Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. resume	[Personally Identifiable Information] [partial] (1 page)	10/13/1996	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 8788

FOLDER TITLE:
Chron Files: Tuesday, December 3, 1996

2019-0774-S
rs3342

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]

HP / Tony / Sandy

THE PRESIDENT HAS SEEN
12-3 96

VP articles, sig on ME
worth reading

BC

Chron

FOREIGN AFFAIRS

SEPTEMBER/OCTOBER 1996



THE PRESIDENT HAS SEEN
12396

Postmodern Terrorism
WALTER LAQUEUR

Why Yeltsin Won
DANIEL TREISMAN

Middle East Stasis
RICHARD HAASS

Chinese Realpolitik
THOMAS CHRISTENSEN

Fixing the U.N.
JESSE HELMS

Can 'Europe' Be Saved?
Two Views

GEORGE SOROS
RUDI DORNBUSCH

$7.95 IN USA · $10.50 IN CANADA

Postmodern Terrorism

Walter Laqueur

NEW RULES FOR AN OLD GAME

As the nineteenth century ended, it seemed no one was safe from terrorist attack. In 1894 an Italian anarchist assassinated French President Sadi Carnot. In 1897 anarchists fatally stabbed Empress Elizabeth of Austria and killed Antonio Cánovas, the Spanish prime minister. In 1900 Umberto I, the Italian king, fell in yet another anarchist attack; in 1901 an American anarchist killed William McKinley, president of the United States. Terrorism became the leading preoccupation of politicians, police chiefs, journalists, and writers from Dostoevsky to Henry James. If in the year 1900 the leaders of the main industrial powers had assembled, most of them would have insisted on giving terrorism top priority on their agenda, as President Clinton did at the Group of Seven meeting after the June bombing of the U.S. military compound in Dhahran, Saudi Arabia.

From this perspective the recent upsurge of terrorist activity is not particularly threatening. According to the State Department's annual report on the subject, fewer people died last year in incidents of international terrorism (165) than the year before (314). Such figures, however, are almost meaningless, because of both the incidents they disregard and those they count. Current definitions of terrorism fail to capture the magnitude of the problem worldwide.

Terrorism has been defined as the substate application of violence or threatened violence intended to sow panic in a society, to weaken or even overthrow the incumbents, and to bring about political change. It shades

---

Walter Laqueur, Chairman of the International Research Council at the Center for Strategic and International Studies, is the author of *Terrorism* and *Guerrilla.*

on occasion into guerrilla warfare (although unlike guerrillas, terrorists are unable or unwilling to take or hold territory) and even a substitute for war between states. In its long history terrorism has appeared in many guises; today society faces not one terrorism but many terrorisms.

Since 1900, terrorists' motivation, strategy, and weapons have changed to some extent. The anarchists and the left-wing terrorist groups that succeeded them, down through the Red Armies that operated in Germany, Italy, and Japan in the 1970s, have vanished; if anything, the initiative has passed to the extreme right. Most international and domestic terrorism these days, however, is neither left nor right, but ethnic-separatist in inspiration. Ethnic terrorists have more staying power than ideologically motivated ones, since they draw on a larger reservoir of public support.

The greatest change in recent decades is that terrorism is by no means militants' only strategy. The many-branched Muslim Brotherhood, the Palestinian Hamas, the Irish Republican Army (IRA), the Kurdish extremists in Turkey and Iraq, the Tamil Tigers of Sri Lanka, the Basque Homeland and Liberty (ETA) movement in Spain, and many other groups that have sprung up in this century have had political as well as terrorist wings from the beginning. The political arm provides social services and education, runs businesses, and contests elections, while the "military wing" engages in ambushes and assassinations. Such division of labor has advantages: the political leadership can publicly disassociate itself when the terrorists commit a particularly outrageous act or something goes wrong. The claimed lack of control can be quite real because the armed wing tends to become independent; the men and women with the guns and bombs often lose sight of the movement's wider aims and may end up doing more harm than good.

Terrorist operations have also changed somewhat. Airline hijackings have become rare, since hijacked planes cannot stay in the air forever and few countries today are willing to let them land, thereby incurring the stigma of openly supporting terrorism. Terrorists, too, saw diminishing returns on hijackings. The trend now seems to be away from attacking specific targets like the other side's officials and toward more indiscriminate killing. Furthermore, the dividing line between urban terrorism and other tactics has become less distinct, while the line

between politically motivated terrorism and the operation of national and international crime syndicates is often impossible for outsiders to discern in the former Soviet Union, Latin America, and other parts of the world. But there is one fundamental difference between international crime and terrorism: mafias have no interest in overthrowing the government and decisively weakening society; in fact, they have a vested interest in a prosperous economy.

Misapprehensions, not only semantic, surround the various forms of political violence. A terrorist is not a guerrilla, strictly speaking. There are no longer any guerrillas, engaging in Maoist-style liberation of territories that become the base of a counter-society and a regular army fighting the central government—except perhaps in remote places like Afghanistan, the Philippines, and Sri Lanka. The term "guerrilla" has had a long life partly because terrorists prefer the label, for its more positive connotations. It also persists because governments and media in other countries do not wish to offend terrorists by calling them terrorists. The French and British press would not dream of referring to their countries' native terrorists by any other name but call terrorists in other nations militants, activists, national liberation fighters, or even "gun persons."

