Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. form	re: [DA Form 67-8 for Dana Pittard] (2 pages)	11/00/1997	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Chron Files
OA/Box Number: 10322

FOLDER TITLE:

November 1997 [1]

2019-0990-S
rs3472

RESTRICTION CODES

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

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

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
Washington, DC

OFFICE OF THE STAFF SECRETARY

11-1-97

Fax Transmittal Sheet

To: NECC at Fema

Fax Number: 202-898-6175 **Telephone Number:** 202-898-6100

898-6143

From: Staff Secretary's Office

Subject: Nebraska

Date: 11-01-97

Number of Pages (including cover sheet): 3

Message:

(If all pages are not received, please call (202) 456-2702.)

THE WHITE HOUSE

WASHINGTON

Amelia Island, Florida

November 1, 1997

The Honorable E. Benjamin Nelson
Governor of Nebraska
State Capitol
P.O. Box 94848
Lincoln, Nebraska 68509-4848

Dear Governor Nelson:

As requested, I have declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act) for the State of Nebraska due to damage resulting from severe snow storms, rain, and strong winds on October 24-26, 1997. I have authorized Federal relief and recovery assistance in the affected area.

Reimbursement for debris removal and emergency protective measures under the Public Assistance program, and Hazard Mitigation will be provided. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance and Hazard Mitigation will be limited to 75 percent of the total eligible costs in the designated areas.

The Federal Emergency Management Agency (FEMA) will coordinate Federal assistance efforts and designate specific areas eligible for such assistance. The Federal Coordinating Officer will be Mr. Warren M. Pugh, Jr. of FEMA. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal funds.

Sincerely,

Bill Clinton

THE WHITE HOUSE

WASHINGTON

Amelia Island, Florida

November 1, 1997

The Honorable James L. Witt
Director
Federal Emergency Management Agency
Washington, D.C. 20472

Dear Mr. Witt:

I have determined that the damage in certain areas of the State of Nebraska, resulting from severe snow storms, rain, and strong winds on October 24-26, 1997, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("the Stafford Act"). I, therefore, declare that such a major disaster exists in the State of Nebraska.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide reimbursement for debris removal and emergency protective measures under the Public Assistance program, and Hazard Mitigation in the designated areas. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance or Hazard Mitigation will be limited to 75 percent of the total eligible costs.

Sincerely,

Bill Clinton

MESSAGE CONFIRMATION

NOV-01-97 20:52

FAX NUMBER : 2024562215

NAME :

FAX NUMBER : 98986143

PAGE : 03

ELAPSED TIME : 01'09"

MODE : G3 STD

RESULTS : O.K

THE WHITE HOUSE

WASHINGTON

Amelia Island, Florida

November 1, 1997

The Honorable E. Benjamin Nelson
Governor of Nebraska
State Capitol
P.O. Box 94848
Lincoln, Nebraska 68509-4848

Dear Governor Nelson:

As requested, I have declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act) for the State of Nebraska due to damage resulting from severe snow storms, rain, and strong winds on October 24-26, 1997. I have authorized Federal relief and recovery assistance in the affected area.

Reimbursement for debris removal and emergency protective measures under the Public Assistance program, and Hazard Mitigation will be provided. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance and Hazard Mitigation will be limited to 75 percent of the total eligible costs in the designated areas.

The Federal Emergency Management Agency (FEMA) will coordinate Federal assistance efforts and designate specific areas eligible for such assistance. The Federal Coordinating Officer will be Mr. Warren M. Pugh, Jr. of FEMA. He will consult with you and assist in the execution of the FEMA-State Disaster Assistance Agreement governing the expenditure of Federal funds.

Sincerely,

Bill Clinton

THE WHITE HOUSE

WASHINGTON

Amelia Island, Florida

November 1, 1997

The Honorable James L. Witt
Director
Federal Emergency Management Agency
Washington, D.C. 20472

Dear Mr. Witt:

I have determined that the damage in certain areas of the State of Nebraska, resulting from severe snow storms, rain, and strong winds on October 24-26, 1997, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("the Stafford Act"). I, therefore, declare that such a major disaster exists in the State of Nebraska.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide reimbursement for debris removal and emergency protective measures under the Public Assistance program, and Hazard Mitigation in the designated areas. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance or Hazard Mitigation will be limited to 75 percent of the total eligible costs.

Sincerely,

Bill Clinton

2415 83

THE WHITE HOUSE

WASHINGTON

November 3, 1997

12-12-97

MEMORANDUM FOR THE PRESIDENT

FROM: VIRGINIA M. APUZZO
ASSISTANT TO THE PRESIDENT FOR
MANAGEMENT AND ADMINISTRATION

SUBJECT: Officer Performance Report for Lieutenant Colonel Dana J. H. Pittard, Army Aide to the President

I. ACTION FORCING EVENT

Army regulations require Lieutenant Colonel Pittard to receive an annual evaluation report. This will be his first evaluation as your Army Aide.

II. ANALYSIS

Lieutenant Colonel Pittard has served as your Aide since November 1996. In that capacity he has demonstrated outstanding abilities and sound judgment. Dana is an outstanding representative of the Army and the White House, but most importantly, he represents you with distinction. I feel very confident Dana will continue to perform in this same manner.

III. RECOMMENDATION

That you sign the attached report, where annotated, as his Rater and Senior Rater. Handwritten comments are welcomed, if desired, in part V, block C.

IV. DECISION

________ Approve

________ Approve as Amended

________ Disapprove

Attachment

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. form	re: [DA Form 67-8 for Dana Pittard] (2 pages)	11/00/1997	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Chron Files
OA/Box Number: 10322

FOLDER TITLE:

November 1997 [1]

2019-0990-S
rs3472

RESTRICTION CODES

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

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

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

WHITE HOUSE OFFICE
MANAGEMENT & ADMINISTRATION

ROUTING REMARKS AND TRANSMITTAL

Name of Originator:	Office:	Phone:	Date:
Alan P. Sullivan	WHMO	62150	11/5/97

Subject:
LTC PITTARD'S PERFORMANCE EVALUATION

Deadline Date:
AS SOON AS PRACTICAL

Codes: A=Action C=Concurrence S=Signature O=Other

To:	Code	Date In	Date Out	Init	Remarks
1. Virginia Apuzzo	S				
2. Doug Matties	A				
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

24/234

'97 NOV 4 PM6:40

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

November 4, 1997

11-5-97

MEMORANDUM FOR THE PRESIDENT

FROM: Robert E. Rubin R.E.R.

SUBJECT: Update on Financial Market Developments as of 4:30 pm, Tuesday, November 4, 1997

The U.S. equity markets finished higher today. The Dow Jones Industrial Average rose 14 points (0.2 percent) to close at 7689. Long-term interest rates rose 4 to 5 basis points as market participants prepared for Treasury's quarterly refunding this week.

Japanese stocks gained 0.3 percent on Tuesday despite concerns about Japan's financial sector and the selling of yen after a bankruptcy filing by a mid-size securities firm yesterday. Sanyo Securities, which has lost money for the past six years and is heavily in debt, is the first listed Japanese brokerage firm to seek bankruptcy protection since World War II. The Thai baht appreciated 2.0 percent, and the Thai equity market gained 6.9 percent, following news that Prime Minister Chavalit would leave office on Thursday. Most other Asian equity markets moved higher, although Hong Kong stocks declined 4.2 percent, and Indonesian stocks fell 1.4 percent.

European equity markets were mostly lower, while Latin American stocks were mixed. Brazilian stocks continued to rebound, rising by 4 percent after yesterday's 9.7 percent gain. During the past month, Brazilian equities are now down only 18.2 percent. The Mexican equity market dropped by 0.2 percent, and the Argentine equity market rose by 2.8 percent.

The dollar strengthened against the yen (0.5 percent) and fell against the German mark (0.8 percent), primarily due to appreciation of the mark versus the yen.

Oil prices fell by 26 cents per barrel today, as Iraq extended its deadline for expelling U.S. arms inspectors.

241596
'97 NOV 6 PM8:50

11-2-97

THE WHITE HOUSE
WASHINGTON

November 6, 1997

RECOMMENDED TELEPHONE CALLS

TO:	Representative Eva Clayton (D-NC) Representative Bill Hefner (D-NC) Representative Donald Payne (D-NJ) Representative Sanford D. Bishop, Jr. (D-GA) Representative Ralph Regula (R-OH)
DATE:	As soon as possible
RECOMMENDED BY:	John Hilley JH Susan Brophy SB
PURPOSE:	Urge members to vote for the Administration's fast track legislation.
BACKGROUND:	You should ask the Representatives for their vote, underscoring how crucial every single vote will be to ensure passage of this critical legislation.

CONTACT:

Representative Clayton (Home)	(202)547-2075
Representative Hefner (Home)	(703)998-6893
Representative Payne (Home)	(202)484-8058
Representative Bishop (Home)	(202)488-7587
Representative Regula	Operator has number

Due to late votes scheduled for this evening, they can also be reached through the Democratic Cloakroom at (202)225-7330.

DATE OF SUBMISSION: November 6, 1997

ACTION: ______________________________

____

24130

'97 NOV 5 AM 11:11

THE WHITE HOUSE

WASHINGTON

November 5, 1997

11-5-97

MEMORANDUM FOR THE PRESIDENT

FROM: **SUSAN BROPHY** SB

SUBJECT: **CONGRESSIONAL CORRESPONDENCE**

Attached for your signature are thank you letters to the following Senators who voted to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Please note that the remaining 50 Senators will receive penned letters.

1. Thomas Daschle (D-SD)
2. Trent Lott (R-MS)
3. William Roth (R-DE)
4. Max Baucus (D-MT)
5. John Breaux (D-LA)
6. Dick Bryan (D-NV)
7. John Chafee (R-RI)
8. Alfonse D'Amato (R-NY)
9. Bob Graham (D-FL)
10. Phil Gramm (R-TX)
11. Charles Grassley (R-IA)
12. Orrin Hatch (R-UT)
13. Jim Jeffords (R-VT)
14. Connie Mack (R-FL)
15. Pat Moynihan (D-NY)
16. Frank Murkowski (R-AK)
17. Don Nickles (R-OK)
18. Jay Rockefeller (D-WV)
19. Bob Kerrey (D-NE)

OVAL

THE WHITE HOUSE

WASHINGTON

Dear Mr. Leader:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Thomas A. Daschle
Democratic Leader
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Leader:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Trent Lott
Majority Leader
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable William V. Roth, Jr.
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Max:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Max Baucus
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear John:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable John B. Breaux
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Dick:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Richard H. Bryan
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable John H. Chafee
Chairman
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Alfonse D'Amato
Chairman
Committee on Banking, Housing and Urban Affairs
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Bob:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Bob Graham
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Senator Gramm:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Phil Gramm
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Charles E. Grassley
Chairman
Select Committee on Aging
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Orrin G. Hatch
Chairman
Committee on Judiciary
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable James M. Jeffords
Chairman
Committee on Labor and Human Resources
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Senator Mack:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Connie Mack
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Pat:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Daniel Patrick Moynihan
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Frank H. Murkowski
Chairman
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Senator Nickles:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable Don Nickles
Majority Whip
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Jay:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable John D. Rockefeller IV
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Bob:

Thank you for your vote yesterday to invoke cloture, permitting the Senate to proceed to consideration of S. 1269, the Reciprocal Trade Agreements Act of 1997. Your vote gives us the opportunity to move forward and pass this critically important legislation renewing traditional trade negotiating authority.

This authority envisions a close partnership between the President and the Congress as we negotiate trade agreements that benefit American workers and American firms. Your vote, and your continued support for the "fast track" legislation, will enable us to work together to break down foreign trade barriers. This is vital both for the creation of good, high-paying jobs at home and the maintenance of our economic leadership position in the world. Thank you again for your support.

Sincerely,

The Honorable J. Robert Kerrey
United States Senate
Washington, D.C. 20510

ID: 241301 SS   S E C R E T A R I E S   L O G   PAGE: A01
SLGX01

FILM: _______ OP ID: PH   RECEIVED: 971105   DOC DATE: 971105

PERSON: ________________ SUSAN______________________ BROPHY_______________ ______
ORGANIZATION: LEGISLATIVE_AFFAIRS_________________________________

SUBJ/DESC: THANK_YOU_LETTERS_TO_19_SENATORS_RE:_CLOTURE______

names ? - not necessary - only on Birthday Ltrs.

ACTION ASSIGNED: DISPOSITION:

AGY/OFF	CODE	DATE	ACTION COMMENTS	RSPN	CODE	DATE
PRCLIN	RPA	971105			C	971105
LAWALK	RSA	971105	POTUS_SIGNED_19_LETTERS_-_REMAINING LETTERS_TO_BE_PENNED_PER_SEAN_MALONEY		C	971105

COMMENTS:

REC TYPE ___ USER CODE __________ __________ CREATED 971105 UPDATED 971105

there were only 19!

7248

'97 NOV 5 PM 7:13

11-6-97
OK for signature
per Sean Maloney
sent to Clerk
B.

THE WHITE HOUSE

WASHINGTON

November 5, 1997

11-6-97

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER FOR

SUBJECT: Submission to the Senate - Agreement Establishing the South Pacific Regional Environmental Programme

Purpose

To submit to the Senate for advice and consent to ratification the United States becoming a Party to the Agreement Establishing the South Pacific Regional Environmental Programme (SPREP).

Background

On June 16, 1993, the United States signed the Agreement Establishing the SPREP. The Agreement provides for increased cooperation among the United States, Australia, New Zealand, France and the twenty-two island States and territories of the South Pacific to protect the environment and to ensure sustainable development in the region. It also will enable the people of the insular territories of the United States (Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands) to work more closely with South Pacific States and territories with which they share a common heritage and mutual concerns.

RECOMMENDATION

That you sign the Transmittal Message to the Senate at Tab A

Attachments

Tab A	Transmittal Letter to the Senate
Tab B	Secretary Albright's Memo to the President
Tab C	The Original Agreement

cc: Vice President
Chief of Staff

TO THE SENATE OF THE UNITED STATES

I transmit herewith, for the advice and consent of the Senate to ratification, the Agreement Establishing the South Pacific Regional Environment Programme, done at Apia on June 16, 1993 ("The Agreement"). The report of the Department of State in respect of the Agreement is attached for the information of the Senate.

The South Pacific Regional Environment Programme (SPREP) has existed for almost 15 years to promote cooperation in the South Pacific region, to protect and improve the South Pacific environment and to ensure sustainable development in that region. Prior to the Agreement, SPREP had the status of an informal institution housed within the South Pacific Commission. When this institutional arrangement began to prove inefficient, the United States and the nations of the region negotiated the Agreement to allow SPREP to become an intergovernmental organization in its own right and enhance its ability to promote cooperation among its members.

The Agreement was concluded in June 1993 and entered into force in August 1995. Nearly every nation - except the United States - that has participated in SPREP and in the negotiation of the Agreement is now party to the Agreement. As a result, SPREP now enjoys a formal institutional status that allows it to deal more effectively with the pressing environmental concerns of the region. The United States and its territories can only participate in its activities as official observers.

The Agreement improves the ability of SPREP to serve the interests of American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam. Its ratification is supported by our territories and will demonstrate continued United States commitment to, and concern for, the South Pacific.

Under its terms, the Agreement entered into force on August 31, 1995. to date, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, and Western Samoa have become parties to the Agreement.

I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to ratification.

7248

S/S 9718754

DEPARTMENT OF STATE
WASHINGTON

October 21, 1997

The President:

I have the honor to submit to you the Agreement Establishing the South Pacific Regional Environment Programme ("the Agreement"), done at Apia, Western Samoa, on June 16, 1993, and signed by the United States on that day.

The Agreement, which entered into force on August 31, 1995, provides for increased cooperation among the United States, Australia, New Zealand, France and twenty-two island States and territories of the South Pacific region in addressing issues affecting environment and development in the region. The Agreement accords the South Pacific Regional Environment Programme (SPREP) formal status as an intergovernmental organization. SPREP originated at the Conference on the Human Environment in the South Pacific held at Rarotonga, Cook Islands, March 1982, as an informal institution housed within the South Pacific Commission (SPC). As such, it was tied to the Regional Seas Program of the United Nations Environment Program, and was supported by the United Nations Economic and Social Commission for Asia

The President,
The White House.

OCT 24 11:00

and the Pacific, as well as by the South Pacific Forum and the South Pacific Conference.

In July 1991, the members of SPREP agreed to negotiate a treaty establishing SPREP as an autonomous intergovernmental organization. Autonomy was viewed as an important step in maintaining and improving SPREP's ability to serve its members, particularly in light of serious logistical constraints that had emerged as a result of SPREP's co-location with the SPC in Noumea, New Caledonia. The Agreement was concluded at a Plenipotentiary Conference held in Apia, Western Samoa, June 14-16, 1993.

The United States and its insular areas now participate in SPREP as observers. It is the view of the interested Departments and Agencies of the United States Government, as well as of American Samoa, Guam and the Commonwealth of the Northern Mariana Islands, that United States' interests would be best served by moving rapidly to become a Party to the Agreement, which entered into force on August 31, 1995.

The Agreement provides for cooperative activities of direct and positive benefit to American Samoa, Commonwealth of the Northern Mariana Islands, and Guam. By becoming a Party, the United States will promote more effective participation in regional activities by United States insular areas, who share both the culture and the concerns of many of the island States and territories of the region. It will also demonstrate the continued commitment of the United States to the South Pacific and to working with the region to protect and conserve the marine environment that we share.

Article 1 of the Agreement establishes SPREP as an intergovernmental organization, with a regular conference of participants ("the SPREP Meeting") and a secretariat located in Apia, Western Samoa. Prior to the Agreement, participants in SPREP met on an annual basis at locations that rotated among them. As a result of the Agreement, participants have agreed, as a way to reduce costs, to meet instead on a biennial basis, with alternate meetings to be held at the Secretariat in Apia.

The purposes of SPREP, as set forth in Article 2 of the Agreement, include the promotion of cooperation in the South Pacific region, the provision of assistance to protect and improve the environment, and the ensurance of sustainable development for present and future generations. SPREP is to achieve these purposes through Action Plans to be adopted from time to time by the SPREP

Meeting. Article 2 enumerates several broad components which are to be included in these Action Plans.

