to put a specific dollar amount on new money to be spent by the Administration on these programs. He returned repeatedly to the formulation that there were a number of components to the package, and would only talk about pieces of the program and not the entire price tag. For example, he said the President is planning to announce that the United States will now support increasing the per-project lending limit under the Overseas Private Investment Corporation from $50 million to $200 million. He also said there would be a new program that would spend $30 million over 3-5 years to create a "democracy network." This would, he said, link private organizations in America with similar groups in Central and Eastern Europe to "encourage a civil society," through educational and legal reforms and in other ways.

He said the President also plans to hold a conference on trade and investment to encourage U.S. companies to invest in Central and Eastern Europe. This conference would be held in Washington by the end of the year, he said.

The official said the U.S. would also reorient some of its bilateral military programs and policies. The U.S. will help organize, train, and "possibly help equip" military units from Central Europe and bring them up to NATO standards.

The official said there will be a variety of technical assistance programs and said details would come later. Clinton will also support efforts by the Visegrad countries to achieve early membership in the Organization of Economic Cooperation and Development.

A detailed handout on these proposals is expected within a few hours.

The pool had two views of the President, one a photo op at the top of his meeting with the Slovakian delegation, and one as the luncheon began.

In the first, Clinton was asked a couple of questions on how the meetings had gone, and said "So far, so good . . . I have been very pleased." He was asked whether any of the leaders asked for U.S. security guarantees, and said, "No one has said they expect something like that." There was a little more give and take, but nothing of news interest and nothing that won't be overtaken, presumably, by the press statements after lunch.

Your pool encountered David Gergen in the hallway and felt duty-bound to question him on Whitewater. Asked if the White House is about to shift position and call for a special counsel, he said, "All that is being discussed in Washington." Asked if he was saying there had been no discussions between Washington and here, he said, "We do have phones." However, he didn't answer the question in any event. "We have nothing to add," he said.

Gergen described the meeting with Lech Walesa as "very positive," and said Walesa told the President that the Partnership for Peace program was "a good idea. Now obviously he has got some concerns, and they discussed those." He said Clinton had started his meeting with a presentation on why the concet of P for P was good for Poland and that Walesa had then responded with his concerns about the program. But, he said that the Polish leader would speak for himself during the lunch statements.

On one other issue -- reports that the Ukranian Foreign Minister has been questioning what, if anything, the U.S., Russia, and Ukraine can sign on Monday, and suggesting there's little that Kravchuck can legally commit to -- a senior official said, "we have every reason to believe we will sign the agreement on Friday," and repeated the Administration's prior case that Kravchuck can make the committmetns he will be making in whatever is signed.

Ken Walsh, U.S. News and World Report
Anne Devroy, Washington Post

January 12, 1994
Prague/K-Mart
Pool report #24

President Clinton walked out of the K-Mart where several thousand Czechs were waiting to catch a glimpse of him. He waved and said ``Thank you.'' While waiting, someone in the pool asked the crowd if they liked Clinton. Several shouted at once, ``We love Clinton!''

Motorcade was utterly uneventful; president went to private deal with embassy personnel and pool went to tarmac. When president emerged, he was accompanied by Vaclav Havel. The two men appeared to be in animated conversation as president walked toward the plane. Close behind was Warren Christopher, who wore no overcoat in the bracing wind, perhaps to help him stay awake. If that was the reason, it worked.

On Air Force One, a senior administration official came back and talked to us about the day's events. He said that the ``bottom line'' was that all four Visegrad leaders agreed to participate in the Partnership for Peace. He quoted Polish president Lech Walesa as saying, ``I believe the Partership for Peace will turn out to be a good concept.''

Official said that Mr. Walesa also invited the president to visit Warsaw in mid-July (before or after the G-7 in Italy) and that the president accepted -- and said he wanted to bring Lane Kirkland with him. Official said that president ``repeatedly'' stressed the importance of expanding trade in Eastern Europe, which was also the theme of the K-Mart event.

Official said that president told all four leaders ``we need to be expanding'' NATO. At lunch, the official said, all five leaders discussed Bosnia. While there were differing views on what must be done, he said, there was a consensus that something must be done.

He also quoted the president as telling the Visegrad leaders, ``We must build for the best in the East while preparing for the worst.''

Regarding the Ukraine, the official said that the president was confident he had a deal. He said the president confirmed this with President Kravchuk during a phone conversation yesterday while aboard Air Force One. This official said that the details were not being worked out at the last minute -- he said they had already been worked out -- and implied strongly that the reason the White House had announced the deal within an hour of reaching it was so president would have time to go to Kiev, where his appearance will help sell it.

When president arrived in Kiev a few moments ago, he kept President Kravchuk waiting on the ground for 12 minutes or so. When he descended the steps, a crowd kept far away cheered. Mr. Clinton greeted Mr. Kravchuk and then the Ukrainian president steered his American visitor toward three young women dressed in festive peasant garb. One of them held a huge loaf of what appeared to be sweet bread toward the president, who took a bite, smiled and then grabbed another bunk before she could take it away. This bite he wolfed down quickly, giving a big smile of thanks.

We were eventually ushered into a photo-op, but not before numerous false stops and starts, various shovs, etc. If you think this filing center is a cluster-flub, you should have been on the tarmac. Anyway, in the photo pool, Helen Thomas asked President Kravchuk, ``Do you have an agreement?'' He looked questioningly at President Clinton over this show of Yankee insolence, but Clinton nodded reassuringly, and Kravchuk replied, ``We have prepared certain documents and we are sure with certain assistance we can implement them.''

Ms. Thomas then turned to our own dear prez and asked, ``How'd you like the bread?'' Clinton smiled and said, ``This is our kind of place, Helen. Eat first, work later.''

Carl M. Cannon, Baltimore Sun

Ken Walsh, U.S. News