The belief has gained ground that terrorist missions by volunteers bent on committing suicide constitute a radical new departure, dangerous because they are impossible to prevent. But that is a myth, like the many others in which terrorism has always been shrouded. The bomber willing and indeed eager to blow himself up has appeared in all eras and cultural traditions, espousing politics ranging from the leftism of the Baader-Meinhof Gang in 1970s Germany to rightist extremism. When the Japanese military wanted kamikaze pilots at the end of World War II, thousands of volunteers rushed to offer themselves. The young Arab bombers on Jerusalem buses looking to be rewarded by the virgins in Paradise are a link in an old chain.

State-sponsored terrorism has not disappeared. Terrorists can no longer count on the Soviet Union and its Eastern European allies, but some Middle Eastern and North African countries still provide support. Tehran and Tripoli, however, are less eager to argue that they have a divine right to engage in terrorist operations outside

their borders; the 1986 U.S. air strike against Libya and the various boycotts against Libya and Iran had an effect. No government today boasts about surrogate warfare it instigates and backs.

On the other hand, Sudan, without fanfare, has become for terrorists what the Barbary Coast was for pirates of another age: a safe haven. Politically isolated and presiding over a disastrous economy, the military government in Khartoum, backed by Muslim leaders, believes that no one wants to become involved in Sudan and thus it can get away with lending support to terrorists from many nations. Such confidence is justified so long as terrorism is only a nuisance. But if it becomes more than that, the rules of the game change, and both terrorists and their protectors come under great pressure.

OPPORTUNITIES IN TERRORISM

HISTORY SHOWS that terrorism more often than not has little political impact, and that when it has an effect it is often the opposite of the one desired. Terrorism in the 1980s and 1990s is no exception. The 1991 assassination of Rajiv Gandhi as he campaigned to retake the prime ministership neither hastened nor inhibited the decline of India's Congress Party. Hamas' and Hezbollah's stepped-up terrorism in Israel undoubtedly influenced the outcome of Israeli elections in May, but while it achieved its immediate objective of setting back the peace process on which Palestine Authority President Yasir Arafat has gambled his future, is a hard-line Likud government really in these groups' interests? On the other side, Yigal Amir, the right-wing orthodox Jewish student who assassinated Prime Minister Yitzhak Rabin last fall because he disapproved of the peace agreement with the Palestinians, might well have helped elect Rabin's dovish second-in-command, Shimon Peres, to a full term had the Muslim terrorists not made Israeli security an issue again.

Terrorists caused disruption and destabilization in other parts of the world, such as Sri Lanka, where economic decline has accompanied the war between the government and the Tamil Tigers. But in Israel and in Spain, where Basque extremists have been staging attacks for decades, terrorism has had no effect on the economy. Even in Algeria, where terrorism has exacted the highest toll in human

lives, Muslim extremists have made little headway since 1992-93, when many predicted the demise of the unpopular military regime.

Some argue that terrorism must be effective because certain terrorist leaders have become president or prime minister of their country. In those cases, however, the terrorists had first forsworn violence and adjusted to the political process. Finally, the common wisdom holds that terrorism can spark a war or, at least, prevent peace. That is true, but only where there is much inflammable material: as in Sarajevo in 1914, so in the Middle East and elsewhere today. Nor can one ever say with certainty that the conflagration would not have occurred sooner or later in any case.

The greatest change is that terrorism is not militants' only strategy.

Nevertheless, terrorism's prospects, often overrated by the media, the public, and some politicians, are improving as its destructive potential increases. This has to do both with the rise of groups and individuals that practice or might take up terrorism and with the weapons available to them. The past few decades have witnessed the birth of dozens of aggressive movements espousing varieties of nationalism, religious fundamentalism, fascism, and apocalyptic millenarianism, from Hindu nationalists in India to neofascists in Europe and the developing world to the Branch Davidian cult of Waco, Texas. The earlier fascists believed in military aggression and engaged in a huge military buildup, but such a strategy has become too expensive even for superpowers. Now, mail-order catalogs tempt militants with readily available, far cheaper, unconventional as well as conventional weapons—the poor man's nuclear bomb, Iranian President Ali Akbar Hashemi Rafsanjani called them.

In addition to nuclear arms, the weapons of mass destruction include biological agents and man-made chemical compounds that attack the nervous system, skin, or blood. Governments have engaged in the production of chemical weapons for almost a century and in the production of nuclear and biological weapons for many decades, during which time proliferation has been continuous and access ever easier.[1] The means of

[1]Science fiction writers produced chemical weapons even earlier. In Jules Verne's *The Begum's Fortune*, a (German) scientist aims to wipe out the 250,000 inhabitants of (French) Franceville with one grenade of what he calls carbon acid gas, shot from a supergun.



CARTOONISTS & WRITERS SYNDICATE

A poisonous threat: Shoko Asahara, leader of the Aum Shinrikyo cult.

delivery—ballistic missiles, cruise missiles, and aerosols—have also become far more effective. While in the past missiles were deployed only in wars between states, recently they have played a role in civil wars in Afghanistan and Yemen. Use by terrorist groups would be but one step further.

Until the 1970s most observers believed that stolen nuclear material constituted the greatest threat in the escalation of terrorist weapons, but many now think the danger could lie elsewhere. An April 1996 Defense Department report says that "most terrorist groups do not have the financial and technical resources to acquire nuclear weapons but could gather materials to make radiological dispersion devices and some biological and chemical agents." Some groups have state sponsors that possess or can obtain weapons of the latter three types. Terrorist groups themselves have investigated the use of poisons since the nineteenth century. The Aum Shinrikyo cult staged a poison gas attack in March 1995 in the Tokyo subway; exposure to the nerve gas sarin killed ten people and injured 5,000. Other, more amateurish attempts in the United States and abroad to experiment with chemical substances and biological agents for use in terrorism have involved

the toxin that causes botulism, the poisonous protein rycin (twice), sarin (twice), bubonic plague bacteria, typhoid bacteria, hydrogen cyanide, VX (another nerve gas), and possibly the Ebola virus.