The Agreement designates the SPREP Meeting as the forum for consultations on matters of common concern, for overseeing SPREP activities and for the adoption and review of the Action Plan. Article 3 of the Agreement provides that membership in the SPREP Meeting is open to Parties to the Agreement and, with the appropriate authorization of the Party responsible for their international relations, to American Samoa, French Polynesia, Guam, New Caledonia, the Commonwealth of the Northern Mariana Islands, Tokelau and Wallis and Futuna. (Although Article 3 includes Palau in the list of these entities, Palau has since become a sovereign State with responsibility for its own international relations, in accordance with the Compact of Free Association between Palau and the United States.)

In accordance with Article 4, the Parties to the Agreement undertake to ensure the full involvement of all Members in the work of the SPREP Meeting, which is to be conducted on the basis of consensus of all SPREP Members, taking into account the practices and procedures of the South Pacific region. If a decision is required in the SPREP Meeting, that decision is to be taken by a consensus of the Parties to the Agreement, with the Parties obligated to consider and take into account the views of all Members.

Articles 3 and 4 of the Agreement represent a compromise that resolved difficult issues relating to the role and participation of territories and entities in the region that are not responsible for their own foreign relations. Prior to the negotiation of the Agreement, the informal legal status of SPREP obviated the need to distinguish between independent States and such territories and entities in undertaking SPREP activities. The effort to establish SPREP as a formal intergovernmental organization on the basis of the Agreement raised complicated and sensitive issues of participation and decision-making.

Articles 3 and 4, reached after extensive negotiation, reflect the traditions and practices of the South Pacific region, which place great emphasis upon cooperation and consensus. While permitting full participation of territories in the region that are not responsible for their own foreign relations in the SPREP Meeting and in the work of the SPREP Meeting, they comport with generally accepted principles of international law and practice regarding which members of the international community may become parties to treaties and which may exercise rights to participate in decision-making.

Article 5 addresses SPREP's budget. The article tasks the Director of the SPREP Secretariat with preparing an estimated budget, provides for consensus adoption of the budget and related budgetary questions, and empowers the SPREP Meeting to adopt financial regulations for the administration of SPREP. As envisioned in Article 5, SPREP financial regulations authorize the organization to accept contributions from private and public sources, but do not impose assessed contributions on Parties to the Agreement. The United States has been involved with SPREP since its inception in 1982. Since that time, we have made regular contributions to the upkeep of SPREP and to specific projects implemented under its auspices. All such contributions have been voluntary in nature and subject to fluctuation according to our satisfaction with the activities in question and our ability to contribute.

Article 6 makes the SPREP Director the head of the SPREP Secretariat and assigns to the Director certain administrative and managerial tasks. Since the entry into force of the Agreement, the SPREP Meeting has adopted Rules of Procedure which limit the term of SPREP Directors to no more than two consecutive three-year terms. New Directors are appointed upon the recommendation of a SPREP subcommittee. Unless the United States becomes a party to the Agreement, we cannot participate on that subcommittee.

Article 7 sets out that the SPREP Secretariat will implement the general activities of SPREP. Among the general responsibilities entrusted to the Secretariat are: implementing the SPREP Action Plan, reporting on progress to SPREP members, carrying out research and studies required to implement the SPREP Action Plan, advising and assisting members with implementation, co-ordinating with organizations active in the region, gathering and disseminating relevant information, facilitating personnel development and public education, assisting in the use of scientific and technical data, and seeking financial and technical resources for SPREP.

Article 8 of the Agreement grants SPREP legal personality with authority necessary to discharge its functions and responsibilities, in particular the capacity to enter into contracts to acquire and dispose of property and to sue and be sued. Privileges and immunities for the officers and employees of SPREP, as well as for representatives to the SPREP Meeting, are to be those agreed upon between SPREP and the Party in whose territory the Secretariat is located (Western Samoa) and as may be extended by other Parties to the Agreement.

Article 9 ensures that nothing in the Agreement may be interpreted as prejudicing the sovereignty of the States over their respective territories, territorial seas, internal or archipelagic waters, or their sovereign rights regarding their respective exclusive economic zones and continental shelves.

Pursuant to Article 10, the Agreement was open for signature from June 16, 1993, until June 16, 1994, subject to ratification, acceptance, or approval and thereafter remains open to accession by States either located in the South Pacific Region or having territories in that area. The following are party to the Agreement at this time: Western Samoa, the Republic of Fiji, New Zealand, the Republic of Nauru, the Republic of Kiribati, Australia, Papua New Guinea, Tuvalu, the Federated States of Micronesia, Niue, the Cook Islands, Tonga, the Solomon Islands and France. Article 10 further designates the Government of Western Samoa as Depositary for the Agreement. Reservations to the Agreement are not permitted.

Article 11 provides that any Party may propose amendments to the Agreement. Amendments enter into force only after their adoption by consensus of the Parties at the SPREP Meeting and receipt by the Depositary of instruments of ratification, acceptance or approval by all Parties. A Party may withdraw from the Agreement upon one year's notice.

I recommend, therefore, that the Agreement Establishing the South Pacific Regional Environment Programme (SPREP) be transmitted to the Senate as soon as possible for its advice and consent to ratification.

Respectfully submitted,

Madeleine Albright

AGREEMENT ESTABLISHING THE SOUTH PACIFIC REGIONAL ENVIRONMENT PROGRAMME (SPREP)

Certified as True Copies of the Original.

(Mose Pouvi Sua)
SECRETARY FOR FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS WESTERN SAMOA

THE PARTIES,

Recognising the importance of protecting the environment and conserving the natural resources of the South Pacific region;

Conscious of their responsibility to preserve their natural heritage for the benefit and enjoyment of present and future generations and their role as custodians of natural resources of global importance;

Recognising the special hydrological, geological, atmospheric and ecological characteristics of the region which require special care and responsible management;

Seeking to ensure that resource development takes proper account of the need to protect and preserve the unique environmental values of the region and of the principles of sustainable development;

Recognising the need for co-operation within the region and with competent international, regional and sub-regional organisations in order to ensure coordination and co-operation in efforts to protect the environment and use the natural resources of the region on a sustainable basis;

Wishing to establish a comprehensive Programme to assist the region in maintaining and improving its environment and to act as the central coordinating point for environmental protection measures within the region;

Recalling the decision taken at the Conference on the Human Environment in the South Pacific, held at Rarotonga, Cook Islands, on 8-11 March 1982, to establish the South Pacific Regional Environment Programme as a separate entity within the South Pacific Commission;

Recalling with appreciation the role of UNEP, ESCAP, the South Pacific Forum and the South Pacific Conference in supporting the establishment and encouraging the development of the South Pacific Regional Environment Programme as a regional programme and as part of the UNEP Regional Seas Programme;

<u>Noting</u> with satisfaction that the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, done at Noumea on 24 November 1986, and its related Protocols, and the Convention on Conservation of Nature in the South Pacific, done at Apia on 12 June 1976, entered into force in 1990;

<u>Appreciative</u> of the valuable efforts that have been undertaken by the South Pacific Regional Environment Programme to promote environmental protection within the region and the support given to the Programme by the South Pacific Commission;

<u>Taking into account</u> the decisions of the Third and Fourth Intergovernmental Meetings of the South Pacific Regional Environment Programme, held in Noumea in September 1990 and July 1991, and the endorsement of the Thirtieth South Pacific Conference, held in Noumea in October 1990; and

<u>Desiring to accord</u> the South Pacific Regional Environment Programme the full and formal legal status necessary to operate as an autonomous body, to manage fully its own affairs and to provide the basis for the continued operation of SPREP in accordance with the traditions of cooperation in the region;

HAVE AGREED AS FOLLOWS:

Article 1

Establishment of SPREP

1. The South Pacific Regional Environment Programme (hereinafter referred to as SPREP) is hereby established as an intergovernmental organisation.

2. The organs of SPREP are the SPREP Meeting and the Secretariat.

3. The Secretariat shall be located in Apia, Western Samoa, unless the SPREP Meeting decides otherwise.

Article 2

Purposes

1. The purposes of SPREP are to promote co-operation in the South Pacific region and to provide assistance in order to protect and improve its environment and to ensure sustainable development for present and future generations. SPREP shall achieve these purposes through the Action Plan adopted from time to time by the SPREP Meeting, setting the strategies and objectives of SPREP.

2. The Action Plan shall include:

(a) co-ordinating regional activities addressing the environment;

(b) monitoring and assessing the state of the environment in the region including the impacts of human activities on the ecosystems of the region and encouraging development undertaken to be directed towards maintaining or enhancing environmental qualities;

(c) promoting and developing programmes, including research programmes, to protect the atmosphere and terrestrial, freshwater, coastal and marine ecosystems and species, while ensuring ecologically sustainable utilisation of resources;

(d) reducing, through prevention and management, atmospheric, land based, freshwater and marine pollution;

(e) strengthening national and regional capabilities and institutional arrangements;

(f) increasing and improving training, educational and public awareness activities; and

(g) promoting integrated legal, planning and management mechanisms.

Article 3

SPREP Meetings

1. The SPREP Meeting shall be open to the Membership of the Parties to this Agreement and, with the appropriate authorisation of the Party having responsibility for its international affairs, of each of the following:

American Samoa
French Polynesia
Guam
New Caledonia
Northern Mariana Islands
Palau
Tokelau
Wallis and Futuna.

2. The SPREP Meeting shall be held at such times as the SPREP Meeting may determine. A special SPREP Meeting may be held at any time as provided in the Rules of Procedure.

3. The SPREP Meeting shall be the plenary body and its functions shall be:

(a) to provide a forum for Members to consult on matters of common concern with regard to the protection and improvement of the environment of the South Pacific region and, in particular, to further the purposes of SPREP;

(b) to approve and review the Action Plan for SPREP and to determine the general policies of SPREP;

(c) to adopt the report of the Director on the operation of SPREP;

(d) to adopt the work programmes of SPREP and review progress in their implementation;

(e) to adopt the Budget estimates of SPREP;

(f) to make recommendations to Members;

(g) to appoint the Director;

(h) to give directions to the Director concerning the implementation of the Work Programme;

(i) to approve rules and conditions for the appointment of the staff of the Secretariat; and

(j) to carry out such other functions as are specified in this Agreement or are necessary for the effective functioning of SPREP.

4. The SPREP Meeting may establish such committees and sub-committees and other subsidiary bodies as it considers necessary.

5. In addition to the functions referred to in paragraph (3) of this Article, the SPREP Meeting shall, through such mechanisms as it considers appropriate, consult and co-operate with the Meetings of Parties to:

(a) the Convention on Conservation of Nature in the South Pacific adopted at Apia on 12 June 1976;

(b) the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region adopted at Noumea on 24 November 1986 and related Protocols; and

(c) any other international or regional Agreement that may be concluded for the protection of the environment of the South Pacific region,

with a view to ensuring the achievement of the purpose of SPREP and of this Agreement and facilitating the achievement of the purposes of those Conventions.

Article 4

Meeting Procedure

1. The SPREP Meeting shall elect from among its Members a Chairperson and such other officers as it decides, who shall remain in office until the next SPREP Meeting. In principle, the role of the Chairperson shall rotate as decided by the SPREP Meeting.

2. The SPREP Meeting shall adopt its own Rules of Procedure.

3. (a) The Parties shall ensure the full involvement of all Members in the work of the SPREP Meeting. The work of the SPREP Meeting shall be conducted on the basis of consensus of all Members, taking into account the practices and procedures of the South Pacific region.

   (b) In the event that a decision is required in the SPREP Meeting, that decision shall be taken by a consensus of the Parties. The consensus of the Parties shall ensure that the views of all Members of the SPREP Meeting have been properly considered and taken into account in reaching that consensus.

4. The attendance by observers in SPREP Meetings shall be provided for in the Rules of Procedure.

5. The SPREP Meeting shall be convened by the Director.

6. The working languages of SPREP shall include English and French.

Article 5

Budget

1. The Budget estimates for SPREP shall be prepared by the Director.

2. Adoption of the Budget of SPREP and determination of all other questions relating to the Budget shall be by consensus.

3. The SPREP Meeting shall adopt financial regulations for the administration of SPREP. Such regulations may authorise SPREP to accept contributions from private and public sources.

Article 6

Director

1. The Director of SPREP shall be the head of the Secretariat.

2. The Director shall appoint staff to the Secretariat in accordance with such rules and conditions as the SPREP Meeting may determine.

3. The Director shall report annually to the South Pacific Conference and the South Pacific Forum on the activities of SPREP.

4. The Director shall be responsible to the SPREP Meeting for the administration and management of SPREP and such other functions as the SPREP Meeting may decide.

Article 7

Functions of the Secretariat

1. The functions of the Secretariat shall be to implement the activities of SPREP, which shall include:

(a) to promote, undertake and co-ordinate the implementation of the SPREP Action Plan through the annual Programmes of Work, and review and report regularly on progress thereon to Members;

(b) to carry out research and studies as required to implement the SPREP Action Plan through the annual Programmes of Work;

(c) to advise and assist Members on the implementation of activities carried out under the SPREP Action Plan or consistent with its purpose;

(d) to provide a means of regular consultation among Members on the implementation of activities under the SPREP Action Plan and on other relevant issues;

(e) to co-ordinate and establish working arrangements with relevant national, regional and international organisations;

(f) to gather and disseminate relevant information for Members and other interested Governments and organisations;

(g) to promote the development and training of personnel of Members and to promote public awareness and education, including the publication of materials;

(h) to assist Members in the acquisition, interpretation and evaluation of scientific and technical data and information;

(i) to undertake such other activities and follow such procedures as the SPREP Meeting may decide; and

(j) to seek financial and technical resources for SPREP.

2. In addition to the functions described in paragraph (1) of this Article, the Secretariat shall be responsible for the co-ordination and implementation of any functions that the SPREP Meeting may agree to undertake relating to:

(a) the Convention on Conservation of Nature in the South Pacific;

(b) the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping, and the Protocol Concerning Co-operation in Combating Pollution Emergencies in the South Pacific Region; and

(c) any other international or regional Agreement that may be concluded for the protection of the environment of the South Pacific region.

Article 8

Legal Status, Privileges and Immunities

1. SPREP shall have such legal personality as is necessary for it to carry out its functions and responsibilities and, in particular, shall have the capacity to contract, to acquire and dispose of moveable and immoveable property and to sue and be sued.

2. SPREP, its officers and employees, together with representatives to the SPREP Meeting, shall enjoy such privileges and immunities necessary for the fulfillment of their functions, as may be agreed between SPREP and the Party in whose territory the Secretariat is located, and as may be provided by other Parties.

Article 9

Sovereign Rights and Jurisdiction of States

Nothing in this Agreement shall be interpreted as prejudicing the sovereignty of the Parties over their territory, territorial sea, internal or archipelagic waters, or their sovereign rights:

(a) in their exclusive economic zones and fishing zones for the purpose of exploring or exploiting, conserving and managing the natural resources, whether living or non-living, of the waters superjacent to the sea-bed and of the sea-bed and its subsoil, and with regard to other activities for the economic exploitation and exploration of the zone; or

(b) over their continental shelves for the purpose of exploring them and exploiting the natural resources thereof.

5. Following the expiry of the period when this Agreement is open for signature, and provided that this Agreement has entered into force, this Agreement shall be open for accession by any State other than those referred to in this Article which, desiring to accede to this Agreement, may so notify the Depositary, which shall in turn notify the Parties. In the absence of a written objection by a Party within six months of receipt of such notification, a State may accede by deposit of an instrument of accession with the Depositary, and accession shall take effect thirty days after the date of deposit.

6. The Government of Western Samoa is hereby designated as the Depositary.

7. The Depositary shall transmit certified copies of this Agreement to all Members and shall register this Agreement in accordance with Article 102 of the Charter of the United Nations.

Article 11

Amendment and Withdrawal

1. Any Party may propose amendments to this Agreement for consideration by the SPREP Meeting. The text of any amendment shall be circulated to Members no less than six months in advance of the Meeting at which it is to be considered.

2. An amendment shall be adopted at a SPREP Meeting by consensus of all Parties attending the SPREP Meeting and shall enter into force thirty days after the receipt by the Depositary of instruments of ratification, acceptance or approval of that amendment by all Parties.

3. Any Party to this Agreement may withdraw from this Agreement by giving written notice to the Depositary. Withdrawal shall take effect one year after receipt of such notice by the Depositary.

Article 10

Signature, Ratification, Acceptance, Approval and Accession

1. This Agreement shall be open for signature from the sixteenth day of June 1993 until the sixteenth day of June 1994, and shall thereafter remain open for accession, by:

Australia	Niue
Cook Islands	Papua New Guinea
Federated States of Micronesia	Solomon Islands
Republic of Fiji	Kingdom of Tonga
Republic of France	Tuvalu
Republic of Kiribati	United Kingdom of Great Britain and Northern Ireland on behalf of Pitcairn Islands
Republic of the Marshall Islands	United States of America
Republic of Nauru	Republic of Vanuatu
New Zealand	Western Samoa.

2. This Agreement is subject to ratification, acceptance, or approval by the Signatories.

3. Reservations to this Agreement shall not be permitted.

4. This Agreement shall enter into force thirty days from the date of deposit of the tenth instrument of ratification, acceptance, approval, or accession with the Depositary, and thereafter for each State, thirty days after the date of deposit of its instrument of ratification, acceptance, approval, or accession with the Depositary.

IN WITNESS WHEREOF the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

Done at Apia this sixteenth day of June 1993 in a single copy in the English and French languages, the two texts being equally authentic.

For the Government of Australia: ....

this .... day of 1993

For the Government of the Cook Islands: ....

this .... day of 1993

For the Government of the Federated States of Micronesia: ....

this .... day of 1993

For the Government of the Republic of Fiji: ....

this 16th day of June 1993

For the Government of the Republic
of France:

....
this ..16.. day of ..June 1993

For the Government of the Republic
of Kiribati:

....
this ..16.. day of June. 1993

For the Government of the Republic of
the Marshall Islands:

....
this ..16.. day of June.. 1993

For the Government of the Republic
of Nauru:

....
this ..16.. day of June 1993

For the Government of New Zealand: ....

this .... day of 1993

For the Government of Niue: ....

this 16 day of 6 1993

For the Government of Papua New Guinea: ....

this .... day of 1993

14/6/93

For the Government of Solomon Islands: ....

this 16 day of JUNE 1993

For the Government of the Kingdom of Tonga:

....

this .... day of 1993

For the Government of Tuvalu:

....

this ..16... day of ......June 1993

For the Government of the United Kingdom of Great Britain and Northern Ireland on behalf of Pitcairn Islands:

....

this .... day of 1993

For the Government of the United States of America:

R. Tucker Scully

this 16th day of June 1993

For the Government of the Republic of Vanuatu:

this ..16.... day of ...June. 1993

For the Government of Western Samoa:

P.M.

this ..16.... day of .June 1993

Please type & HOLD 10-28-97

do + hold 10/28/97 3:30 PM Bill

TO THE SENATE OF THE UNITED STATES:

+1

I transmit herewith, for the advice and consent of the Senate to ratification, the Agreement Establishing the South Pacific Regional Environment Programme, done at Apia on June 16, 1993 ("the Agreement"). The report of the Department of State ~~in~~ with respect ~~of~~ to the Agreement is attached for the information of the Senate.