TO USE OR NOT TO USE?

IF TERRORISTS have used chemical weapons only once and nuclear material never, to some extent the reasons are technical. The scientific literature is replete with the technical problems inherent in the production, manufacture, storage, and delivery of each of the three classes of unconventional weapons.

The manufacture of nuclear weapons is not that simple, nor is delivery to their target. Nuclear material, of which a limited supply exists, is monitored by the U.N.-affiliated International Atomic Energy Agency. Only governments can legally procure it, so that even in this age of proliferation investigators could trace those abetting nuclear terrorists without great difficulty. Monitoring can overlook a more primitive nuclear weapon: nonfissile but radioactive nuclear material. Iranian agents in Turkey, Kazakhstan, and elsewhere are known to have tried to buy such material originating in the former Soviet Union.

Chemical agents are much easier to produce or obtain but not so easy to keep safely in stable condition, and their dispersal depends largely on climatic factors. The terrorists behind last year's attack in Tokyo chose a convenient target where crowds of people gather, but their sarin was apparently dilute. The biological agents are far and away the most dangerous: they could kill hundreds of thousands where chemicals might kill only thousands. They are relatively easy to procure, but storage and dispersal are even trickier than for nerve gases. The risk of contamination for the people handling them is high, and many of the most lethal bacteria and spores do not survive well outside the laboratory. Aum Shinrikyo reportedly released anthrax bacteria—among the most toxic agents known—on two occasions from a building in Tokyo without harming anyone.

Given the technical difficulties, terrorists are probably less likely to use nuclear devices than chemical weapons, and least likely to attempt to use biological weapons. But difficulties could be overcome, and the

choice of unconventional weapons will in the end come down to the specialties of the terrorists and their access to deadly substances.

The political arguments for shunning unconventional weapons are equally weighty. The risk of detection and subsequent severe retaliation or punishment is great, and while this may not deter terrorists it may put off their sponsors and suppliers. Terrorists eager to use weapons of mass destruction may alienate at least some supporters, not so much because the dissenters hate the enemy less or have greater moral qualms but because they think the use of such violence counterproductive. Unconventional weapon strikes could render whole regions uninhabitable for long periods. Use of biological arms poses the additional risk of an uncontrollable epidemic. And while terrorism seems to be tending toward more indiscriminate killing and mayhem, terrorists may draw the line at weapons of superviolence likely to harm both foes and large numbers of relatives and friends—say, Kurds in Turkey, Tamils in Sri Lanka, or Arabs in Israel.

Terrorists can order the poor man's nuclear bomb from a catalog.

Furthermore, traditional terrorism rests on the heroic gesture, on the willingness to sacrifice one's own life as proof of one's idealism. Obviously there is not much heroism in spreading botulism or anthrax. Since most terrorist groups are as interested in publicity as in violence, and as publicity for a mass poisoning or nuclear bombing would be far more unfavorable than for a focused conventional attack, only terrorists who do not care about publicity will even consider the applications of unconventional weapons.

Broadly speaking, terrorists will not engage in overkill if their traditional weapons—the submachine gun and the conventional bomb—are sufficient to continue the struggle and achieve their aims. But the decision to use terrorist violence is not always a rational one; if it were, there would be much less terrorism, since terrorist activity seldom achieves its aims. What if, after years of armed struggle and the loss of many of their militants, terrorist groups see no progress? Despair could lead to giving up the armed struggle, or to suicide. But it might also lead to a last desperate attempt to defeat the hated enemy by arms not tried before. As one of Racine's heroes said of himself, their "only hope lies in their despair."

APOCALYPSE SOON

TERRORIST GROUPS traditionally contain strong quasi-religious, fanatical elements, for only total certainty of belief (or total moral relativism) provides justification for taking lives. That element was strong among the prerevolutionary Russian terrorists and the Romanian fascists of the Iron Guard in the 1930s, as it is among today's Tamil Tigers. Fanatical Muslims consider the killing of the enemies of God a religious commandment, and believe that the secularists at home as well as the State of Israel will be annihilated because it is Allah's will. Aum Shinrikyo doctrine held that murder could help both victim and murderer to salvation. Sectarian fanaticism has surged during the past decade, and in general, the smaller the group, the more fanatical.

As humankind approaches the end of the second millennium of the Christian era, apocalyptic movements are on the rise. The belief in the impending end of the world is probably as old as history, but for reasons not entirely clear, sects and movements preaching the end of the world gain influence toward the end of a century, and all the more at the close of a millennium. Most of the preachers of doom do not advocate violence, and some even herald a renaissance, the birth of a new kind of man and woman. Others, however, believe that the sooner the reign of the Antichrist is established, the sooner this corrupt world will be destroyed and the new heaven and earth foreseen by St. John in the Book of Revelation, Nostradamus, and a host of other prophets will be realized.[2]

Extremist millenarians would like to give history a push, helping create world-ending havoc replete with universal war, famine, pestilence, and other scourges. It is possible that members of certain Christian and Jewish sects that believe in Armageddon or Gog and

[2]According to Nostradamus, a "great King of terror" will come from heaven in July 1999. Millenarians face a problem when it comes to fixing the date; the Gospel of St. Matthew says that "no one knows the day and the hour, not even the angels in heaven." As the year 1000 approached, educated people were fully aware that the Christian calendar was inexact and could not be corrected—hence the assumption that the world could end almost anytime between 960 and 1040. For a comparative review of apocalyptic influences at the end of the nineteenth and the twentieth centuries, see Walter Laqueur, "Fin de Siècle—Once More with Feeling," *Journal of Contemporary History*, January 1996, pp. 5-47.

Magog or the Muslims and Buddhists who harbor related extreme beliefs could attempt to play out a doomsday scenario. A small group of Israeli extremists, for instance, firmly believes that blowing up Temple Mount in Jerusalem would bring about a final (religious) war and the beginning of redemption with the coming of the Kingdom of God. The visions of Shoko Asahara, the charismatic leader of Aum Shinrikyo, grew increasingly apocalyptic, and David Koresh proclaimed the Last Day's arrival in the Branch Davidians' 1994 confrontation with Bureau of Alcohol, Tobacco, and Firearms agents.

Those who subscribe to such beliefs number in the hundreds of thousands and perhaps millions. They have their own subcultures, produce books and CDs by the thousands, and build temples and communities of whose existence most of their contemporaries are unaware. They have substantial financial means at their disposal. Although the more extreme apocalyptic groups are potentially terrorist, intelligence services have generally overlooked their activities; hence the shock over the subway attack in Tokyo and Rabin's assassination, to name but two recent events.

Apocalyptic elements crop up in contemporary intellectual fashions and extremist politics as well. For instance, extreme environmentalists, particularly the so-called restoration ecologists, believe that environmental disasters will destroy civilization as we know it—no loss, in their view—and regard the vast majority of human beings as expendable. From such beliefs and values it is not a large step to engaging in acts of terrorism to expedite the process. If the eradication of smallpox upset ecosystems, why not restore the balance by bringing back the virus? The motto of *Chaos International,* one of many journals in this field, is a quotation from Hassan I Sabbah, the master of the Assassins, a medieval sect whose members killed Crusaders and others in a "religious" ecstasy; everything is permitted, the master says. The premodern world and postmodernism meet at this point.

FUTURE SHOCK

SCANNING THE contemporary scene, one encounters a bewildering multiplicity of terrorist and potentially terrorist groups and sects. The practitioners of terrorism as we have known it to this point were

nationalists and anarchists, extremists of the left and the right. But the new age has brought new inspiration for the users of violence along with the old.

In the past, terrorism was almost always the province of groups of militants that had the backing of political forces like the Irish and Russian social revolutionary movements of 1900. In the future, terrorists will be individuals or like-minded people working in very small groups, on the pattern of the technology-hating Unabomber, who apparently worked alone sending out parcel bombs over two decades, or the perpetrators of the 1995 bombing of the federal building in Oklahoma City. An individual may possess the technical competence to steal, buy, or manufacture the weapons he or she needs for a terrorist purpose; he or she may or may not require help from one or two others in delivering these weapons to the designated target. The ideologies such individuals and mini-groups espouse are likely to be even more aberrant than those of larger groups. And terrorists working alone or in very small groups will be more difficult to detect unless they make a major mistake or are discovered by accident.

Could 20 hackers with $1 billion really shut down America?

Thus at one end of the scale, the lone terrorist has appeared, and at the other, state-sponsored terrorism is quietly flourishing in these days when wars of aggression have become too expensive and too risky. As the century draws to a close, terrorism is becoming the substitute for the great wars of the 1800s and early 1900s.

Proliferation of the weapons of mass destruction does not mean that most terrorist groups are likely to use them in the foreseeable future, but some almost certainly will, in spite of all the reasons militating against it. Governments, however ruthless, ambitious, and ideologically extreme, will be reluctant to pass on unconventional weapons to terrorist groups over which they cannot have full control; the governments may be tempted to use such arms themselves in a first strike, but it is more probable that they would employ them in blackmail than in actual warfare. Individuals and small groups, however, will not be bound by the constraints that hold back even the most reckless government.

Society has also become vulnerable to a new kind of terrorism, in which the destructive power of both the individual terrorist and terrorism as a tactic are infinitely greater. Earlier terrorists could kill kings or high officials, but others only too eager to inherit their mantle quickly stepped in. The advanced societies of today are more dependent every day on the electronic storage, retrieval, analysis, and transmission of information. Defense, the police, banking, trade, transportation, scientific work, and a large percentage of the government's and the private sector's transactions are on-line. That exposes enormous vital areas of national life to mischief or sabotage by any computer hacker, and concerted sabotage could render a country unable to function. Hence the growing speculation about infoterrorism and cyberwarfare.

An unnamed U.S. intelligence official has boasted that with $1 billion and 20 capable hackers, he could shut down America. What he could achieve, a terrorist could too. There is little secrecy in the wired society, and protective measures have proved of limited value: teenage hackers have penetrated highly secret systems in every field. The possibilities for creating chaos are almost unlimited even now, and vulnerability will almost certainly increase. Terrorists' targets will change: Why assassinate a politician or indiscriminately kill people when an attack on electronic switching will produce far more dramatic and lasting results? The switch at the Culpeper, Virginia, headquarters of the Federal Reserve's electronic network, which handles all federal funds and transactions, would be an obvious place to hit. If the new terrorism directs its energies toward information warfare, its destructive power will be exponentially greater than any it wielded in the past—greater even than it would be with biological and chemical weapons.