The South Pacific Regional Environment Programme (SPREP) has existed for almost 15 years to promote cooperation in the South Pacific region, to protect and improve the South Pacific environment and to ensure sustainable development in that region. Prior to the Agreement, SPREP had the status of an informal institution housed within the South Pacific Commission. When this institutional arrangement began to prove inefficient, the United States and the nations of the region negotiated the Agreement to allow SPREP to become an intergovernmental organization in its own right and enhance its ability to promote cooperation among its members.

The Agreement was concluded in June 1993 and entered into force in August 1995. Nearly every nation -- except the United States -- that has participated in SPREP and

Proofed ex/wwm 11/4/97

in the negotiation of the Agreement is now party to the Agreement. As a result, SPREP now enjoys a formal institutional status that allows it to deal more effectively with the pressing environmental concerns of the region. The United States and its territories can only participate in its activities as official observers.

The Agreement improves the ability of SPREP to serve the interests of American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam. Its ratification is supported by our territories and will demonstrate continued United States commitment to, and concern for, the South Pacific region.

Under its terms, the Agreement entered into force on August 31, 1995. To date, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, and Western Samoa have become parties to the Agreement.

I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to ratification.

THE WHITE HOUSE,

File

WILL SEND TO
BURKHARDT ONCE
YOU HAVE SEEN

ok

THE WHITE HOUSE
WASHINGTON

November 7, 1997

MR. PRESIDENT:

Walter Annenberg sent you the attached letter in late October. It's my understanding that Mr. Annenberg asked you about it in Texas yesterday.

The Correspondence Department is working on a reply in coordination with Treasury and NEC, but we wanted to get you an update today.

In short, Mr. Annenberg expresses concern over the "generation-skipping" transfer tax (GST) which taxes gifts (money/property) made to one's own grandchildren. Mr. Annenberg is essentially correct about how the GST works -- it taxes gifts as if they were made to the children <u>and</u> the grandchildren.

I haven't spoken to Gene about this, but according to the person I spoke to at Treasury, the GST is operating exactly as intended and only very, very wealthy people generally object to it. Furthermore, Treasury advises that altering GST is not on Congress' radar screen, and it is not something the Administration was looking to take on.

11-7-97

Phil Caplan PM

Not logged in. Copies sent to Bowles, Sperling, Burkhardt (original) 11/11/97

- Charity

OCT 29 1997

WALTER H. ANNENBERG

October 24, 1997

The President
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to solicit your views on the federal generation-skipping transfer tax which, in its present form, imposes a confiscatory tax on gifts made to one's own grandchildren. The imposition of this tax results in the Internal Revenue Service actually collecting more in taxes than the amount of the gift which is received by the grandchild. I think it would be equitable to tax grandchildren at the same rate as children. Given the sweeping changes to the Internal Revenue Service which are now being considered by Congress, and which I understand you now support, I believe it is especially appropriate at this time to consider the propriety of the continued imposition of this tax. I do not pretend to present an expert's view on this highly complex legislation, but only a very limited analysis.

I will reach 90 years of age on March 13, 1998 and I have one daughter and four grandchildren. My wife, Lee, will reach the age of 80 on February 20, 1998. She has two daughters and three grandchildren.

Under the present generation-skipping transfer tax, any gifts or bequests which either my wife or myself make directly to our grandchildren results in a generation-skipping transfer tax <u>and</u> a gift tax. Tax law treats direct gifts to our grandchildren as though they were first made to our children (subject to a first tax) and then gifted over by our children to our grandchildren (subject to a second tax).

I would call to your attention the fact that federal transfer taxes imposed on a lifetime taxable gift to a grandchild equals 140.25% of the amount of the gift, and such taxes imposed on a gift at death equals 244.44% of the amount of the gift. Thus, for example, for every $100 taxable gift to one of my grandchildren, I pay the Internal Revenue Service federal transfer taxes equal to $140.25; the same $100 gift to my child would require payment to the Internal Revenue Service of $55. As such, an outlay of $240.25, i.e., the $140.25 in taxes payable to the Internal Revenue Service and the $100 gift, is required to make a $100 gift to my grandchildren, whereas only a $155 outlay is required to make a $100 gift to my daughter. The results are even more dramatic at death where a $100 bequest to a grandchild results in a tax of $244, whereas the same bequest to a child produces a tax of $123.

I strongly question the rationale of a law that makes such an intra-family distinction, forcing gifts to children at the expense of grandchildren because federal law, in essence, requires it.

This is a decision which many in our age brackets are facing right now with serious thoughts being given to disinheriting or limiting gifts to grandchildren because they are so tax-expensive. There can be no question in my case, as well as in the case of most Americans, that my grandchildren are just as natural an "object of my bounty" as my own child and, accordingly, should be treated equally for tax purposes. To make a distinction between the two for tax purposes, and to prevent the distribution of wealth among more individuals, is not justifiable.

I have been advised that generation-skipping transfer taxes to be collected by the United States Government in 1997 will amount to, at most, $200 million, representing approximately only .013% of the total budget receipts. Moreover, the confiscatory nature of the tax can be solved by merely excepting grandchildren from the purview of the tax, rather than instituting a complete repeal of the tax. The generation-skipping transfer tax is so complex, however, that I would suspect that the administrative costs of administering and enforcing it may equal or exceed the revenues which it generates.

With full recognition of the complexities and time demands on your stewardship, I earnestly and respectfully request that you and your administration take a broad look at this outrageous tax which affects only a very few.

Because of my respect for the Secretary of the Treasury, who has a wealth of background in this area, I am taking the liberty of sending a copy of this letter to Secretary Rubin.

Most sincerely,

Walter Annenberg

St. Davids Center
Suite A-200
150 Radnor-Chester Road
St. Davids, PA 19087

cc: The Hon. Robert E. Rubin

Background on Walter Annenberg letter

In his letter, Mr. Annenberg expresses his concern regarding the generation-skipping transfer tax (the "GST tax"), which he says "imposes a confiscatory tax on gifts made to one's own grandchildren." The GST tax was originally enacted in the Tax Reform Act of 1976, but was substantially modified by the Tax Reform Act of 1986.

The GST tax is intended as a backstop to the Federal estate and gift taxes. Property that is transferred to a child and then subsequently transferred to such child's own donees or heirs generally is subject twice to Federal estate and gift taxes. Prior to the imposition of the GST tax, wealthy individuals would avoid this second round of transfer taxation by making transfers directly for the benefit of persons in a generation more remote than their children's generation. The GST tax is designed to tax the transfer of wealth to remote generations in a manner similar to the way such transfers would have been taxed had they been transferred separately to each succeeding generation.

The GST tax is imposed at a flat rate of 55 percent on any "generation-skipping" transfer. However, each transferor is allowed a lifetime exemption from the GST tax of $1 million. Thus, Mr. Annenberg and his wife presently could pass a total of $2 million directly to their grandchildren without being subject to the GST tax. Moreover, prior to 1990, a $2 million-per-grandchild exemption applied for "generation-skipping" transfers to grandchildren. Thus, if Mr. and Mrs. Annenberg each took full advantage of this exemption prior to 1990, they could have already collectively transferred $28 million to their seven grandchildren.

Jon Talisman
622-0140

EXECUTIVE OFFICE OF THE PRESIDENT

FACSIMILE TRANSMITTAL SHEET

Number of pages including cover 2

Date 11/7/97

To Phil Caplan

FAX Number 62215

Comments as per your Conversation w/ Dan

From Matt Willis For Dan Burkhardt

OFFICE OF THE DIRECTOR
Presidential Correspondence
The White House
Washington, DC 20500
Phone: 202-456-7610
Fax: 202-456-2993

'97 NOV 7 AM 11:25

EXECUTIVE OFFICE OF THE PRESIDENT

FACSIMILE TRANSMITTAL SHEET

Number of pages including cover 3

Date 11-7-97

To Phil Caplan

FAX Number 62215

Comments
Per Dan's conversation

From JAN FOR DAN

OFFICE OF THE DIRECTOR
Presidential Correspondence
The White House
Washington, DC 20500
Phone: 202-456-7610
Fax: 202-456-2993

OCT 29 1997 [illegible]

WALTER H. ANNENBERG

October 24, 1997

'97 OCT 28 PM4:20

The President
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to solicit your views on the federal generation-skipping transfer tax which, in its present form, imposes a confiscatory tax on gifts made to one's own grandchildren. The imposition of this tax results in the Internal Revenue Service actually collecting more in taxes than the amount of the gift which is received by the grandchild. I think it would be equitable to tax grandchildren at the same rate as children. Given the sweeping changes to the Internal Revenue Service which are now being considered by Congress, and which I understand you now support, I believe it is especially appropriate at this time to consider the propriety of the continued imposition of this tax. I do not pretend to present an expert's view on this highly complex legislation, but only a very limited analysis.

I will reach 90 years of age on March 13, 1998 and I have one daughter and four grandchildren. My wife, Lee, will reach the age of 80 on February 20, 1998. She has two daughters and three grandchildren.

Under the present generation-skipping transfer tax, any gifts or bequests which either my wife or myself make directly to our grandchildren results in a generation-skipping transfer tax and a gift tax. Tax law treats direct gifts to our grandchildren as though they were first made to our children (subject to a first tax) and then gifted over by our children to our grandchildren (subject to a second tax).

I would call to your attention the fact that federal transfer taxes imposed on a lifetime taxable gift to a grandchild equals 140.25% of the amount of the gift, and such taxes imposed on a gift at death equals 244.44% of the amount of the gift. Thus, for example, for every $100 taxable gift to one of my grandchildren, I pay the Internal Revenue Service federal transfer taxes equal to $140.25; the same $100 gift to my child would require payment to the Internal Revenue Service of $55. As such, an outlay of $240.25, i.e., the $140.25 in taxes payable to the Internal Revenue Service and the $100 gift, is required to make a $100 gift to my grandchildren, whereas only a $155 outlay is required to make a $100 gift to my daughter. The results are even more dramatic at death where a $100 bequest to a grandchild results in a tax of $244, whereas the same bequest to a child produces a tax of $123.

I strongly question the rationale of a law that makes such an intra-family distinction, forcing gifts to children at the expense of grandchildren because federal law, in essence, requires it.

The President
October 24, 1997
Page Two

This is a decision which many in our age brackets are facing right now with serious thoughts being given to disinheriting or limiting gifts to grandchildren because they are so tax-expensive. There can be no question in my case, as well as in the case of most Americans, that my grandchildren are just as natural an "object of my bounty" as my own child and, accordingly, should be treated equally for tax purposes. To make a distinction between the two for tax purposes, and to prevent the distribution of wealth among more individuals, is not justifiable.

I have been advised that generation-skipping transfer taxes to be collected by the United States Government in 1997 will amount to, at most, $200 million, representing approximately only .013% of the total budget receipts. Moreover, the confiscatory nature of the tax can be solved by merely excepting grandchildren from the purview of the tax, rather than instituting a complete repeal of the tax. The generation-skipping transfer tax is so complex, however, that I would suspect that the administrative costs of administering and enforcing it may equal or exceed the revenues which it generates.

With full recognition of the complexities and time demands on your stewardship, I earnestly and respectfully request that you and your administration take a broad look at this outrageous tax which affects only a very few.

Because of my respect for the Secretary of the Treasury, who has a wealth of background in this area, I am taking the liberty of sending a copy of this letter to Secretary Rubin.

Most sincerely,

Walter Annenberg

St. Davids Center
Suite A-200
150 Radnor-Chester Road
St. Davids, PA 19087

cc: The Hon. Robert E. Rubin

WALTER H. ANNENBERG
ST. DAVIDS CENTER, SUITE A-200
150 RADNOR-CHESTER ROAD
ST. DAVIDS, PENNSYLVANIA 19087

The President
The White House
Washington, DC 20500

FedEx. USA Airbill Tracking Number 5073514865 002028278 3 SPH43

Recipient's Copy

1 From

Date October 24, [redacted]

Sender's Name Walter H. Annenberg Phone (610) 341-9396

Company ANNENBERG, WALTER, AMBASSADOR Dept./Floor/Suite/Room

Address 150 RADNOR CHESTER RD #A-200

City ST DAVIDS State PA Zip 19087

2 Your Internal Billing Reference Information

3 To

Recipient's Name Ms. Nancy Hernreich Phone (202) 456-1414

Company The White House Dept./Floor/Suite/Room

Address 1600 Pennsylvania Avenue
(To "HOLD" at FedEx location, print FedEx address here)

City Washington State DC Zip 20500

For HOLD at FedEx Location check here
- [ ] Hold Weekday (Not available with FedEx First Overnight)
- [ ] Hold Saturday (Not available at all locations) (Not available with FedEx First Overnight or FedEx Standard Overnight)

For Saturday Delivery check here
- [ ] (Extra Charge. Not available to all locations) (Not available with FedEx First Overnight or FedEx Standard Overnight)

5073514865

4a Express Package Service *Packages under 150 lbs.* Delivery commitment may be later in some areas.
- [ ] FedEx Priority Overnight (Next business morning)
- [ ] FedEx Standard Overnight (Next business afternoon)
- [ ] FedEx 2Day* (Second business day)
- [ ] NEW FedEx First Overnight (Earliest next business morning delivery to select locations) (Higher rates apply)

* FedEx Letter Rate not available. Minimum charge: One pound FedEx 2Day rate

4b Express Freight Service *Packages over 150 lbs.* Delivery commitment may be later in some areas.
- [ ] FedEx Overnight Freight (Next business day service for any distance)
- [ ] FedEx 2Day Freight (Second business-day service for any distance)
- [ ] FedEx Express Saver Freight (Up to 3 business-day service based upon distance)

(Call for delivery schedule. See back for detailed descriptions of freight products.)

5 Packaging
- [ ] FedEx Letter
- [ ] FedEx Pak
(Declared value limit $500)
- [ ] FedEx Box
- [ ] FedEx Tube
- [ ] Other Pkg.

6 Special Handling

Does this shipment contain dangerous goods?
- [ ] Yes (As per attached Shipper's Declaration)
- [ ] Yes (Shipper's Declaration not required)
- [ ] Dry Ice — Dry Ice, 9, UN 1845 III ____ x ____ kg 904 (Dangerous Goods Shipper's Declaration not required)
- CA [ ] Cargo Aircraft Only

7 Payment

Bill to:
- [ ] Sender (Account no. in section 1 will be billed)
- [ ] Recipient
- [ ] Third Party
- [ ] Credit Card
- [ ] Cash/Check
- [ ] Obtain Recipient FedEx Account No.

(Enter FedEx account no. or Credit Card no. below)

[redacted]

Total Packages	Total Weight	Total Declared Value*	Total Charges
		$ .00	$

* When declaring a value higher than $100 per shipment, you pay an additional charge. See SERVICE CONDITIONS, DECLARED VALUE AND LIMIT OF LIABILITY section for further information.

Credit Card Auth.

8 Release Signature

Your signature authorizes Federal Express to deliver this shipment without obtaining a signature and agrees to indemnify and hold harmless Federal Express from any resulting claims.

272

Questions?
Call 1·800·Go·FedEx
(1-800-463-3339)

WBSL 0497
Rev. Date 6/96
PART #147956
©1994-96 FedEx
PRINTED IN U.S.A.

Terms And Conditions

Definitions On this airbill, we, our and us refer to Federal Express Corporation, its employees, and agents. You and your refer to the shipper, its employees, and agents.

Agreement To Terms By giving us your package to deliver, you agree to all the terms in our current Service Guide, which is available on request. You also agree to those terms on behalf of any third party with an interest in the package. If there is a conflict between the Service Guide and this Airbill, the Service Guide will control. No one is authorized to change the terms of our Agreement.

Responsibility For Packaging And Completing Airbill You are responsible for adequately packaging your goods and properly filling out the airbill. If you omit the number of packages and/or weight per package, our billing will be based on our best estimate of the number of packages we received and/or an estimated "default" weight per package as determined by us.

Responsibility For Payment Even if you give us different payment instructions, you will always be primarily responsible for all delivery costs, as well as any cost we incur in either returning your package to you or warehousing it pending disposition.

Limitations On Our Liability And Liabilities Not Assumed

- Our liability for loss or damage to your package is limited to your actual damages or $100, unless you declare a higher value, pay an additional charge, and document your actual loss in a timely manner. You may pay an additional charge for each additional $100 of declared value. The declared value does not constitute, nor do we provide, cargo liability insurance.
- In any event, we will not be liable for any damage, whether direct, incidental, special, or consequential in excess of the declared value of a shipment, whether or not Federal Express had knowledge that such damages might be incurred including but not limited to loss of income or profits.

We won't be liable:

- for your acts or omissions, including but not limited to improper or insufficient packing, securing, marking, or addressing, or those of the recipient or anyone else with an interest in the package.
- if you or the recipient violate any of the terms of an Agreement.
- for loss or damage to shipments of prohibited items.
- for loss, damage, or delay caused by events we cannot control, including but not limited to acts of God, perils of the air, weather conditions, acts of public enemies, war, strikes, civil commotions, or acts of public authorities with actual or apparent authority.

Declared Value Limits

- The highest declared value allowed for FedEx Letter and FedEx Pak shipments is $500.
- For other shipments, the highest declared value allowed is $50,000 unless your package contains items of "extraordinary value," in which case the highest declared value allowed is $500.
- Items of "extraordinary value" include shipments containing such items as artwork, jewelry, furs, precious metals, negotiable instruments, and other items listed in our Service Guide.
- You may send more than one package on this airbill and fill in the total declared value for all packages, not to exceed the $100, $500 or $50,000 per package limit described above. (Example: 5 packages can have a total declared value of up to $250,000.) In that case, our liability is limited to the actual value of the package(s) lost or damaged, but may not exceed the maximum allowable declared value(s) or the total declared value, whichever is less. You are responsible for proving the actual loss or damage.