Still, the vulnerability of states and societies will be of less interest to terrorists than to ordinary criminals and organized crime, disgruntled employees of big corporations, and, of course, spies and hostile governments. Electronic thieves, whether engaged in credit card fraud or industrial espionage, are part of the system, using it rather than destroying it; its destruction would cost them their livelihood. Politically motivated terrorist groups, above all separatists bent on establishing states of their own, have limited aims. The Kurdish Workers Party, the

IRA, the Basque ETA, and the Tamil Tigers want to weaken their enemies and compel them to make far-reaching concessions, but they cannot realistically hope to destroy them. It is also possible, however, that terrorist groups on the verge of defeat or acting on apocalyptic visions may not hesitate to apply all destructive means at their disposal.

All that leads well beyond terrorism as we have known it. New definitions and new terms may have to be developed for new realities, and intelligence services and policymakers must learn to discern the significant differences among terrorists' motivations, approaches, and aims. The Bible says that when the Old Testament hero Samson brought down the temple, burying himself along with the Philistines in the ruins, "the dead which he slew at his death were more than he slew in his life." The Samsons of a society have been relatively few in all ages. But with the new technologies and the changed nature of the world in which they operate, a handful of angry Samsons and disciples of apocalypse would suffice to cause havoc. Chances are that of 100 attempts at terrorist superviolence, 99 would fail. But the single successful one could claim many more victims, do more material damage, and unleash far greater panic than anything the world has yet experienced.

The Middle East: No More Treaties

Richard N. Haass

BETWEEN PEACE AND WAR

IT HAS been a remarkable five years in the Middle East. Beginning in October 1991, when Arabs and Israelis first met face to face in Madrid, it went on to include two Israeli-PLO accords, an Israeli-Jordanian peace treaty, two grand regional economic conferences, the repeal by the U.N. General Assembly of the 1975 resolution equating Zionism with racism, serious peace negotiations between Israel and Syria, and decisions by several Arab states and many other governments around the world to establish diplomatic relations with Israel. For the first time in modern history, it did not sound foolish to speak of solving the Middle East problem.

That era, if five years can be said to qualify as an era, is over. Several factors account for this abrupt end, not just the June 1996 election of a more conservative Israeli government. Indeed, the era of treaties in the Middle East might well have come to an end even if the Labor government of Shimon Peres had triumphed at the polls. The inability to conclude new treaties will have profound consequences for both the peace process and peace itself. But the end of the era of treaties does not have to lead to the demise of either peace or the peace process if the parties and diplomats involved do not act as if nothing has changed or everything is lost. What is called for is a new approach to diplomacy, one more modest in what it attempts but no less demanding in what it will require.

RICHARD N. HAASS, a principal adviser on the Middle East to President George Bush, is Director of Foreign Policy Studies at the Brookings Institution.

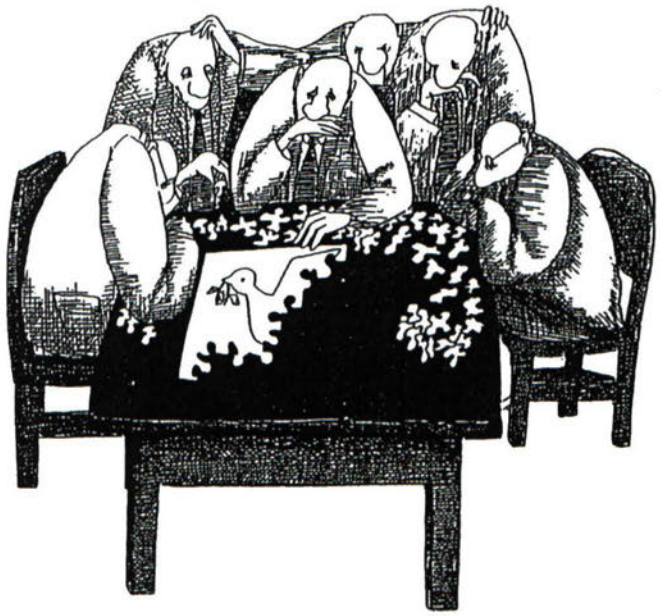
FROM MADRID TO OSLO

WHAT MADE the era of treaties and other agreements possible, above all, was the end of the Cold War and the trauma of the Persian Gulf War. Arab governments lost their Soviet benefactor, and Iraq, the center of secular Arab radicalism, was thrashed on the battlefield. Meanwhile, most Arab governments came to accept Israel as a permanent, if not welcome, reality. Palestinians faced two additional problems: the PLO lost its Arab financial backers in the Persian Gulf region when it made the mistake of backing Saddam Hussein in his bid to conquer Kuwait, and the Palestinian uprising, or intifada, was losing steam.

The result was a decision by all of Israel's immediate neighbors and by Palestinians living in the West Bank and Gaza to attend the October 1991 Madrid peace conference. Israelis, meanwhile, saw Madrid as a way out of the costs and burdens of occupation. Moreover, during the gulf war Iraqi Scuds underlined Israel's vulnerability to a new generation of weapons. Syrian acceptance of the U.S.-Soviet invitation to attend the peace conference put Israel's Likud government on the political defensive, a position it did not want to be in when American primacy was so pronounced.

By contrast, the failure of post-Madrid diplomacy made possible the 1993 Oslo agreement, which gave Palestinians effective control of Gaza and Jericho, and its 1995 successor, which extended Palestinian authority to the major cities of the West Bank. Neither Yitzhak Shamir nor Yitzhak Rabin had been able to strike a deal with Palestinian "insiders," who proved both unwilling and unable to negotiate in the absence of explicit participation by the PLO. What made Oslo possible was Israeli willingness to accept the PLO as a negotiating partner, along with the PLO's willingness to accept a step-by-step process with no guarantee of where it would end—and a shared perception that both sides would have to take matters into their own hands, given that the United States no longer appeared to be an active and forceful mediator.