Filing A Claim YOU MUST MAKE ALL CLAIMS IN WRITING and notify us of your claim within strict time limits set out in the current Service Guide.

We'll consider your claim filed if you notify our Customer Service Department at 1•800•Go•FedEx and make your claim in writing as soon as possible.

Within 90 days after you notify us of your claim, you must send us all the information you have about it. We aren't obligated to act on any claim until you have paid all transportation charges, and you may not deduct the amount of your claim from those charges.

If the recipient ac[illegible]ge without noting any damage on the delivery [illegible]e will assume the package was delivered in good condition. For us to process your claim, you must make the original shipping cartons and packing available for inspection.

TDS

Right To Inspect We may at our option open and inspect your packages before or after you give them to us to deliver.

Right Of Rejection We reserve the right to reject a shipment when such shipment would be likely to cause delay or damage to other shipments, equipment, or personnel or if its shipment is prohibited by law; or if the shipment would violate any terms of our Agreement or our current Service Guide.

C.O.D. Services C.O.D. SERVICE IS NOT AVAILABLE WITH THIS AIRBILL. If C.O.D. Service is required, please use a Federal Express C.O.D. airbill.

Air Transportation Tax Included Our basic rate includes a federal tax required by Internal Revenue Code Section 4271 on the air transportation portion of this service.

Money-Back Guarantee In the event of untimely delivery, Federal Express will at your request and with some limitations, refund or credit all transportation charges. See current Service Guide for more information.

Freight Services There are several freight service options, depending on your transit time needs.

- FedEx Overnight Freight: Next business-day service to all points in the 48 states; rates are uniform, regardless of distance shipped.
- FedEx 2Day Freight: Second business-day service to all points in the 48 states; rates are uniform, regardless of distance shipped.
- FedEx Express Saver Freight: Up to 3 business-day service to all points in the 48 states; rates are based upon the distance shipped.

FedEx. USA Airbill

Tracking Number 5073514865

002028278 SPH43

FedEx Retrieval Copy

1 From

Date October 24, 1997 Sender's FedEx Account Number 1355-7740-5

Sender's Name Walter H. Annenberg Phone (610) 341-9396

Company ANNENBERG, WALTER, AMBASSADOR Dept./Floor/Suite/Room

Address 150 RADNOR CHESTER RD #A-200

City ST DAVIDS State PA Zip 19087

2 Your Internal Billing Reference Information

3 To

Recipient's Name Ms. Nancy Hernreich Phone (202) 456-1414

Company The White House Dept./Floor/Suite/Room

Address 1600 Pennsylvania Avenue

(To "HOLD" at FedEx Location, print FedEx address here)

City Washington State DC Zip 20500

For HOLD at FedEx Location check here

1 ☐ Hold Weekday (Not available with FedEx First Overnight)

31 ☐ Hold Saturday (Not available at all locations) (Not available with FedEx First Overnight or FedEx Standard Overnight)

For Saturday Delivery check here

3 ☐ (Extra Charge. Not available to all locations) (Not available with FedEx First Overnight or FedEx Standard Overnight)

4a Express Package Service *Packages under 150 lbs.* Delivery commitment may be later in some areas

1 ☐ FedEx Priority Overnight (Next business morning)

5 ☒ FedEx Standard Overnight (Next business afternoon)

3 ☐ FedEx 2Day* (Second business day)

6 ☐ NEW FedEx First Overnight (Earliest next business morning delivery to select locations) (Higher rates apply)

*FedEx Letter Rate not available. Minimum charge: One pound FedEx 2Day rate

4b Express Freight Service *Packages over 150 lbs.* Delivery commitment may be later in some areas

7 ☐ FedEx Overnight Freight (Next business day service for any distance)

8 ☐ FedEx 2Day Freight (Second business day service for any distance)

83 ☐ FedEx Express Saver Freight (Up to 3 business-day service based upon distance)

(Call for delivery schedule. See back for detailed descriptions of freight products.)

5 Packaging 6 ☒ FedEx Letter (Declared value limit $500) 2 ☐ FedEx Pak 3 ☐ FedEx Box 4 ☐ FedEx Tube 1 ☐ Other Pkg.

6 Special Handling

Does this shipment contain dangerous goods? 4 ☐ Yes (As per attached Shipper's Declaration) ☐ Yes (Shipper's Declaration not required)

6 ☐ Dry Ice (Dry Ice, 9, UN 1845 III ____ x ____ kg 904) (Dangerous Goods Shipper's Declaration not required)

CA ☐ Cargo Aircraft Only

7 Payment

Bill to: 1 ☒ Sender (Account no. in section 1 will be billed) 2 ☐ Recipient 3 ☐ Third Party 4 ☐ Credit Card 5 ☐ Cash/Check

☐ Obtain Recipient FedEx Account No.

(Enter FedEx account no. or Credit Card no. below)

FedEx Account No.

Credit Card No. Exp. Date

Total Packages | Total Weight | Total Charges $

*When declaring a value higher than $100 per shipment, you pay an additional charge. See SERVICE CONDITIONS, DECLARED VALUE AND LIMIT OF LIABILITY section for further information.

Credit Card Auth.

8 Release Signature

Your signature authorizes Federal Express to deliver this shipment without obtaining a signature and agrees to indemnify and hold harmless Federal Express from any resulting claims.

☐ Check here if package was dropped off

272

5 0 7 3 5 1 4 8 6 5

WCSL 0497 Rev. Date 6/96 PART #147956 ©1994-96 FedEx PRINTED IN U.S.A.

10/28/97

Anna - thanks. RMM 10/29

Send to Burkhardt?

Yes ✓

no

10/29

Reuben

for BC sig

DWB/TDS

Dan coord with NEC

C.

241691

'97 NOV 7 AM11:06

11/7/97

Phil,

The Majority Leader called Leg. Affairs and asked that this be delivered to the President as soon as possible.

Chris

Chris

X

11-7-97

TRENT LOTT
MAJORITY LEADER

Nov. 7, 1997

Mr. President,

Ole Miss - 19
Arkansas - 9
Please include cole slaw.

Sincerely, Trent

241882

7495

THE WHITE HOUSE

WASHINGTON

November 8, 1997

11-20-97

'97 NOV 10 AM10:21

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER

SUBJECT: Letter to Madame Wang

Purpose

To send the book, "Overcoming Jet Lag" to Madame Wang of China.

Background

During the State Dinner honoring President Jiang Zemin, Madame Wang mentioned to you her problem overcoming jet lag. You responded that you knew a book that she might find helpful.

RECOMMENDATION

That you sign the attached letter transmitting a copy of "Overcoming Jet Lag" to Madame Wang.

Attachment
Tab A Letter to Madame Wang

cc: Vice President
Chief of Staff

Tab A

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Yeping Wang
First Lady of the People's Republic of China
Beijing

Tab B

ESSENTIAL FOR
EVERY AIR TRAVELER!

OVERCOMING JET LAG

THE AMAZING
3-STEP PROGRAM
DEVELOPED AT THE
ARGONNE NATIONAL
LABORATORY AND
USED BY FORTUNE 500
EXECUTIVES AND
THE U.S. ARMY
RAPID DEPLOYMENT
FORCES

by DR. CHARLES F. EHRET and
LYNNE WALLER SCANLON

THE WHITE HOUSE

WASHINGTON

Date 4/3

To: NSC

From: The Staff Secretary

POTUS wants to send this book to Madame Wang with a letter. He dictated some thoughts to Betty Currie (attached). He'll sign it

Phil Caplan

11-12-97

Cathy checking

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Yeping Wang
First Lady of the People's Republic of China
Beijing

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Wang Yeping
First Lady of the People's Republic of China
Beijing

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Wang Yeping
First Lady of the People's Republic of China
Beijing

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Wang Yeping
First Lady of the People's Republic of China
Beijing

THE WHITE HOUSE

WASHINGTON

Dear Madame Wang:

I hope that you and President Jiang had a pleasant trip home. Hillary and I were delighted to meet you and pleased you were able to see so many places in the United States during your visit.

I enjoyed our conversation at the State Dinner and, as we discussed, I am enclosing a copy of a very good book on jet lag. I think you will find it useful for future trips.

Please relay to President Jiang my best wishes. I look forward to seeing you next year in China.

Sincerely,

Madame Wang Yeping
First Lady of the People's Republic of China
Beijing

THE WHITE HOUSE

WASHINGTON

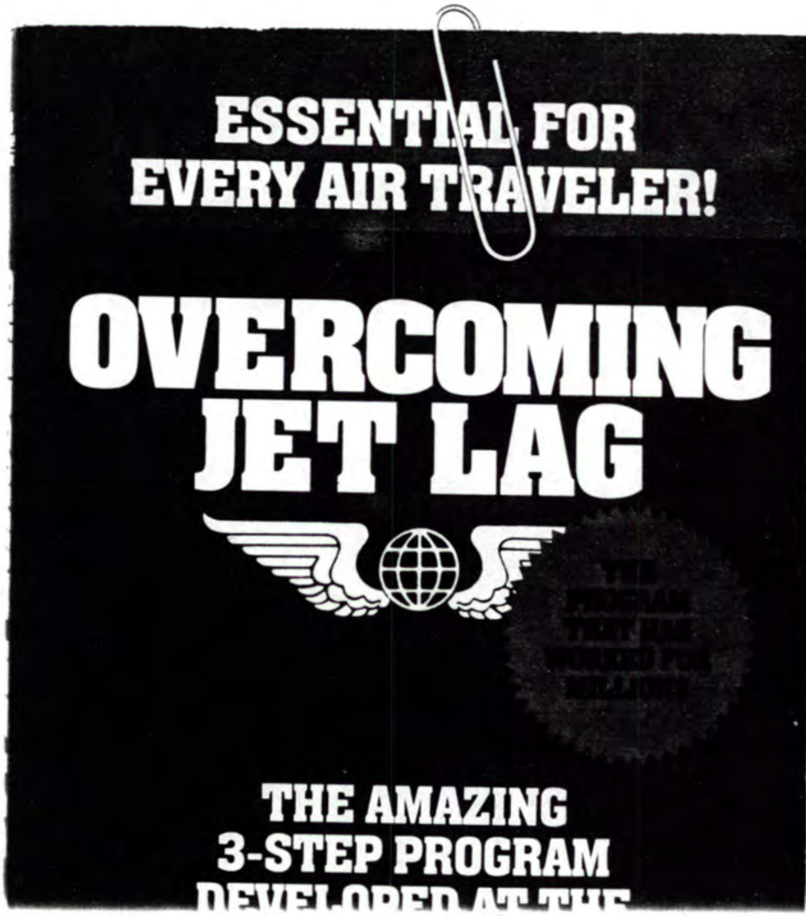
Date 4/3

To: NSC

From: The Staff Secretary

POTUS wants to send this book to Madame Wang with a letter. He dictated some thoughts to Betty Currie (attached).

Phil Caplan



Ms. Wang

I very much enjoyed our conversation at the State Dinner.

Here is the book I mentioned.

(something about best wishes etc to President Jiang).

POTUS will sign letter.

POTUS may have said something about hope you are feeling better -

POTUS WILL SIGN LETTER.

BETTY

NOVEMBER 3, 1996

Ltr to Lester Hyman re Middle East Peace Process and Domestic Political Sensitivities

Ok to Oval

241825

THE WHITE HOUSE

WASHINGTON

November 9, 1997

MR. PRESIDENT:

The Foreign Assistance Act requires that you annually transmit to Congress a list of major drug producing and transit countries.

The year's report is identical to last year's except that the State Department, with NSC's concurrence, has dropped Syria and Lebanon from the "majors" list to the "watch" list, because poppy fields in the Beka'a Valley have been eradicated.

11-9-97

Thirty countries remain on the "majors" list: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Columbia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela, and Vietnam. Several other nations (*e.g.,* Cuba, Turkey) remain on the "watch" list and are being closely monitored.

It is our understanding that Senator Grassley has placed a "hold" on four of your Ambassadorial nominations until he receives this report. ***If you approve the report, we will execute the appropriate papers on your behalf and have them transmitted to the Hill tonight.***

✓ Approve ___ Disapprove ___ Discuss

Sean Maloney SM

241825
7599

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

November 7, 1997

'97 NOV 9 PM5:52

ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH: RICHARD A. CLARKE

FROM: ELIZABETH G. VERVILLE

SUBJECT: Transmittal of Annual List of Major Illicit Drug Producing and Transit Countries

11-9-97

The State Department has recommended that the President send to Congress a list of thirty major illicit drug producing and transit countries (the "majors" list). The Foreign Assistance Act calls for such a list to be sent to Congress by November 1 of each year. The President is then required to make certification decisions concerning these countries by March 1. The 1998 majors list recommended by the State Department is identical to last year's list except that it would drop Lebanon and Syria because the facts no longer justify their inclusion.

Concurrence by: Mary DeRosa; James Dobbins; Sandra Kristoff; Bruce Reidell; Don Bandler; Will Davis; Erica Barks-Ruggles

ukk for

RECOMMENDATION

That you sign the Memorandum to the President at Tab I. ONDCP Director Barry McCaffrey and John Hilley will co-send the Memorandum to the President with you.

Attachments
Tab I Memorandum to the President
Tab ~~II~~A Proposed Response
Tab II Incoming Correspondence

THE WHITE HOUSE

WASHINGTON

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER
BARRY R. MCCAFFREY BMD
JOHN HILLEY John Hilley

SUBJECT: Transmittal of Annual List of Major Illicit Drug Producing and Transit Countries to Congress

Purpose

To send the list of major drug producing and drug transit countries to Congress ("majors list") as required by law. The list proposed by the State Department is identical to last year except that it would drop Lebanon and Syria for reasons explained below.

Background

The first step in the annual drug certification process, as provided in Foreign Assistance Act Section 490(h), is for you to send the list of major drug producing and transit countries to the Chairs and Ranking Members of the foreign affairs and appropriations committees. The criteria for inclusion on the majors' list relate both to the amount of illicit drugs harvested or produced in a country and/or the amount of illicit drugs transiting a country which significantly affects the United States.

The law requires you to withhold from countries on the majors list 50 percent of most forms of U.S. Government assistance until March 1, the date by which your certification decisions must be made under the law. After March 1, countries on the majors list will be subject to further penalties, including a United States vote against any multilateral development bank assistance, unless you certify that either: (1) the country has cooperated fully with the United States or taken adequate

cc: Vice President
Chief of Staff

unilateral steps to comply with the goals and objectives of the 1988 Vienna Drug Convention; or (2) the vital national interests of the United States require that the withheld assistance be provided and that the United States not vote against multilateral development bank assistance for that country.

The Proposed List

The State Department has proposed that the 1998 majors list contain 30 countries: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela and Vietnam. This is identical to the 1997 list except that it would drop Syria and Lebanon, which were on the 1997 list.

State proposes dropping Syria and Lebanon because there is no longer any significant illicit drug cultivation in the Beka'a Valley, thanks to successful eradication efforts by both countries. Lebanon and Syria had been considered major drug producers because of the 3,400 hectares of opium poppy cultivated in the Beka'a since the 1980s. Since Syrian troops controlled the Beka'a and profited from the drug trade, Syria was also included on the list.

Though both countries remain important drug transit areas for South American cocaine and Southwest Asian heroin, most of these drugs go to Europe. While some of the heroin also reaches the United States, we have no evidence that it does so in quantities that can be said to affect the United States significantly.

We concur with the State Department's recommendations. State would inform the governments on the majors list of your decision to include them in advance of any public announcement.

Status of Certain Entities

The majors list applies by its terms to countries. Congress is on notice, however, that we interpret the term broadly to include certain entities which exercise autonomy over actions or omissions that would lead to a decision to place them on the list and subsequently to determine eligibility for certification. Hong Kong has been on the majors list since 1987, while it was a crown colony of Great Britain. It is retained this year despite the exercise of Chinese sovereignty as of July 1, 1997, because of Hong Kong's autonomy in areas other than foreign affairs and defense. Taiwan was added in 1995; the Taiwan Relations Act provides that "whenever the laws of the United States refer or relate to foreign countries…such laws shall apply with respect to Taiwan." Last year Aruba was added to the majors list, and the Netherlands Antilles to the watch list, after a determination that their status as part of the Kingdom of the Netherlands affords them autonomy over internal affairs.

Key Justifications

Lebanon and Syria

Both countries were placed on the majors list ten years ago on the basis of important illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, refining, and transportation led to the inclusion of Syria on the list. Beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more that 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has been effective, since USG surveys have detected no current opium poppy cultivation. Though both countries are transit areas of South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, we have no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. The State Department is recommending that both countries be removed from the majors list this year and be placed on the watch list, with the understanding they will once again be listed as major illicit drug producing or transit countries, should the evidence warrant.

The State Department memorandum notes that for reasons largely unrelated to narcotics issues, we may anticipate that some in Congress may criticize removing Lebanon and Syria from the majors lists. Israel is likely to raise objections arguing this sends an inappropriate political signal on the peace process. Therefore, State would conduct Congressional briefings on the entire majors list, including Lebanon and Syria, to ensure that congress is aware of the factual basis for your decisions and to draw the Hill's attention to the inclusion of these two countries on the watch list.

Netherlands Antilles

Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St. Maarten. Although at present the State Department has only anecdotal information, it is possible that significant quantities of United States bound drugs are involved. If State determines that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, it will recommend that you add the Netherlands Antilles to the list of major illicit drug transit countries.

Turkey and Other Balkan Route Countries

Though the State Department is still concerned about the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan route, it has no clear evidence that this heroin significantly affects the United States -- as required for a country to be designated a major transit country. In the event that the State Department determines that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, it will propose that you add the relevant countries to the majors list.

Cuba's geographical position astride one of the principal Caribbean trafficking routes to the United States makes it a logical candidate for consideration for the majors lists. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, the State Department has yet to confirm that this traffic carries significant quantities of cocaine or heroin to the United States.

The State Department notes that we may anticipate some Congressional criticism also for not including Cuba on the majors list for the fifth consecutive year since it first appeared on the informal watch list. However, the data do not yet give sufficient grounds to recommend that Cuba be included, and we will need to defend our position with the available data.

Major Cannabis Producers. While Kazakhstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are important cannabis producers, the State Department has not included them on this list since in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States. Thus, such illicit cannabis production does not significantly affect the United States, and the letters to Congress would indicate that you have so determined. (FAA Section 481(e)(2) states that a country that cultivates and harvests more than 5,000 hectares per year of illicit cannabis falls within the definition of a "major illicit drug producing country," unless the President determines that such illicit cannabis production does not significantly affect the United States.)