The first Oslo agreement, signed on the South Lawn of the White House in September 1993, also yielded a formal peace treaty between Israel and Jordan as an unexpected dividend. What prompted the October 1994 treaty was a change in Jordan's political calculus: it would



CARTOONISTS & WRITERS SYNDICATE

lose all influence over the future of Jerusalem and the Palestinians unless it entered into a peace treaty with Israel. In addition, Yasir Arafat's and the PLO's open willingness to come to terms with Israel made such a step for Jordan's monarch less risky.

Is there any chance of further treaties? For the next five years, the short answer is no. Israel and the PLO began "final status" talks just before Israel's recent election. The goal is to complete these talks and sign a treaty in three years, by May 1999. There is no conceivable way this goal will be met. The issues of final status are the most difficult: Jerusalem, Palestinian control of territory and statehood, the right of millions of Palestinian refugees to return home, and water. These issues would be difficult and perhaps impossible to negotiate even if all sides had the will to do so. It is instructive to recall here that the relatively dovish Shimon Peres, Israel's prime minister in the aftermath of Yitzhak Rabin's assassination, reportedly balked at a final status blueprint negotiated by one of his senior lieutenants and an aide to Yasir Arafat. Although Peres may have had his own reasons for doing so—he opposed the separation of the Israeli and Palestinian peoples implicit in the plan and was concerned about allowing that track to get too far out in front of Israel's negotiations with Syria—it also suggests

that gaining Israeli and PLO agreement on final status, as well as popular backing for it, would have been a monumental task.

Today, there is neither the will nor the ability to conclude an Israeli-Palestinian final status agreement—that is, peace. The PLO leadership fears it will lose support and, in the end, legitimacy, if it is seen to compromise important political goals. There is the additional fear that Hamas and other Islamic radical groups would gain at the expense of the PLO if anything were done to weaken the Palestinian claim to Jerusalem. It is often safer to espouse dreams that are whole than to accept inevitably incomplete realities. For its part, the new Likud government of Benjamin Netanyahu campaigned on a platform, subsequently enshrined in government guidelines, that opposes a Palestinian state, the right of return for Palestinian refugees, and any dilution of exclusive Israeli sovereignty over a united Jerusalem. For Israelis, too, it is politically less risky to live with an imperfect status quo than to contemplate controversial alternatives.

Past agreements have made the need to compromise less urgent.

Prospects are even bleaker for a treaty between Syria and Israel. The new Israeli government has been explicit in its intention to maintain sovereignty over the Golan Heights and in its refusal to return all of the territory gained in the 1967 conflict. The Likud's notion of minor agreements in exchange for peace and some normalization appears unrealistic. There is no evidence that Syrian President Hafiz al-Assad is prepared to accept half a loaf when he rejected the Rabin government's position of offering most or even all of the area in exchange for peace, security arrangements, and a degree of normalization. Indeed, Assad's priority may be keeping power for himself and the minority Alawite sect that runs Syria. Arguably, maintaining Israel as an adversary and keeping Syria closed to the outside world serves these ends better than would peace.

Similarly, there is no chance of an agreement between Israel and Lebanon. Lebanon is not an independent actor. Syria, which continues to maintain thousands of forces there and would be in a position to intimidate the Lebanese even if it did not, will not permit a separate peace between those two countries. No amount of Israeli inducement, not even a withdrawal from southern Lebanon, could bring about an agreement.

There are also more general explanations for the poor prospects for peace agreements. The close outcome of the recent election underlined that Israel is a divided country. It is impossible to define what mandate, if any, Netanyahu can rightfully claim. He got elected by tapping Israeli frustration with a peace that did not deliver absolute security. But it was not absolute insecurity either—more Israelis were killed in traffic accidents than by terrorist acts in the first half of 1996—and there is no reason to conclude that less peace will bring more security.

The new Israeli government, or at least the prime minister, should be in place for four years, given changes in Israel's electoral law that will work against attempts in Israel's Knesset to vote no confidence and force an early election. Some observers believe that Netanyahu will prove far more pragmatic in governing than he proved in opposition or in a previous stint as deputy foreign minister in the Shamir government. One often hears the parallel of Richard Nixon going to China. But unlike Nixon, who before assuming office wrote that the United States needed to engage China, Netanyahu has not shown a readiness to change. Netanyahu may go to China, but he is unlikely to go to Syria.

There are also factors in the Arab world that will make reaching any new agreements difficult. Egypt, the first Arab state to make peace with Israel, is doing little to build bridges to its neighbor, working instead to placate domestic critics and regain a position of leadership in the Arab world. King Hussein of Jordan enjoys little support at home for engagement with Israel. The gulf states face increasing economic problems and are distracted by internal political challenges and the threats posed by Iran and Iraq. Indeed, homegrown Islamic groups and their external benefactors will discourage further normalization or compromise with Israel.

Agreements that have already been reached further reduce the prospects for treaties. There is less urgency now than before. The status quo is better than it was five years ago and is in many ways tolerable—possibly more tolerable than the risks of compromise. Similarly, the passage of time has hurt the prospects for peace. The psychological impact of the demise of the Soviet Union and the outcome of the Persian Gulf War has waned. So, too, has the stature of the United States. Somalia, Bosnia, a secretary of state more familiar than feared,

an administration and a Congress seen as overwhelmingly pro-Israel—all have made it easier for local parties to go their own way.

There is an obvious danger in all this. The current situation in the Middle East—armed deterrence between Israel and Syria, together with a patchwork quilt of Palestinian population centers, Jewish settlements, and Israeli-controlled land—is neither stable nor sustainable. Syria and Israel must communicate even if they do not negotiate, much less agree. And autonomy must continue to grow in both breadth and depth, or the current modus vivendi will collapse.

The collapse would be costly. Palestinians would suffer a loss of autonomy, increased economic hardship, and a future of open-ended occupation. But it would be no better for Israelis, who, in addition to facing the expense of occupation and increased terror, would forfeit a chance to gain economic access to the region. Fewer resources would be available to focus on the emerging and ultimately more worrisome threats to Israel's security posed by Iran and Iraq. A radicalization of Palestinian and Israeli politics alike would result; any chance for peace would be postponed if not destroyed. A deterioration in Israeli-Syrian relations could have equally serious consequences. Another war between these two antagonists could well involve weapons of mass destruction. Urban areas could become battlefields; civilians could become combatants. And even if this nightmare did not materialize, a conventional war would still involve staggering human and financial costs on both sides. But it would be wrong to equate poor or even negligible prospects for agreements with an end either to the peace process or to peace itself. At a minimum, history shows that, thanks to deterrence, it is possible to maintain "no war, no peace" for extended periods. There is a level or plateau between a solution and peace on the one hand and collapse and conflict on the other. Establishing such a plateau and making it stable ought to be the purpose of the next era of diplomacy.

DIPLOMACY FOR A NEW ERA

IT MAY help to think of Middle East peace over the past five years as a stock whose price has soared: a correction is inevitable. The goal of American diplomacy ought to be to minimize the size of the correc-

tion and avoid giving back all the hard-earned gains. Succeeding in this effort will demand accepting the notion that diplomacy can still achieve progress in the absence of treaties and other formal agreements. Formal pacts are just one tool of diplomacy, not a synonym for it. Three alternatives stand out: unilateralism, confidence-building measures, and signaling. All three can and should be used, to avert the worst and even to bring about some gain.

Israel and the Palestinians should focus on a mixture of unilateralism and confidence-building measures to implement and supplement existing agreements. Palestinians currently control day-to-day life in Gaza and all the principal West Bank cities except Hebron. Israel and the Palestinians have joint responsibility for roughly 450 villages and towns that comprise one-fourth of the occupied territories. Israel still has sole control of the remaining two-thirds, an area that includes the bulk of its settlements, military installations, and so-called state lands. In October 1995, the second Oslo agreement called for further Israeli withdrawals from this last territorial zone at regular intervals. Accomplishing just that would be an important confidence-building measure. Similarly, Israel could transfer greater control of towns and villages to the Palestinians. Steps short of the agreed division and transfer of authority in Hebron—the issue with the greatest potential to trigger a crisis in Israeli-Palestinian relations—should go ahead if the Netanyahu government refuses to implement the full Oslo II approach. The result would be a series of de facto Oslo IIIs, a form of evolving autonomy. These efforts need to be buttressed by increased contacts and exchanges in the business and academic worlds and by easing the travel restrictions and closures that limit the opportunity for Palestinians to travel to Israel to work.

The Middle East is like an overvalued stock: a correction is inevitable.

For its part, the Palestinian leadership must do everything possible to deal with the security threat to Israel. No one can expect 100 percent success—Netanyahu is wrong when he says that "peace means the absence of violence"—but Israel has every right to expect 100 percent effort. Palestinian leaders should resist calls for a new intifada. Here Israel can help its own case. Israel is more likely to get what it wants in the way of the antiterrorist coooperation in a context

of increasing rather than contracting autonomy. Such a context would make sustaining popular support for tough measures while diminishing the appeal of radicals easier for the Palestinian authority.

Confidence can also be built by what is not done. Israel should resist the temptation to cast aside the PLO to work with Jordan on resolving Palestinian matters. That would not work, and it would almost certainly provoke violence on the Palestinian side and weaken the position of King Hussein. If the PLO is to be weakened or replaced by something better (and not, for example, Hamas), it will have to happen through the ballot box.

Israel should threaten Syrian forces to deter attacks by Hezbollah.

Settlements are another potential flash point. Palestinians see them as unilateral action by Israel that prejudices final status and renders negotiations meaningless. To allow for modest growth in existing settlements is one thing; to accelerate their growth dramatically or to start new ones is quite another. A decision to expand settlements would almost certainly lead to a breakdown of all talks and renewed violence—particularly in the absence of any good-faith effort to achieve progress toward peace. Netanyahu suggested during his July 9 White House press conference with President Clinton that his government could not be expected to conduct less settlement activity than the Labor government he replaced, which increased the settlement populations by between five and ten percent a year. This may be so, but it is no less true that Palestinians and the U.S. government were prepared to look the other way during Labor's tenure only because they had confidence in its commitment to a fair peace.

Lebanon could well be an opportunity for unilateralism. Israel's aims in Lebanon are security-related, not territorial. No mention of Lebanon per se is to be found in the new government's guidelines. The Israeli military presence in the south of Lebanon has failed to deter rocket attacks against northern Israel. Moreover, Israeli forces themselves have increasingly become a target of Hezbollah attacks. Israel could simply pull its forces out. Withdrawal from Lebanon would reduce the vulnerability of Israeli forces and give Israel a major diplomatic accomplishment. It would put pressure on Syria and Iran to halt their interference in Lebanon's internal affairs and to stop

arming—or, better yet, disarm—Hezbollah, something that would reduce the chances for both renewed fighting in Lebanon and conflict between Israel and Syria.