Central Asia

The State Department has conducted probes of potential cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, State will propose that you add the relevant countries to the majors list.

RECOMMENDATION

That you sign and transmit the letters at Tab I to the Chairmen and Ranking Members of the House International Relations Committee and Senate Foreign Relations Committees and to the Chairmen and Ranking Members of the House and Senate Appropriations Committees.

Attachments
Tab A Proposed Letters

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

In accordance with the provisions of Section 490(h) of the Foreign Assistance Act of 1961, as amended, I have determined that the following countries are major illicit drug-producing or drug-transit countries: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela, and Vietnam. These countries have been selected on the basis of information from the March 1, 1997, International Narcotics Control Strategy Report and from other United States Government sources.

This year, I have removed Lebanon and Syria from the list. Both countries were placed on the majors list ten years ago on the basis of important, illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, production and transportation led to the inclusion of Syria on the list beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has been effective, since USG surveys have detected no current opium poppy cultivation. Though both countries are transit areas for South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, I have no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. I have removed both countries from the majors list this year and have placed them on the watch list, with the understanding that they will be once again listed as major illicit drug producers or transit countries, should the evidence warrant.

Netherlands Antilles. Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St Maarten. Although at present there is only anecdotal information, it is possible that significant quantities of U.S.-bound drugs are involved. If I determine that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, I will add the Netherlands Antilles to the list of major illicit drug transit countries.

Turkey and Other Balkan Route Countries. Although I remain concerned over the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan Route, I have no clear evidence that this heroin significantly affects the United States--as required for a country to be designated a major transit country. In the event that I determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, I will add the relevant countries to the majors list.

Cuba. Cuba's geographical position astride one of the principal Caribbean trafficking routes to the United States makes it a logical candidate for consideration for the majors list. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, I have yet to confirm that this traffic carries significant quantities of cocaine or heroin to the United States.

Central Asia. There have been recent probes of potential cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, I will add the relevant countries to the majors list.

Major Cannabis Producers. While Kazakhstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are important cannabis producers, they do not appear on this list since I have determined, pursuant to FAA §481(e)(2), that in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States, and thus such illicit cannabis production does not significantly affect the United States.

Sincerely,

The Honorable Benjamin A. Gilman,
Chairman
Committee on International Relations
House of Representatives
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

November 9, 1997

Dear Mr. Chairman:

In accordance with the provisions of section 490(h) of the Foreign Assistance Act of 1961, (FAA), as amended, I have determined that the following countries are major illicit drug-producing or drug-transit countries: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela, and Vietnam. These countries have been selected on the basis of information from the March 1, 1997, International Narcotics Control Strategy Report and from other U.S. Government sources.

This year, I have removed Lebanon and Syria from the list. Both countries were placed on the majors list ten years ago on the basis of important, illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, production, and transportation led to the inclusion of Syria on the list beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has been effective, since U.S. Government surveys have detected no current opium poppy cultivation. Though both countries are transit areas for South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, there is no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. I have removed both countries from the majors list this year and have placed them on the watch list, with the understanding that they will be once again listed as major illicit drug producers or transit countries, should the evidence warrant.

Netherlands Antilles. Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St. Maarten. Although at present there is only anecdotal information, it is possible that significant quantities of U.S.-bound drugs are involved. If I determine that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, I will add the Netherlands Antilles to the list of major illicit drug-transit countries.

Turkey and other Balkan Route Countries. Although I remain concerned over the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan Route, there is no clear evidence that this heroin significantly affects the United States -- as required for a country to be designated a major transit country. In the event that I determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, I will add the relevant countries to the majors list.

Cuba. Cuba's geographical position astride one of the principal Caribbean trafficking routes to the United States makes it a logical candidate for consideration for the majors list. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, it has yet to be confirmed that this traffic carries significant quantities of cocaine or heroin to the United States.

Central Asia. There have been recent probes of potential cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, I will add the relevant countries to the majors list.

Major Cannabis Producers. While Kazakhstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are important cannabis producers, they do not appear on this list since I have determined, pursuant to FAA section 481(e)(2), that in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States, and thus such illicit cannabis production does not significantly affect the United States.

Sincerely,

William J. Clinton

The Honorable Jesse Helms
Chairman
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

The Honorable
Jesse A. Helms
Chairman Committee on Foreign Relations
United States Senate
Washington, D.C. 20511

The Honorable Bob Livingston
Chairman Committee on Appropriations
House of Representatives
Washington, D.C. 20510

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20511

The Honorable Lee Hamilton
Committee on International Relations
House of Representatives
Washington, D.C. 20510

The Honorable
Joseph R. Biden, Jr.
Committee on Foreign Relations
United States Senate
Washington, D.C. 20511

The Honorable David Obey
Committee on Appropriations
House of Representatives
Washington, D.C. 20510

The Honorable Robert Byrd
Committee on Appropriations
United States Senate
Washington, D.C. 20511

United States Department of State

Washington, D.C. 20520

UNCLASSIFIED

MEMORANDUM FOR GLYN T. DAVIES
EXECUTIVE SECRETARY
NATIONAL SECURITY COUNCIL

Subject: Presidential List of Major Illicit Drug-Producing and Drug-Transit Countries

Attached is the text of a draft letter for the President's signature transmitting to the Chairmen and Ranking Members of the House International Relations and Senate Foreign Relations Committees and to the Chairmen and Ranking Members of the House and Senate Appropriations Committees the President's annual list of major illicit drug-producing and drug-transit countries for 1997-1998 ("majors list").

Once the majors list has been transmitted to the appropriate Congressional committees, FAA §490(a)(1) requires the President temporarily to withhold 50 percent of most forms of U.S. Government assistance from countries on this majors list. (The President may waive this 50 percent withholding requirement with respect to a country upon his determination that its application to that country would be contrary to the national interest; such determination is subject to the regular reprogramming notification procedure. We are not recommending that the President exercise this option at this time.)

The 50 percent withheld from a country cannot be provided, the remaining 50 percent of the same forms of assistance is subsequently cut off, and the United States must vote against assistance by six multilateral development banks unless the President certifies by March 1, 1998, that either: (1) during the previous year, the country has cooperated fully with the United States, or has taken adequate steps on its own, to achieve full compliance with the goals and objectives of the 1988 U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances ("1988 U.N. Drug Convention"); or (2) the vital national interests of the United States require that the withheld assistance be provided and that the United States not vote against multilateral development bank assistance for that country.

In 1997, there were 32 countries on the majors list: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Lebanon, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Syria, Taiwan, Thailand, Venezuela, and Vietnam. On February 28, 1997, the President denied certification to Afghanistan, Burma, Colombia, Iran, Nigeria, and Syria; granted a national interest certification to Belize, Lebanon, and Pakistan; and certified the remaining countries as fully cooperating with the United States or taking adequate steps on their own to achieve the goals and objectives of the 1988 U.N. Drug Convention.

We recommend removing Lebanon and Syria from the majors list because there is no longer any significant illicit drug cultivation in Lebanon's Beka'a Valley thanks to a successful eradication effort by both countries. Lebanon and Syria had been considered major drug producers because of the 3,400 hectares of opium poppy cultivated in the Beka'a since the 1980's. Since Syrian troops controlled the Beka'a, Syria was also included on the list. Though both countries are important drug transit areas, most of the heroin transiting the region from Southwest Asia goes to Europe. While some also reaches the United States, we have no evidence that it does so in quantities that can be said to affect the United States significantly.

For reasons largely unrelated to narcotics issues, we may anticipate that some in Congress will criticize us for removing Syria and Lebanon from the majors list. Therefore, we recommend Congressional briefings on the entire majors list, including Syria and Lebanon, to ensure that the Congress is aware of the factual basis for the President's decisions and to draw the Hill's attention to their inclusion on the watch list.

We may anticipate some congressional criticism for failing to include Cuba on the majors list for the fifth consecutive year since it first appeared on the informal watch list and will need to be prepared to face tough questioning and to defend our position. The data, however, do not yet give us sufficient grounds for recommending that Cuba be added to the majors list this year.

Status of Certain Entities. The majors list applies by its terms to "countries." Congress is on notice, however, that we interpret the term broadly to include certain entities which exercise autonomy over actions or omissions that would lead to a decision to place them on the list and subsequently to determine eligibility for certification. Hong Kong has been on the majors list since 1987, while it was a crown colony of Great Britain. It is retained this year despite the exercise of Chinese sovereignty as of July 1, 1997, because of Hong Kong's autonomy in areas other than foreign affairs and defense. Taiwan was added in 1995; the Taiwan Relations Act provides that "whenever the laws of the United States refer or relate to foreign countries...such laws shall apply with respect to Taiwan." Last year, Aruba was added to the majors list, and the Netherlands Antilles to the watch list, after a determination that their status as part of the Kingdom of the Netherlands affords them autonomy over internal affairs.

Justifications:

Lebanon and Syria. Both countries were placed on the majors list ten years ago on the basis of important illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, refining, and transportation led to the inclusion of Syria on the list. Beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has proved effective, since USG surveys have detected no current opium poppy cultivation. Though both countries are transit areas for South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, we have no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. We are recommending that both countries be removed from the majors list this year and be placed on the watch list, with the understanding they will once again be listed as major illicit drug producers or transit countries, should the evidence warrant.

Netherlands Antilles. Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St. Maarten. Although at present we have only anecdotal information, it is possible that significant quantities of U.S.-bound drugs are involved. If we determine that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, we will propose that the President add the Netherlands Antilles to the list of major illicit drug transit countries.

Cannabis producers. We recommend that the President determine that Kazakstan, Kyrgyzstan, Morocco, the Philippines, and South Africa not be added to the list despite reports of substantial cannabis cultivation, since this cannabis does not significantly affect the United States. We do not propose removing any countries.

Turkey and Other Balkan Route Countries. Though we are still concerned about the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan Route, we have no clear evidence that this heroin significantly affects the United States--as required for a country to be designated a major transit country. In the event that we determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, we will propose that the President add the relevant countries to the majors list.

Cuba's geographical position astride one of the principal Caribbean trafficking routes to the United States makes it a logical candidate for consideration for the majors list. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, we have yet to confirm that this traffic carries significant quantities of cocaine or heroin to the United States.

Central Asia. We have conducted probes of possible cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, we will propose that the President add the relevant countries to the majors list.

Maureen Quinn
William J. Burns for
Executive Secretary

Attachment:

Draft Text of Letter to HIRC Chairman Gilman, SFRC Chairman Helms, House Appropriations Committee Chairman Livingston, and Senate Appropriations Committee Chairman Stevens; and Corresponding Ranking Minority members Hamilton, Biden, Obey, and Byrd

DEPARTMENT OF STATE

DRAFT LETTER

[SAME TEXT FOR ALL FOUR CHAIRMEN AND FOUR RANKING MEMBERS]

Dear Mr. Chairman [Dear Senator/Dear Mr.]:

In accordance with the provisions of Section 490(h) of the Foreign Assistance Act of 1961, as amended, I have determined that the following countries are major illicit drug-producing or drug-transit countries: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela, and Vietnam. These countries have been selected on the basis of information from the March 1, 1997, International Narcotics Control Strategy Report and from other U.S. Government sources.

This year, I have removed Lebanon and Syria from the list. Both countries were placed on the majors list ten years ago on the basis of important illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, production, and transportation led to the inclusion of Syria on the list. Beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has proved effective, since USG surveys have detected no current opium poppy cultivation. Though both countries are transit areas for South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, I have no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. I have removed both countries from the majors list this year and have placed them on the watch list, with the understanding that they will be once again listed as major illicit drug producers or transit countries, should the evidence warrant.

Netherlands Antilles. Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St. Maarten. Although at present there is only anecdotal information, it is possible that significant quantities of U.S.-bound drugs are involved. If I determine that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, I will add the Netherlands Antilles to the list of major illicit drug transit countries.

<u>Turkey and Other Balkan Route Countries</u>. Although I remain concerned over the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan Route, I have no clear evidence that this heroin significantly affects the United States--as required for a country to be designated a major transit country. In the event that I determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, I will add the relevant countries to the majors list.

<u>Cuba</u>'s geographical position astride one of the principal Caribbean trafficking routes to the U.S. makes it a logical candidate for consideration for the majors list. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, I have yet to confirm that this traffic carries significant quantities of cocaine or heroin to the United States.

<u>Central Asia</u>. There have been recent probes of potential cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, I will add the relevant countries to the majors list.

<u>Major Cannabis Producers</u>. While Kazakstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are important cannabis producers, they do not appear on this list since I have determined, pursuant to FAA §481(a)(2), that in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States, and thus such illicit cannabis production does not significantly affect the United States.

Sincerely,

William J. Clinton

MESSAGE CONFIRMATION

NOV-09-97 22:35

FAX NUMBER : 2024561213

NAME : COMMUNICATIONS

FAX NUMBER : 96475620

PAGE : 04

ELAPSED TIME : 01'12"

MODE : G3 STD

RESULTS : O.K

NATIONAL SECURITY COUNCIL

Sean -

Need signed copy of

Helms letter to go to

TO MAUREEN QUINN - FOR

Meg Donovan. FAX #

~~224-0291~~ (VP's office

on Hill).

647-

5620

THANKS -

Ed

Faxed

Done

(Christy)

THE WHITE HOUSE
Washington, DC

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

To: Maureen Quinn for Meg Donovan

Fax Number: 647-5620 **Telephone Number:**

From: The Staff Secretary

Subject: Senator Helms letter

Date: November 9, 1997

Number of Pages (including cover sheet): 4

Message:

(If all pages are not received, please call (202) 456-2702.)

THE WHITE HOUSE

WASHINGTON

November 9, 1997

Dear Mr. Chairman:

In accordance with the provisions of section 490(h) of the Foreign Assistance Act of 1961, (FAA), as amended, I have determined that the following countries are major illicit drug-producing or drug-transit countries: Afghanistan, Aruba, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Taiwan, Thailand, Venezuela, and Vietnam. These countries have been selected on the basis of information from the March 1, 1997, International Narcotics Control Strategy Report and from other U.S. Government sources.

This year, I have removed Lebanon and Syria from the list. Both countries were placed on the majors list ten years ago on the basis of important, illicit opium cultivation in Lebanon's Beka'a Valley, a region under the control of Syrian occupation forces. Evidence that Syrian troops at the time were protecting and facilitating drug cultivation, production, and transportation led to the inclusion of Syria on the list beginning in 1992, however, Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Beka'a Valley opium poppy cultivation.

This effort has been effective, since U.S. Government surveys have detected no current opium poppy cultivation. Though both countries are transit areas for South American cocaine, and small laboratories in Lebanon reportedly refine Southwest Asian opium into heroin destined for Europe and the West, there is no evidence that any of these drugs reach the United States in quantities that significantly affect the United States. I have removed both countries from the majors list this year and have placed them on the watch list, with the understanding that they will be once again listed as major illicit drug producers or transit countries, should the evidence warrant.

Netherlands Antilles. Analysis of the trafficking patterns in the region indicates that there is continuing drug activity taking place around the Netherlands Antilles, especially in the vicinity of St. Maarten. Although at present there is only anecdotal information, it is possible that significant quantities of U.S.-bound drugs are involved. If I determine that drugs entering the United States from the Netherlands Antilles do so in sufficient quantities as to affect the United States significantly, I will add the Netherlands Antilles to the list of major illicit drug-transit countries.

Turkey and other Balkan Route Countries. Although I remain concerned over the large volume of Southwest Asian heroin moving through Turkey and neighboring countries to Western Europe along the Balkan Route, there is no clear evidence that this heroin significantly affects the United States -- as required for a country to be designated a major transit country. In the event that I determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, I will add the relevant countries to the majors list.

Cuba. Cuba's geographical position astride one of the principal Caribbean trafficking routes to the United States makes it a logical candidate for consideration for the majors list. While there continue to be some credible reports that trafficking syndicates use Cuban territory (including waters and airspace) for moving drugs, it has yet to be confirmed that this traffic carries significant quantities of cocaine or heroin to the United States.

Central Asia. There have been recent probes of potential cultivation sites in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, I will add the relevant countries to the majors list.

Major Cannabis Producers. While Kazakhstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are important cannabis producers, they do not appear on this list since I have determined, pursuant to FAA section 481(e)(2), that in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States, and thus such illicit cannabis production does not significantly affect the United States.

Sincerely,

William J. Clinton

The Honorable Jesse Helms
Chairman
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

Department of
Defense Report on
the Military Child
Development Program

Tab B to
this package
is on the Credenza
(it's a binder)

242036
7019
'97 NOV 10 PM7:31

THE WHITE HOUSE

WASHINGTON

November 10, 1997

11-12-97

OK for signature per Phil Caplan 11-12-97

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER (10) FOR
BRUCE REED

SUBJECT: Department of Defense Report on the Military Child Development Program

11-13-97

Purpose

To reply to Secretary Cohen's letter on the Military Child Development Program.

Background

On April 17 at the White House Conference on Early Childhood Development and Learning, you directed Secretary Cohen to share the expertise and lessons learned from the Military Child Development Program with Federal, State, tribal and local agencies, as well as with private and nonprofit entities, that are responsible for providing child care. You asked that he provide you a preliminary report within six months and a final report within one year on actions taken and further recommendations.

Secretary Cohen's letter provides a preliminary report on the Department of Defense's efforts. Among its accomplishments thus far, the Department has developed strong partnerships with the Child Care Bureau at Health and Human Services; developed child care "lessons learned" and used them to brief State Child Care Administrators at their July 1997 conference; developed a standard briefing, brochure and series of tri-folds on "lessons learned" for distribution to the States; prepared a State Directory of *Military Child Development Programs* and distributed it at the July 1997 conference; established a National Clearinghouse for the Military Child Development Program with a toll free number for civilian programs to order DoD training materials; trained over 100 persons to serve as speakers for the DoD Child Development Program Speakers' Bureau; developed a video describing "lessons learned" for distribution to State Child Care Administrators; designed a Military Child Development Program web site that will be accessible by January 1998; and developed plans to establish DoD "Child Care Programs of Excellence."

cc: Vice President
Chief of Staff

RECOMMENDATION

That you sign the letter at Tab A.

Attachments
Tab A Letter for Signature
Tab B Incoming Correspondence

THE WHITE HOUSE

WASHINGTON

Dear Bill:

Thank you for your letter describing the Department of Defense's initiatives to share its child care expertise and lessons learned with other government agencies and private organizations. I am highly impressed with the quality and extent of the efforts that have been made thus far and look forward to reading your final report next year. I was particularly pleased that the military experience was highlighted at the recent White House Conference on Child Care.

Please thank all those in the Military Child Development Program who have worked so hard on this important initiative. Their efforts are helping to improve the quality of child care for all of our Nation's children.

Sincerely,

The Honorable William S. Cohen
Secretary of Defense
Washington, D.C. 20301-1000

THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

OCT 15 1997

PLEASE STAFF

The President
White House
Washington, DC 20500

Dear Mr. President:

Your April 17, 1997, Executive Memorandum, "Using Lessons Learned from the Military Child Development Programs to Improve the Quality of Child Care in the United States" directed me to share the military's expertise and lessons learned from the Military Child Development Program (CDP) with the Nation. You directed that I consult with the Secretary of Health and Human Services and the Administrator of General Services and the heads of other Federal department or agencies with statutory authority over child care programs. You also asked that I consider the following four initiatives:

- developing partnerships between military child development programs and civilian child care programs in local communities, to improve the quality of service offered,
- establishing military "Child Care Programs of Excellence" to offer training to civilian child care providers,
- sharing DoD child care training and other materials with the civilian community and,
- establishing partnerships with local employment and job training programs to enable them to use DoD child care facilities as training sites for transitioning welfare recipients to work.

In response to your memorandum, we have:

- developed strong partnerships with the Child Care Bureau at Health and Human Services (HHS) and the General Services Administration (GSA).
- developed materials describing the "lessons learned" in child care and used these to brief the State Child Care Administrators at their July 1997 conference.
- developed a standard briefing, a brochure, and a series of tri-folds on the "lessons learned" for distribution to the States.
- prepared a State Directory of *Military Child Development Programs* and distributed it at the HHS Conference in July 1997. This document provides state and local officials with information on where Military Child Development Programs are located and how to access them. It will also be distributed this fall at the National Association for the Education of Young Children (NAEYC) Conference and to the states' child care representatives through the National Governor's Association.
- established a National Clearinghouse for the Military Child Development Program with a toll free number (1-888-CDP-3040) for civilian programs to order DoD training materials.

- developed a bibliography of DoD Training Materials. The bibliography will be mailed out to the states by this November.
- trained over 100 personnel to serve as speakers for the DoD Child Development Program Speakers' Bureau to respond to requests by civilian agencies for DoD CDP information. Another training session will be held in November, and over 400 DoD personnel will be prepared to share DoD child care program experiences with federal, state, and county agencies and the private sector.
- developed a video describing the "lessons learned" for distribution to State Child Care Administrators.
- designed a Military Child Development Program web site that will be accessible by January 1998.
- developed plans to establish DoD "Child Care Programs of Excellence." We are working with the Services to identify resources for implementing this initiative, and anticipate implementation of this program in late FY1998.

Additionally, each Military Service is serving as Executive Agent to develop materials to support the following:

Mentoring Civilian Programs through National Accreditation	Air Force
Implementing a Welfare to Work Training Model	Marine Corps
National Outreach through Early Childhood Conferences	Army
Partnerships to provide Off-Base Family Child Care	Navy
Tips for Showing the Military Child Development Program to the Civilian Sector	Army

Included for your information is a copy of the *Military Child Development Program* briefing, the brochure, the Directory of *DoD Child Development Programs*, and the *Bibliography of DoD Child Development Program Materials*. I have also included a copy of the Report to Congress submitted this summer on *"Military Civilian Child Care Partnerships."*

The Department is proud of its Child Development Program and is eager to build partnerships with the civilian sector to improve child care for our Nation's children. Your recognition and support of our Military Program is appreciated.

Respectfully Yours,

Attachment:
As stated

we took the
contents out
of the notebook
to send to [
POTUS

242513

THE WHITE HOUSE

WASHINGTON

11-20-97

'97 NOV 14 PM4:

NOVEMBER 14, 1997

INFORMATION

MEMORANDUM FOR THE PRESIDENT

CC: Maria Echaveste, Assistant to the President and Director, Office of Public Liaison

FROM: Sylvia Matthews, Deputy Chief of Staff
Audrey Tayse Haynes, Deputy Assistant to the President and Director, Office for Women's Initiatives and Outreach

SUBJECT: RESEARCH AND POLL RESULTS OF "NEW WOMEN VOTERS IN 1996 AND BEYOND"

I. SUMMARY

Attached are research and poll results conducted for the Women's Vote Project (a nonpartisan vote initiative of the Council of Presidents--a coalition of 110 national women's organizations) by Celinda Lake and Linda Divall. The results included focus groups in Denver and Atlanta and a survey of new women voters who voted in 1996, but not in 1992 or 1994, in five targeted states: Colorado, Georgia, Massachusetts, Missouri, and North Carolina. Also included in this information is a report on the size of the gender gap by state based on CNN exit polling.

II. DISCUSSION

The information is divided into sections: Research/Methodology/Summary; Messages; and CNN Gender Gap. Celinda Lake believes this is the first poll ever conducted of *new* women voters, looking specifically at the process and messages to determine what triggered their participation. Ms. Lake and Ms. Irene Natividad, Chairman of the Women's Vote Project, are available to answer further questions.

ATTACHMENTS:
as stated

New Women Voters in 1996 and Beyond

Presentation of findings from focus groups and a national survey

Prepared for the Women's Vote Project
Irene Natividad, Chair

by

Lake Sosin Snell Perry & Associates

American Viewpoint

September 1997

243965

'97 NOV 28 PM10:08

THE WHITE HOUSE

WASHINGTON

November 25, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED
GENE SPERLING
ELENA KAGAN

SUBJECT: State of the Union Ideas

As you requested, this memorandum provides a brief description of new ideas we are seriously considering for the State of the Union. Most of these ideas involve increased spending, and you will have to make choices among them as you consider the FY 99 budget. Options relating to social security and tax reform are not included in this memo.

Education

1. Class size / 100,000 teachers: We are working with the Vice President's office and others on an ambitious initiative to reduce class sizes in the early grades by providing money to hire up to 100,000 new teachers, perhaps paid for by reducing the federal work force by another 100,000 positions. We estimate that 100,000 new teachers in grades 1-3 would reduce average class size from roughly 21 to roughly 18. The initiative would have three main elements: 1) grants to help states or communities hire new teachers (as in the COPS program, these grants would be time-limited (3-4 years) and the federal share would be 50-75%); 2) funds for teacher training, with a special emphasis on reading; and 3) provisions to ensure accountability, such as requiring testing of new teachers and/or ensuring the removal of bad teachers from the classroom. A serious proposal along these lines would cost $5-10 billion over five years, depending on the size of the federal match and the target date for reaching 100,000. We also would need to accompany the proposal with a school construction initiative (see below).

2. Education Opportunity Zones: As we outlined in an earlier memo on policy proposals for the race initiative, we are working with the Education Department on a plan that would reward 10-15 poor inner city and rural school districts for agreeing to adopt a school reform agenda that includes: ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice and/or public school vouchers. Our goal is to give school districts incentives to hold students, teachers, and schools accountable, in essentially the way Chicago has done. In our working proposal, each urban grant would be worth $10-25 million and each rural grant would be worth up to $2 million, for a total request in FY99 of $320 million.

3. National Public School Choice Law: We are exploring the possibility of proposing legislation to require that states and communities allow public school choice as a condition of receiving federal education funding. Together with a strong endorsement of bipartisan charter school legislation (bound to pass next year), this measure will show that we firmly support choice and competition. We are also looking into the concept of a parents' right-to-know law that would require states and communities to make key information on school performance available, so that parents can make informed choices.

4. University-School Partnerships: As we also outlined in our earlier memo on the race initiative, we are working on a grant program to promote strong partnerships between colleges and high-poverty middle and high schools, with the goal of enabling more youth to go on to college. This initiative would encourage colleges to adopt the Eugene Lang model for helping disadvantaged youngsters. Colleges would encourage students to take demanding courses, while providing academic enrichment and intensive mentoring, tutoring, and other support services. The students would receive special certificates for participating in the program, somewhat along the lines of Chaka Fatah's proposal. The Department of Education has requested $200 million for FY 99 for this initiative.

5. Campaign on Access to Higher Education: We are preparing to conduct an intensive publicity campaign on the affordability of higher education. The goal of the campaign would be to make every family aware that higher education is now universally accessible, as well as to reiterate that higher education is the key to higher earnings.

6. School Construction: We will need to re-propose a school construction initiative this year. We are currently considering the appropriate size and duration of this initiative, as well as the possibility of structuring this initiative as a tax credit.

7. Teacher Training for Technology: We are currently weighing several options on training teachers to use educational technology. These include (1) expanding various innovation grants to ensure that within four years, all new teachers will be ready to use educational technology, or (2) using the Technology Literacy Challenge Fund to train and certify at least one "master teacher" in every school, who can then train other teachers in the use of educational technology.

8. Hispanic Education Dropout Plan: We have developed a plan to improve educational opportunities for Hispanic Americans (or limited English proficient students generally), with the goal of decreasing the current disparity in dropout rates. The draft plan includes a number of administrative actions, as well as targeted investments of roughly $100 million to programs for migrant, adult, and bilingual education.

9. "Learning on Demand": We are developing an initiative, related to some of Governor Romer's ideas, to encourage the use of technology (e.g., the internet, CD-ROM, interactive TV) for lifelong learning. The initiative will begin the process of giving all Americans "anytime, anywhere" access to affordable and high-quality learning opportunities. The initiative is still in the developmental stage, and at this time we recommend only a small investment.

Child Care

1. Affordability: We are developing a proposal that will help working families afford child care by (1) increasing funding for federal child care subsidies through the Child Care and Development Block Grant, and (2) changing the Child and Dependent Care Tax Credit by raising the percentage of child care expenses for which taxpayers of certain income levels may take a credit. On the subsidy side, every additional $100 million in the block grant will pay child care costs for at least 35,000 more children with incomes below 200 percent of poverty. On the tax side, we are considering raising the maximum credit rate to 50 percent for taxpayers with adjusted gross income (AGI) of less than $30,000 (from a current high of 30 percent for taxpayers with AGI of less than $10,000), and adjusting the income slide accordingly.

2. Safety and Quality: We are also considering targeted investments to improve the safety and quality of care. Our current proposal adds funding to the scholarship program for child care providers that you announced at the child care conference (which was very well received); provides resources for states to improve their enforcement of health and safety standards; and funds efforts to educate parents on quality child care.

3. Early Childhood Learning and Afterschool Programs: Our current proposal also expands early learning opportunities by increasing investment in Early Head Start and creating a new 0-5 Early Education Fund. The new fund will provide grants for innovative early learning programs for both working and stay-at-home parents. We are also considering ways of expanding and streamlining afterschool programs.

4. Helping Parents Stay Home: To support parents who wish to stay at home with their children, we are working on ways to expand the FMLA -- to six months instead of 12 weeks and to smaller-sized employers. We are also looking at a variety of ways to provide financial assistance, whether through a modified version of the Child and Dependent Care Tax Credit or through paid family leave administered under the unemployment insurance system. The cost of these financial proposals, however, may be prohibitive.

Health

1. Consumer Protection Legislation: We should reiterate our support for three pieces of health care consumer protection legislation: (1) the Quality Commission's Consumer Bill of Rights, which has strong public and elite support and arguably is more moderate than a bill in the House that already has attracted over 85 Republicans; (2) our genetic anti-discrimination legislation, which has attracted bipartisan support on both sides of the Hill as a way to protect Americans from the misuse of new advances in genetics; and (3) privacy protection legislation, which would establish strong federal standards to ensure the confidentiality of medical records. Although these consumer protections would benefit the entire population, women's health advocates are especially supportive of them, because the Consumer Bill of Rights would ensure direct access to OB/GYNs and our genetic anti-discrimination legislation would protect women who undergo new tests for the breast cancer gene.

2. Medicare Reform and Program Improvements: To build on the Medicare reforms in the balanced budget agreement, we are considering two reform initiatives: additional anti-fraud initiatives (perhaps providing $2-3 billion in savings over five years) and an income related premium (providing another $7-8 billion in savings assuming it kicks in at an income around $50,000). We are also considering a number of Medicare improvements to which we could apply the above savings: (1) a Medicare (or COBRA) buy-in for pre-65 year olds (or some targeted subset of this age group), the cost of which would depend on whether we decide to subsidize this benefit; (2) Medicare coverage of cancer clinical trials, which could substantially increase investment in the treatment and cure of cancer, including prostate cancer; and (3) a new mechanism to provide Medicare beneficiaries with information about private long-term care insurance that meets appropriate standards.

3. Doubling the NIH Research Budget with Proceeds from Tobacco Legislation: We (along with the Republicans) are considering a proposal to double the NIH budget, which would cost about $20 billion over five years. Such an investment could lead to breakthroughs in research that would greatly improve our ability to prevent and treat diseases like diabetes and cancer -- and substantially lessen the costs associated with these diseases. Because the discretionary caps are so tight, the only realistic way to pay for such an initiative is through dedicated savings from the tobacco agreement. This link between tobacco legislation and health research should resonate strongly with the public.

4. Other Coverage Options -- Children's Health, Workers In-Between Jobs, Voluntary Purchasing Cooperatives: We are working on a public/private outreach effort to ensure that every child eligible for health insurance under Medicaid or our new program actually gets covered. The public side of this effort could include proposals to: give bonuses for enrolling more children in Medicaid; expand the kinds of places where children can enroll; and simplify eligibility processes. In addition, we are considering whether to propose a demonstration of our old policy to provide coverage to workers who are in-between jobs. Finally, we are continuing to pursue proposals relating to voluntary purchasing cooperatives, as a way to help small business gain access to and afford health insurance coverage.

5. Racial Disparities in Health Care: We are working on a proposal to address racial disparities in six carefully selected areas of health care: infant mortality, breast and cervical cancer, heart disease and stroke, diabetes, AIDS, and immunization. This proposal will include nationwide actions to reduce these disparities, as well as focused pilot projects in thirty communities (say, a project on diabetes on an Indian reservation or a project on AIDS in an inner city). The stated aim of the proposal will be to eliminate racial disparities in these six areas by 2010.

Crime

1. Community Prosecutors: We are working on a proposal, costing up to $100 million, to provide grants to prosecutors for innovative, community-based prosecution efforts. A number of jurisdictions already have embraced such efforts; for example, community prosecution is an essential component of Boston's juvenile crime strategy. These jurisdictions have found that a "problem-oriented" (rather than incident-based) approach to prosecuting, using a wide variety of enforcement methods and attending to the concerns of victims and witnesses, can pay real dividends. A grant program could spread these innovative programs across the country.

2. Juvenile Crime Initiative: Although we got funds for much of our youth violence strategy in last year's appropriations bills, we should continue to press for the passage of juvenile crime legislation -- especially for a juvenile Brady provision, which will stop violent juveniles from owning guns as adults. We also should challenge the four cities leading the nation in juvenile crime (New York, Los Angeles, Chicago, and Detroit) to replicate Boston's successful strategy and target resources to these cities to help them meet this challenge.

Welfare/Housing

1. Welfare-to-Work Housing Vouchers: We are working with OMB and HUD on a proposal for 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. We would distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new $3 billion welfare-to-work program. We are working on a number of proposals to increase housing mobility (see below), and linking this issue to welfare reform may increase the chance of attracting congressional support. At the same time, we should reiterate our support for welfare-to-work transportation funds as part of NEXTEA.

Housing

1. Housing Portability/Choice: In addition to the new welfare-to-work housing vouchers discussed above, a package on housing portability and choice could include: increasing the number of Regional Opportunity Counseling (ROC) sites; encouraging the use of exception rents (rents up to 120 percent of the "fair market rent") as a tool for opening up more expensive suburban housing markets; and eliminating obstacles to portability of Section 8 vouchers.

2. Fair Lending/Fair Housing: This proposal could include: an examination of the impact of credit scoring and risk-based pricing on the availability of credit/capital to lower-income and minority individuals; issuance of guidance by banking regulators on certain key credit scoring issues and, possibly, on risk-based pricing; a Presidential call to the FDIC and the Federal

Reserve to obtain more data on reasons for home mortgage loan denials (OCC and OTS already collect such information); and collection of race and income data as part of the Equal Credit Opportunity Act/CRA small business and small farm lending reporting requirement.

3. Downpayment Reduction: We are working on a proposal to increase homeownership by reducing the barriers to buying a new home. Many low- and moderate-income families find a downpayment the largest hurdle to buying a new home; this initiative would lower this cost and help more families become homeowners. In 1992, Congress authorized the National Homeownership Trust, but never appropriated any money. We are investigating whether we should request money for this program or whether it is better policy to expand the existing HOME program (which serves a similar purpose).

Labor/Workforce

1. Child Labor: We are working on a comprehensive Child Labor Action Plan, anchored by a $100 million commitment to the International Program on the Elimination of Child Labor (IPEC) -- a voluntary program of the International Labour Organization which is dedicated to the elimination of child labor. The funds, which would be managed by the Department of Labor in accordance with criteria we would develop, would go to programs attacking the most intolerable forms of child labor. The initiative also might include a stepped up Customs program to enforce U.S. law banning the import of goods made with forced or bonded child labor; increased support for the Migrant Education Program to support elementary and secondary education to the hardest-to-serve migrant children; and a call for prominent organizations, such as the Boy Scouts and Girls Scouts, to adopt a "No Sweat" code for uniforms and an accompanying label.

2. Pensions: We have developed an expanded pension coverage initiative that focuses on a simplified defined benefit plan for small businesses, based on the SAFE plan proposed by the American Society of Pension Actuaries (ASPA). We are also looking at a payroll deduction IRA proposal, a three-year vesting requirement for employer matching contributions in 401(k) plans, a women's pension initiative, and a pension right-to-know proposal.

3. Community Adjustment: As part of the Fast Track debate, we proposed the creation of the Office of Community and Economic Adjustment (OCEA). As you know, this office will be modeled after the Defense Department's Office of Economic Adjustment (OEA) -- the Administration's first point of contact with communities experiencing a military base closure or defense plant closing. The OCEA would coordinate the Administration's response to regions impacted by a major plant closing or trade, by working with Labor, Commerce, SBA, HUD, Treasury, and other government entities. This group would provide planning grants and expertise to help communities develop comprehensive economic adjustment strategies. Since this program will be part of the Economic Development Administration (EDA), we are investigating whether we could initiate this proposal by executive memorandum, while awaiting Congressional appropriations.

Climate Change

1. Tax Incentive and R&D Package: You already have committed to a $5 billion package over five years for tax incentives and R&D to promote low-carbon technologies. The Treasury Department is working on a possible package of tax incentives to be included in the FY 1999 budget, and DOE has a proposal on the expenditure side. We are working to develop final options.

Race

A number of the above proposals -- e.g., education opportunity zones, university-school partnerships, housing vouchers -- can be presented as part of the race initiative, because they target predominantly minority areas or provide disproportionate benefits to members of minority groups. Other proposals described above -- the Hispanic dropout plan and the race and health initiative -- have obvious and explicit race connections. In addition:

1. Civil Rights Enforcement Initiative: We are working on a coordinated package of reforms for the EEOC and the civil rights offices at DOJ, HUD, HHS, Education, and DOL. Among other things, this proposal would expand dramatically the EEOC's mediation program, substantially increasing the average speed of resolving complaints and reducing the EEOC's current backlog. Similarly, the proposal would promote the increased use of non-adversarial techniques by the agencies' civil rights offices. The proposal also would provide a mechanism for better coordination among the various civil rights offices.

Document No.__________

WHITE HOUSE STAFFING MEMORANDUM

DATE: 11/28 ACTION/CONCURRENCE/COMMENT DUE BY: —

SUBJECT: State of the Union ideas

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☑	McCURRY	☐	☐
BOWLES	☐	☑	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
PODESTA	☐	☑	RADD	☐	☐
MATHEWS	☐	☑	REED	☐	☐
RAINES	☐	☐	RUFF	☐	☐
BLUMENTHAL	☐	☐	SMITH	☐	☐
BERGER	☐	☐	SOSNIK	☐	☐
ECHAVESTE	☐	☐	SPERLING	☐	☐
EMANUEL	☐	☑	STREETT	☐	☐
GIBBONS	☐	☐	TARULLO	☐	☐
HILLEY	☐	☐	VERVEER	☐	☐
IBARRA	☐	☐	WALDMAN	☐	☐
KLAIN	☐	☐	YELLEN	☐	☐
LEWIS	☐	☐	BEGALA	☐	☐
LINDSEY	☐	☐		☐	☐
MARSHALL	☐	☐		☐	☐
				☐	☐

REMARKS:

This has been forwarded to the President

RESPONSE:

Gary
David

Staff Secretary
Ext. 6-2702

Document No.____________

WHITE HOUSE STAFFING MEMORANDUM

DATE: 11/28 ACTION/CONCURRENCE/COMMENT DUE BY: —

SUBJECT: State of the Union ideas

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☑	McCURRY	☐	☐
BOWLES	☐	☑	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
PODESTA	☐	☑	RADD	☐	☐
MATHEWS	☐	☑	REED	☐	☐
RAINES	☐	☐	RUFF	☐	☐
BLUMENTHAL	☐	☐	SMITH	☐	☐
BERGER	☐	☐	SOSNIK	☐	☐
ECHAVESTE	☐	☐	SPERLING	☐	☐
EMANUEL	☐	☑	STREETT	☐	☐
GIBBONS	☐	☐	TARULLO	☐	☐
HILLEY	☐	☐	VERVEER	☐	☐
IBARRA	☐	☐	WALDMAN	☐	☐
KLAIN	☐	☐	YELLEN	☐	☐
LEWIS	☐	☐	BEGALA	☐	☐
LINDSEY	☐	☐		☐	☐
MARSHALL	☐	☐		☐	☐
				☐	☐

REMARKS:

This has been forwarded to the President

RESPONSE:

Staff Secretary
Ext. 6-2702

'97 NOV 25 PM10:08

THE WHITE HOUSE

WASHINGTON

November 25, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED
GENE SPERLING
ELENA KAGAN

SUBJECT: State of the Union Ideas

As you requested, this memorandum provides a brief description of new ideas we are seriously considering for the State of the Union. Most of these ideas involve increased spending, and you will have to make choices among them as you consider the FY 99 budget. Options relating to social security and tax reform are not included in this memo.

Education

1. Class size / 100,000 teachers: We are working with the Vice President's office and others on an ambitious initiative to reduce class sizes in the early grades by providing money to hire up to 100,000 new teachers, perhaps paid for by reducing the federal work force by another 100,000 positions. We estimate that 100,000 new teachers in grades 1-3 would reduce average class size from roughly 21 to roughly 18. The initiative would have three main elements: 1) grants to help states or communities hire new teachers (as in the COPS program, these grants would be time-limited (3-4 years) and the federal share would be 50-75%); 2) funds for teacher training, with a special emphasis on reading; and 3) provisions to ensure accountability, such as requiring testing of new teachers and/or ensuring the removal of bad teachers from the classroom. A serious proposal along these lines would cost $5-10 billion over five years, depending on the size of the federal match and the target date for reaching 100,000. We also would need to accompany the proposal with a school construction initiative (see below).

2. Education Opportunity Zones: As we outlined in an earlier memo on policy proposals for the race initiative, we are working with the Education Department on a plan that would reward 10-15 poor inner city and rural school districts for agreeing to adopt a school reform agenda that includes: ending social promotions, removing bad teachers, reconstituting failing schools, and adopting district-wide choice and/or public school vouchers. Our goal is to give school districts incentives to hold students, teachers, and schools accountable, in essentially the way Chicago has done. In our working proposal, each urban grant would be worth $10-25 million and each rural grant would be worth up to $2 million, for a total request in FY99 of $320 million.

3. National Public School Choice Law: We are exploring the possibility of proposing legislation to require that states and communities allow public school choice as a condition of receiving federal education funding. Together with a strong endorsement of bipartisan charter school legislation (bound to pass next year), this measure will show that we firmly support choice and competition. We are also looking into the concept of a parents' right-to-know law that would require states and communities to make key information on school performance available, so that parents can make informed choices.

4. University-School Partnerships: As we also outlined in our earlier memo on the race initiative, we are working on a grant program to promote strong partnerships between colleges and high-poverty middle and high schools, with the goal of enabling more youth to go on to college. This initiative would encourage colleges to adopt the Eugene Lang model for helping disadvantaged youngsters. Colleges would encourage students to take demanding courses, while providing academic enrichment and intensive mentoring, tutoring, and other support services. The students would receive special certificates for participating in the program, somewhat along the lines of Chaka Fatah's proposal. The Department of Education has requested $200 million for FY 99 for this initiative.

5. Campaign on Access to Higher Education: We are preparing to conduct an intensive publicity campaign on the affordability of higher education. The goal of the campaign would be to make every family aware that higher education is now universally accessible, as well as to reiterate that higher education is the key to higher earnings.

6. School Construction: We will need to re-propose a school construction initiative this year. We are currently considering the appropriate size and duration of this initiative, as well as the possibility of structuring this initiative as a tax credit.

7. Teacher Training for Technology: We are currently weighing several options on training teachers to use educational technology. These include (1) expanding various innovation grants to ensure that within four years, all new teachers will be ready to use educational technology, or (2) using the Technology Literacy Challenge Fund to train and certify at least one "master teacher" in every school, who can then train other teachers in the use of educational technology.

8. Hispanic Education Dropout Plan: We have developed a plan to improve educational opportunities for Hispanic Americans (or limited English proficient students generally), with the goal of decreasing the current disparity in dropout rates. The draft plan includes a number of administrative actions, as well as targeted investments of roughly $100 million to programs for migrant, adult, and bilingual education.

9. "Learning on Demand": We are developing an initiative, related to some of Governor Romer's ideas, to encourage the use of technology (e.g., the internet, CD-ROM, interactive TV) for lifelong learning. The initiative will begin the process of giving all Americans "anytime, anywhere" access to affordable and high-quality learning opportunities. The initiative is still in the developmental stage, and at this time we recommend only a small investment.

Child Care

1. Affordability: We are developing a proposal that will help working families afford child care by (1) increasing funding for federal child care subsidies through the Child Care and Development Block Grant, and (2) changing the Child and Dependent Care Tax Credit by raising the percentage of child care expenses for which taxpayers of certain income levels may take a credit. On the subsidy side, every additional $100 million in the block grant will pay child care costs for at least 35,000 more children with incomes below 200 percent of poverty. On the tax side, we are considering raising the maximum credit rate to 50 percent for taxpayers with adjusted gross income (AGI) of less than $30,000 (from a current high of 30 percent for taxpayers with AGI of less than $10,000), and adjusting the income slide accordingly.

2. Safety and Quality: We are also considering targeted investments to improve the safety and quality of care. Our current proposal adds funding to the scholarship program for child care providers that you announced at the child care conference (which was very well received); provides resources for states to improve their enforcement of health and safety standards; and funds efforts to educate parents on quality child care.

3. Early Childhood Learning and Afterschool Programs: Our current proposal also expands early learning opportunities by increasing investment in Early Head Start and creating a new 0-5 Early Education Fund. The new fund will provide grants for innovative early learning programs for both working and stay-at-home parents. We are also considering ways of expanding and streamlining afterschool programs.

4. Helping Parents Stay Home: To support parents who wish to stay at home with their children, we are working on ways to expand the FMLA -- to six months instead of 12 weeks and to smaller-sized employers. We are also looking at a variety of ways to provide financial assistance, whether through a modified version of the Child and Dependent Care Tax Credit or through paid family leave administered under the unemployment insurance system. The cost of these financial proposals, however, may be prohibitive.

Health

1. Consumer Protection Legislation: We should reiterate our support for three pieces of health care consumer protection legislation: (1) the Quality Commission's Consumer Bill of Rights, which has strong public and elite support and arguably is more moderate than a bill in the House that already has attracted over 85 Republicans; (2) our genetic anti-discrimination legislation, which has attracted bipartisan support on both sides of the Hill as a way to protect Americans from the misuse of new advances in genetics; and (3) privacy protection legislation, which would establish strong federal standards to ensure the confidentiality of medical records. Although these consumer protections would benefit the entire population, women's health advocates are especially supportive of them, because the Consumer Bill of Rights would ensure direct access to OB/GYNs and our genetic anti-discrimination legislation would protect women who undergo new tests for the breast cancer gene.

2. Medicare Reform and Program Improvements: To build on the Medicare reforms in the balanced budget agreement, we are considering two reform initiatives: additional anti-fraud initiatives (perhaps providing $2-3 billion in savings over five years) and an income related premium (providing another $7-8 billion in savings assuming it kicks in at an income around $50,000). We are also considering a number of Medicare improvements to which we could apply the above savings: (1) a Medicare (or COBRA) buy-in for pre-65 year olds (or some targeted subset of this age group), the cost of which would depend on whether we decide to subsidize this benefit; (2) Medicare coverage of cancer clinical trials, which could substantially increase investment in the treatment and cure of cancer, including prostate cancer; and (3) a new mechanism to provide Medicare beneficiaries with information about private long-term care insurance that meets appropriate standards.

3. Doubling the NIH Research Budget with Proceeds from Tobacco Legislation: We (along with the Republicans) are considering a proposal to double the NIH budget, which would cost about $20 billion over five years. Such an investment could lead to breakthroughs in research that would greatly improve our ability to prevent and treat diseases like diabetes and cancer -- and substantially lessen the costs associated with these diseases. Because the discretionary caps are so tight, the only realistic way to pay for such an initiative is through dedicated savings from the tobacco agreement. This link between tobacco legislation and health research should resonate strongly with the public.

4. Other Coverage Options -- Children's Health, Workers In-Between Jobs, Voluntary Purchasing Cooperatives: We are working on a public/private outreach effort to ensure that every child eligible for health insurance under Medicaid or our new program actually gets covered. The public side of this effort could include proposals to: give bonuses for enrolling more children in Medicaid; expand the kinds of places where children can enroll; and simplify eligibility processes. In addition, we are considering whether to propose a demonstration of our old policy to provide coverage to workers who are in-between jobs. Finally, we are continuing to pursue proposals relating to voluntary purchasing cooperatives, as a way to help small business gain access to and afford health insurance coverage.

5. Racial Disparities in Health Care: We are working on a proposal to address racial disparities in six carefully selected areas of health care: infant mortality, breast and cervical cancer, heart disease and stroke, diabetes, AIDS, and immunization. This proposal will include nationwide actions to reduce these disparities, as well as focused pilot projects in thirty communities (say, a project on diabetes on an Indian reservation or a project on AIDS in an inner city). The stated aim of the proposal will be to eliminate racial disparities in these six areas by 2010.

Crime

1. Community Prosecutors: We are working on a proposal, costing up to $100 million, to provide grants to prosecutors for innovative, community-based prosecution efforts. A number of jurisdictions already have embraced such efforts; for example, community prosecution is an essential component of Boston's juvenile crime strategy. These jurisdictions have found that a "problem-oriented" (rather than incident-based) approach to prosecuting, using a wide variety of enforcement methods and attending to the concerns of victims and witnesses, can pay real dividends. A grant program could spread these innovative programs across the country.

2. Juvenile Crime Initiative: Although we got funds for much of our youth violence strategy in last year's appropriations bills, we should continue to press for the passage of juvenile crime legislation -- especially for a juvenile Brady provision, which will stop violent juveniles from owning guns as adults. We also should challenge the four cities leading the nation in juvenile crime (New York, Los Angeles, Chicago, and Detroit) to replicate Boston's successful strategy and target resources to these cities to help them meet this challenge.

Welfare/Housing

1. Welfare-to-Work Housing Vouchers: We are working with OMB and HUD on a proposal for 50,000 new housing vouchers to help welfare recipients in public housing who need to move in order to find employment. We would distribute these vouchers on a competitive basis to public housing authorities working with local TANF agencies and/or grantees of the new $3 billion welfare-to-work program. We are working on a number of proposals to increase housing mobility (see below), and linking this issue to welfare reform may increase the chance of attracting congressional support. At the same time, we should reiterate our support for welfare-to-work transportation funds as part of NEXTEA.

Housing

1. Housing Portability/Choice: In addition to the new welfare-to-work housing vouchers discussed above, a package on housing portability and choice could include: increasing the number of Regional Opportunity Counseling (ROC) sites; encouraging the use of exception rents (rents up to 120 percent of the "fair market rent") as a tool for opening up more expensive suburban housing markets; and eliminating obstacles to portability of Section 8 vouchers.

2. Fair Lending/Fair Housing: This proposal could include: an examination of the impact of credit scoring and risk-based pricing on the availability of credit/capital to lower-income and minority individuals; issuance of guidance by banking regulators on certain key credit scoring issues and, possibly, on risk-based pricing; a Presidential call to the FDIC and the Federal

Reserve to obtain more data on reasons for home mortgage loan denials (OCC and OTS already collect such information); and collection of race and income data as part of the Equal Credit Opportunity Act/CRA small business and small farm lending reporting requirement.

3. Downpayment Reduction: We are working on a proposal to increase homeownership by reducing the barriers to buying a new home. Many low- and moderate-income families find a downpayment the largest hurdle to buying a new home; this initiative would lower this cost and help more families become homeowners. In 1992, Congress authorized the National Homeownership Trust, but never appropriated any money. We are investigating whether we should request money for this program or whether it is better policy to expand the existing HOME program (which serves a similar purpose).

Labor/Workforce

1. Child Labor: We are working on a comprehensive Child Labor Action Plan, anchored by a $100 million commitment to the International Program on the Elimination of Child Labor (IPEC) -- a voluntary program of the International Labour Organization which is dedicated to the elimination of child labor. The funds, which would be managed by the Department of Labor in accordance with criteria we would develop, would go to programs attacking the most intolerable forms of child labor. The initiative also might include a stepped up Customs program to enforce U.S. law banning the import of goods made with forced or bonded child labor; increased support for the Migrant Education Program to support elementary and secondary education to the hardest-to-serve migrant children; and a call for prominent organizations, such as the Boy Scouts and Girls Scouts, to adopt a "No Sweat" code for uniforms and an accompanying label.

2. Pensions: We have developed an expanded pension coverage initiative that focuses on a simplified defined benefit plan for small businesses, based on the SAFE plan proposed by the American Society of Pension Actuaries (ASPA). We are also looking at a payroll deduction IRA proposal, a three-year vesting requirement for employer matching contributions in 401(k) plans, a women's pension initiative, and a pension right-to-know proposal.

3. Community Adjustment: As part of the Fast Track debate, we proposed the creation of the Office of Community and Economic Adjustment (OCEA). As you know, this office will be modeled after the Defense Department's Office of Economic Adjustment (OEA) -- the Administration's first point of contact with communities experiencing a military base closure or defense plant closing. The OCEA would coordinate the Administration's response to regions impacted by a major plant closing or trade, by working with Labor, Commerce, SBA, HUD, Treasury, and other government entities. This group would provide planning grants and expertise to help communities develop comprehensive economic adjustment strategies. Since this program will be part of the Economic Development Administration (EDA), we are investigating whether we could initiate this proposal by executive memorandum, while awaiting Congressional appropriations.

Climate Change

1. Tax Incentive and R&D Package: You already have committed to a $5 billion package over five years for tax incentives and R&D to promote low-carbon technologies. The Treasury Department is working on a possible package of tax incentives to be included in the FY 1999 budget, and DOE has a proposal on the expenditure side. We are working to develop final options.

Race

A number of the above proposals -- e.g., education opportunity zones, university-school partnerships, housing vouchers -- can be presented as part of the race initiative, because they target predominantly minority areas or provide disproportionate benefits to members of minority groups. Other proposals described above -- the Hispanic dropout plan and the race and health initiative -- have obvious and explicit race connections. In addition:

1. Civil Rights Enforcement Initiative: We are working on a coordinated package of reforms for the EEOC and the civil rights offices at DOJ, HUD, HHS, Education, and DOL. Among other things, this proposal would expand dramatically the EEOC's mediation program, substantially increasing the average speed of resolving complaints and reducing the EEOC's current backlog. Similarly, the proposal would promote the increased use of non-adversarial techniques by the agencies' civil rights offices. The proposal also would provide a mechanism for better coordination among the various civil rights offices.

243947

7239

12-2-97 OK for SIS per Phil C.

'97 NOV 26 PM2:16

D.B. to Sent to Clerk

THE WHITE HOUSE

WASHINGTON

November 26, 1997

12-9-97

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER
JOHN HILLEY

SUBJECT: Annual "Section 601" Report to Congress on Nuclear Proliferation

Purpose

To report to the Congress on activities of the U.S. Government concerning nuclear proliferation.

Background

Section 601 of the Nuclear Non-Proliferation Act of 1978 mandates an annual unclassified Presidential report to Congress reviewing the activities of the United States Government relating to the prevention of nuclear proliferation. At Tab B is the proposed report for 1996, which highlights the conclusion of negotiations on the Comprehensive Test Ban Treaty and efforts to reduce the threat posed by fissile materials as our primary accomplishments of 1996.

RECOMMENDATION

That you sign the transmittal letter to Congress at Tab A, which will authorize the Department of State to forward the report to Congress.

Attachments
Tab A Transmittal Letter to Congress
Tab B Proposed Section 601 Report on Nonproliferation

cc: Vice President
Chief of Staff

TO THE CONGRESS OF THE UNITED STATES:

As required under section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242, 22 U.S.C. 3281(a)), I am transmitting a report on the activities of United States Government Departments and Agencies relating to the prevention of nuclear proliferation. It covers activities between January 1, 1996 and December 31, 1996.

THE WHITE HOUSE,

REPORT TO CONGRESS

PURSUANT TO SECTION 601

OF THE

NUCLEAR NON-PROLIFERATION ACT
OF 1978

As Amended by the
Nuclear Proliferation Prevention Act
Of 1994

FOR THE YEAR ENDING DECEMBER 31, 1996

BUREAU OF POLITICAL MILITARY AFFAIRS

1997

TABLE OF CONTENTS

243908
7088

THE WHITE HOUSE

WASHINGTON

ok for SIS per Phil Copeland went back to clerk Bird 12-2-97

'97 NOV 26 PM12:10

November 26, 1997

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER (K) FR
JOHN HILLEY John Hilley

SUBJECT: Report to Congress on Conditions in Burma and U.S. Policy Toward Burma

Purpose

To approve the semi-annual report to Congress concerning the conditions in Burma and U.S. policies toward Burma.

Background

Attached for your signature is a memorandum, authorizing the Secretary of State to transmit a report on "Conditions in Burma and U.S. Policy Toward Burma" to Congress and to arrange for its publication in the Federal Register. The Department of State prepared the report, which is required every six months under Section 570 (d) of the FY 1997 Foreign Operations Appropriations Act, as contained in the Omnibus Consolidated Appropriations Act (P.L. 104-208). It addresses progress toward democratization in Burma, progress on improving the quality of life of the Burmese people, and progress in developing a comprehensive, multilateral strategy to bring democracy to and improve human rights in Burma.

RECOMMENDATION

That you sign the Presidential Determination at Tab A.

Attachment
Tab A Presidential Determination and Report on Policy Toward Burma

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Presidential Determination
No. ______________________

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Report to Congress Regarding Conditions in Burma and U.S. Policy Toward Burma

Pursuant to the requirements set forth under the heading "Policy Toward Burma" in Section 570(d) of the FY 1997 Foreign Operations Appropriations Act, as contained in the Omnibus Consolidated Appropriations Act (P.L. 104-208), a report is required every six months following enactment concerning:

1) progress toward democratization in Burma;

2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

3) progress made in developing a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Law and Order Restoration Council (SLORC) and democratic opposition groups in Burma.

You are hereby authorized and directed to transmit the attached report fulfilling this requirement to the appropriate committees of the Congress and to arrange for its publication in the Federal Register.

Plan for Implementation of
Section 570 of Public Law 104-208
(Omnibus Appropriations Act, Fiscal Year 1997)

CONDITIONS IN BURMA AND U.S. POLICY TOWARD BURMA
FOR THE PERIOD MARCH 28, 1997 TO SEPTEMBER 28, 1997

The people of Burma continue to live under a highly authoritarian military regime that is widely condemned for its serious human rights abuses. The military regime in Burma, the State Law and Order Restoration Council (SLORC), has made no progress in the past six months in moving toward greater democratization, nor has it made any progress toward fundamental improvement in the quality of life of people of Burma.

Observers agree that the Burmese economy appears to be further weakening and that the government has a serious shortage of foreign exchange reserves with which to pay for imports. Money from the trafficking of illicit narcotics likely accounts for substantial net inflow of what foreign exchange is coming in. The SLORC continues to dominate the political, economic and social life of the country in the same arbitrary, heavy-handed way that it has since seizing power in September 1988 after harshly suppressing massive pro-democracy demonstrations.

U.S. policy toward Burma seeks progress in three key areas: democracy, human rights, and counternarcotics. We have taken strong measures to pressure the SLORC to end its repression and move towards democratic government. Since 1989, the United States has been unable to certify that Burma has cooperated in efforts against narcotics. The United States has suspended economic aid, withdrawn GSP and OPIC, implemented an arms embargo, blocked assistance from international financial institutions, downgraded our representation from Ambassador to Charge, and imposed visa restrictions on senior leaders and their families.

In addition, the President signed Executive Order 13047 invoking the authority of section 570(d) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 and of section 203 of the International Emergency Economic Powers Act to imposed a ban on new investment by U.S. persons in Burma effective May 21, 1997. The order prohibits U.S. persons from engaging in any of the following activities if they are undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a nongovernmental entity in Burma on or after May 21, 1997:

- entering a new contract that includes the economic development of resources located in Burma;
- entering a new contract providing for the general supervision and guarantee of another person's performance of a contract that includes the economic development of resources located in Burma;
- the purchase of a share of ownership, including an equity interest, in the economic development of resources located in Burma; or
- entering into a contract providing for the participation in royalties, earnings, or profits in the economic development of resources located in Burma, without regard to the form of the participation.

Additionally, the executive order prohibits:

- persons from facilitating transactions of foreign persons that would violate any of the foregoing prohibitions if engaged in by a U.S. person; and
- any transaction by a U.S. person or within the United States that evades or avoids, or attempts to violate, any of the prohibitions in the order.

We are engaged in vigorous multilateral diplomacy to encourage ASEAN, Japan, the EU and other nations to take similar steps and/or other actions to encourage progress by the SLORC in these areas of key concern. The EU imposed visa restrictions similar to ours and, earlier this year, withdrew certain trade preferences. Canada withdrew GSP completely in August, imposed a requirement that all Canadian exports be issued an export permit prior to shipment to Burma, and issued a government statement discouraging further investment in Burma by Canadian firms. Japan's suspension of much of its bilateral aid program remains in force.

The net effect of these U.S. and international measures has been a further decline of investor confidence in Burma and deeper stagnation of the Burmese economy. While Burma's economic crisis is largely a result of the SLORC's own heavy-handed mismanagement, the SLORC is unlikely to find a way out of the crisis unless political developments permit an easing of international pressure.

Measuring Progress Toward Democratization

In the past six months the SLORC has shown no sign of willingness to cede its hold on absolute power. Since refusing to recognize the results of the free and fair 1990 elections in which the National League for Democracy (NLD) won a vast majority of both the popular vote and the parliamentary seats, the generals have continued to refuse to negotiate with pro-democracy forces and ethnic groups for a genuine political settlement that would include respect for the rule of law and basic human rights. Although SLORC Secretary-1 Lt. General Khin Nyunt did relent in response to prompting by ASEAN nations and Japan and agreed to meet with NLD Chairman Aung Shwe in July, the lack of substance of the meeting, and the refusal of the SLORC to meet with Aung San Suu Kyi, suggest the SLORC remains unprepared to consider meaningful steps toward resolving the political crisis in Burma with the NLD. This was reinforced with the subsequent sentencing of four NLD members, all close associates of Aung San Suu Kyi, to lengthy prison terms after closed trials, and the continued attacks on Aung San Suu Kyi in the government-controlled press.

The SLORC claims that the military-dominated National Convention is an appropriate forum for dialogue with the NLD and parties representing the country's ethnic minorities. But the National Convention, a body ostensibly tasked since 1993 with drafting a new constitution, is not a democratic forum as currently structured. The Convention is overwhelmingly made up of delegates hand-picked by the SLORC, which has carefully stage-managed the proceedings and ignored even limited opposition views. The SLORC appears determined to draft a constitution that would ensue a dominant role for the military forces in the country's future political structure. The NLD withdrew from the National Convention in November 1995 because of the undemocratic nature of the institution and was formally ejected by the SLORC in December of that year. However, the Convention has not met since mid-1996, and the SLORC's current plans for the body are unclear.

The worsening narcotics situation in Burma reflects the SLORC's disregard for the rule of law. Burma is the world's largest source of illicit opium, and output increased by an estimated nine per cent in 1996 to 2,560 metric tons but decreased slightly in 1997 to 2,365 metric tons. Nevertheless, Burmese law enforcement actions against producers and traffickers remain limited. Leading trafficker Khun Sa, who "surrendered" to Burmese forces in early 1996, has never been brought to justice. Even as heroin production remains high, Burmese traffickers are also diversifying into methamphetamines, which are posing severe problems for neighboring states. In addition, traffickers are increasingly investing in legitimate sectors of the economy, and there is reason to believe that drug profits are being laundered through the Burmese economy at substantial levels. The SLORC has taken limited actions to counter this dangerous trend.

Measuring Progress on Improving the Quality of Life

In the past six months the quality of life of the Burmese has worsened. The SLORC's severe violations of human rights have continued. There continue to be credible reports, particularly from ethnic minority-dominated areas along the Thai border, that soldiers have committed serious human rights abuses, including rape, forced porterage, and extrajudicial killing. Disappearances continue, and members of the security forces beat and otherwise abuse detainees. Arbitrary arrests and detentions continue for expression of dissenting political views. As of September 1997, several hundred, if not more, political prisoners remained in detention, including 29 Members of Parliament elected in 1990. Prison conditions remain deplorable and prisoners are subject to a lack of food and adequate medical care. As an example, U Tin Shwe, a former NLD Central Executive Committee member, died in Insein prison in June after prison authorities refused to allow him to see medical specialists to obtain treatment of his heart condition.

The SLORC reinforces its rule via a pervasive security apparatus led by military intelligence and sharply restricts basic rights to free speech, press, assembly, and association. Political party activity remains severely restricted. The activities of the NLD and Aung San Suu Kyi are monitored and circumscribed by the regime. Since late last year Aung San Suu Kyi has been prevented from addressing party supporters in front of her house, as the SLORC puts up blockades to prevent gatherings there. However on September 27-28, the SLORC allowed the NLD to hold its party congress on Aung San Suu Kyi's compound. The meeting drew over 700 NLD members.

In response to street protests by large groups of students in November and December 1996, the SLORC closed the nation's schools and universities. While the SLORC finally reopened primary schools in August of this year, universities remain closed to prevent another outbreak of student protest.

Prior to the onset of the rainy season in June, the Burmese Army continued its assault begun in February on the forces of the Karen National Union near the Thai border. Up to 20,000 Karen were forced to flee into Thailand, the vast majority of them civilians, including women, children and the elderly. Thousands of civilians were forcibly conscripted to serve as porters for the Burma Army in its offensive. The Democratic Kayin Buddhist Association (DKBA), with the support of the Burmese army, attacked refugee camps in Thailand, burning shelters and destroying the meager possessions of hundreds of refugees as well.

Thousands of other citizens of Burma remain in exile because of fear of persecution and poor economic conditions. About 21,000 Rohingya Muslims from Arakan state remain in camps in Bangladesh. A few thousand students and dissidents remain in exile in Thailand. Approximately 119,000 individuals now reside in ethnic minority camps along the Thai-Burma border, among them thousands of new arrivals driven out by army attacks in the areas controlled by the Karen and Karenni ethnic minorities.

Burma is a poor country, with an average per capita GDP of perhaps $200 to $300. Even after adjusting for the relative purchasing power of the Burmese currency, per capita GDP is perhaps $600 to $900. Progress on market reforms has been mixed and uneven. Beginning in 1988 the Government partly opened the economy to permit expansion of the private sector and to attract foreign investment. Though modest economic improvement ensued, since 1993, the pace of economic reform has slowed and major obstacles to further reform persist. These include disproportionately large military spending, extensive overt and covert state involvement in economic activity, excessive state monopolization of leading exports, a bloated bureaucracy prone to arbitrary and opaque governance, and poor human and physical infrastructure. In addition, the SLORC does not have access to external credit from the IMF, World Bank, and Asian Development Bank. Money laundering in Burma is a growing problem, and the laundering of drug profits is thought by some analysts to have a widespread impact on the Burmese economy.

Since June, the Kyat has depreciated in value on the open market quite rapidly, briefly rising to a level of almost 300 Kyats to the dollar before the government stepped in and briefly detained foreign exchange dealers. Currently, legal foreign exchange dealers are allowed to sell Kyats at a rate of roughly 200 Kyats to the dollar, though the official rates remains six to the dollar. In an effort to stem the loss of scarce foreign exchange reserves, the government imposed strict import and remittance controls on the private sector in July, allowing companies to remit only $50,000 in profits overseas per month and permitting importers to bring in only $50,000 worth of goods per month. Foreign investors still operating in Burma note that the situation regarding remittance controls is untenable. Should such controls continue, the climate for foreign investment in Burma will be even more seriously damaged than it already has been by the U.S. ban on new investment and by consumer-led boycotts in the West. In June, the government raised gasoline prices for most consumers from 25 Kyat to 180 Kyats per gallon, causing a concomitant rise in inflation, which was estimated at nearly 40 percent for the month of August alone.

Despite rampant inflation, the government has thus far been able to maintain a stable and low price for rice. However, severe monsoon flooding throughout much of Burma in July and August, concentrated particularly in rice-growing regions of central Burma and in the Irrawaddy delta region, could severely impact the country's main monsoon rice crop and lead to a serious rise in the price of rice.

The Government restricts worker rights and uses forced labor on a widespread basis. The use of porters by the army - with attendant mistreatment, illness, and even death for those compelled to serve - remains a common practice. Although the use of forced labor on some infrastructure development projects appeared to be lessening as 1997 progressed, the military authorities nonetheless continue to force ordinary citizens (including women and children) to "contribute" their labor, often under harsh working conditions, on construction projects in some parts of the country. Some of these projects - such as the moat of the Mandalay fort - were undertaken to promote tourism to the country. In the past year, the military has begun using soldiers instead of civilians at certain infrastructure projects, following the issuance of directives in 1995 to end the practice of forced civilian labor. Child labor continues to be a serious problem.

As a largely underdeveloped country, Burma, with a rapid population growth rate, faces increasing pressure on environmental quality. Although the government has taken some steps to stem widespread clear-cutting, Burma's large tracts of remaining tropical forest remain under intense commercial exploitation. Some NGOs have charged that Burma's teak forests in the Thai-Burma border area are being rapidly destroyed by clear-cutting and deforestation. Because of the severe restrictions on the Embassy travel to outlying parts of Burma, it is difficult to document the overall extent of the problem.

The poor quality of life is also reflected in rising drug abuse. Burmese estimates put the addict population at approximately 60,000, but UNDCP and NGOs working in the health sector estimate the actual number is at least five items that figure. Intravenous use of heroin is contributing to the rapid spread of HIV/AIDS. Drug treatment services are not reaching most drug users because of a lack of facilities and a lack of properly trained personnel. Addiction and the spread of HIV/AIDS have become cross-border problems in China as well, particularly in Yunnan province, on Burma's northern border.

Development of a Multilateral Strategy

The goals of U.S. policy toward Burma are progress toward democracy, improved human rights, and more effective counter-narcotics efforts. Failing national reconciliation, Burma will not be able to address systematically the many sever problems it faces, including narcotics trafficking and abuse, a low level of education, and poor economic performance.

In recent months we have forged a vigorous multilateral strategy to seek improvement in our key areas of concern. We continue to consult about Burma regularly and at senior levels wit leaders of ASEAN nations, Japan, Korea, the European Union, Australia, Canada, and other countries having major trading and investment interests in Burma. These efforts have helped build and maintain strong international pressure on the SLORC. While acknowledging that it was their decision to make, we urged ASEAN to postpone offering membership in that organization to Burma this summer in light of the SLORC's abysmal record on human rights and counternarcotics. Despite our arguments that Burma under its current leadership has far to go to emulate the kinds of constructive policies that ASEAN itself has pursued for the past three decades, ASEAN leaders decided to pursue their stated policy of constructive engagement with Burma by bringing it into the organization on July 23. At the subsequent post-ministerial conference in Kuala Lumpur, Secretary Albright made very clear to ASEAN leaders her expectation that ASEAN will now seek results from that policy by persuading the SLORC to begin a meaningful political dialogue with Aung San Suu Kyi and the NLD, and to take effective steps against drug production and export.

The key to progress toward democracy and human rights is, first and foremost, a direct dialogue about the political future of the country among the SLORC, the NLD, and the ethnic minorities. In all our public and private messages to the SLORC, leaders of third countries, and other interested parties, we stress the importance of beginning such a dialogue as the key to achieving significant progress in Burma. At the same time, we urge them to press Burma for progress in the counternarcotics area. We work closely with our friends and allies in Asia and Europe to press the SLORC to begin dialogue. In response, leaders from ASEAN nations, Japan, Australia, Canada, and the European Union have urged the regime, both publicly and privately, to move to dialogue with the democratic opposition and to curb drug production and trafficking.

In order to urge the SLORC to make progress in our areas of concern, we have taken a number of steps: suspending economic aid, withdrawing GSP and OPIC, implementing an arms embargo, blocking assistance from international financial institutions, downgrading our representation from Ambassador to Charge, imposing visa restrictions on senior regime leaders and their families, and implementing a ban on new investment by U.S. persons. We likewise have encouraged ASEAN, Japan, the EU, and other nations to take similar steps and other actions to encourage progress by the SLORC in these areas of key concern. Many nations join us in our arms embargo, including European countries, Canada, Australia, Japan and Korea. The EU and Japan limit their assistance to Burma to humanitarian aid and, for Japan, debt relief. Our efforts in the international financial institutions continue to be successful in blocking loans to the SLORC, which is probably the single most important sanction we have against the regime. Since 1988 we have taken an active role in pressing for strong human rights resolutions on Burma at the United Nations General Assembly and the UN Human Rights Commission, as well as having worked vigorously in the ILO to condemn the lack of freedom of association for workers and the use of forced labor by the SLORC.

Late last year, at our urging, the EU and associated European states joined us in imposing a ban on visas for high-level SLORC officials and their families. In addition, the European Union and Canada withdrew GSP trade benefits from Burma's agricultural and industrial products in March and August respectively, bringing their trade policies more in line with the U.S. ban on GSP.

ASEAN shares many of our goals with regard to Burma, but we disagree on the means to achieve those goals. ASEAN believes that "constructive engagement" of the SLORC is the most effective way to promote positive change in Burma. We will continue to raise our strong concerns about the situation in Burma with ASEAN and urge it to take further steps to encourage progress by the SLORC.