With or without such a unilateral step, Israel should make clear to Syria that it will be held accountable for Hezbollah's actions in Lebanon. Syria is the dominant force in Lebanon, and Hezbollah continues to operate there thanks not only to Syrian tolerance but to its active support. Arms regularly go through Syria on their way from Iran to Lebanon and Hezbollah. What Netanyahu should not do is repeat the error of the Peres government, which was to respond to Hezbollah attacks on northern Israel by attacking the Lebanese people. Instead, Israel should retaliate against any Hezbollah target that can be reached and communicate to Damascus that it is even prepared to attack Syrian forces in Lebanon and interrupt Syrian support for Hezbollah. Such action would risk widening any conflict, but such clarity might influence Syrian behavior and thereby help avert war. Israel's only alternative is to accept the politically unacceptable: mounting attacks on its citizens from Lebanese territory.

Similarly, Israel should signal Syria regarding any red lines involving common water resources. There is no need to try to negotiate a specific accord with Syria, which would be impossible given Assad's refusal to entertain such normalization. But Israel can communicate its expectations and the consequences of Syria's diversion of more than a stated percentage of the water.

ADAPTING TACTICS, NOT PRINCIPLES

THE UNITED STATES remains the critical outside actor in the region. Russian cosponsorship of the Madrid peace process is mostly a gesture, while Europeans, whether individually or through the European Union, have little to offer beyond economic assistance. To remain effective, however, the United States needs to alter its approach to the Middle East. It would be futile to carry on as if nothing had changed. Moreover, to do so would bring with it a considerable opportunity cost. There is only so much time and energy for the president and his top aides to devote to foreign policy, and it is impossible to argue that two dozen more visits to Syria would

be more useful to U.S. national security than spending that time consulting with leaders in Japan, China, Russia, and India. Even in the Middle East, other issues, including dealing with Iraq and Iran and helping states contend with internal political and economic challenges, deserve more attention from senior U.S. officials than does the traditional peace process.

Any time that senior officials devote to the peace process should involve limited but potentially feasible efforts. This is not a moment for drama. Washington should counsel restraint, promote confidence, and support continued Palestinian participation in final status talks. It would mitigate despair to remind the two sides that they were never likely to meet the three-year goal—not a deadline—for agreeing to final status. The United States should work to help make the Palestinian entity more democratic, a worthy outcome in itself that would also increase Israeli willingness to negotiate. U.S. counsel would be taken more readily if it were accompanied by economic help, be it direct, in the form of generous amounts of assistance, or indirect, as investment guarantees.

What the United States should not do is compromise its basic beliefs. It is one thing to adapt tactics to a changed circumstance, quite another to adapt principles. Consistency will pay off. It will help persuade Palestinians that moderation can still work. It will lead Israel to consider the consequences before departing from existing policy. And it will make it easier for the United States to sustain cooperation with moderate Arab states such as Saudi Arabia and Egypt. Toward these ends, the U.S. government should speak out when it disagrees with what any party says or does. The United States retains considerable moral authority, something that must be used if it is not to be squandered. Washington should oppose violence and lean on Palestinians when they fail to do what they can to stem it. The United States should oppose increased settlement activity; it is not a question of legality but of practicality. Washington should also oppose any Syrian support for terror, including the facilitation of Hezbollah activities in Lebanon, and keep Syria on the list of state sponsors of terrorism until it changes its behavior. Going further than that, as urged by those who would treat Syria the same as such rogues as Iran and Iraq, is not without real risks, however. If Syria could be a better citizen, it

could also be much worse, creating crises in southern Lebanon and undermining moderate Palestinians.

The United States should not walk away from its historical commitment to the notion of territory for peace. The reason is not to engage in an endless round of theological debates—the phrase is shorthand for a series of tradeoffs that must include security for Israel—but to buttress a process that will survive as much on perceived potential as it will on actual results. There is no other basis for negotiations between Israel and Syria, if and when they are resumed. And there must be a territorial basis for Palestinian nationalism. This will probably mean something that is more than autonomy but less than a full-fledged state. Israel must come to accept that status if it wants to be predominantly Jewish, truly democratic, and relatively secure. The new prime minister says it is a goal to make Israel more normal and, like his counterparts in other countries, to focus on economic issues. That can happen only if Israel continues to support a legitimate process toward normal coexistence.

The informal approach to diplomacy advocated here has its advantages. It is realistic and does not waste time seeking the impossible. It minimizes the need for intense negotiations. It avoids the requirement of submitting controversial agreements to uncertain and often critical political processes. This is not to diminish the value of treaties or other agreements. On the contrary, they are highly useful in locking in progress. The Egyptian-Israeli peace, however cold, is far more resistant to the passions of the day than would be informal understandings. What is more, the time may come when it is again possible to negotiate agreements in the Middle East. There could, for example, be political evolution in Israel, such as a National Unity government in which Netanyahu would replace some of his current associates with more moderate Labor Party leaders, or a successor Labor government. There could be a change of leadership in Syria. The Palestinians could become more democratic and more willing to compromise. Diplomacy would have to be reoriented if such developments should come about. An ambitious, high-profile initiative might be called for. Until then, however, the United States will need to content itself with something more modest, if only to avert something far worse. In the new Middle East, the best is not only the enemy of the good, it is the enemy of peace.

Chinese Realpolitik

Thomas J. Christensen

READING BEIJING'S WORLD-VIEW

SCHOLARS AND policy analysts seem almost obsessed with China's continuing rise toward the status of a great power. Debates rage about whether there is a "China threat" to East Asia or the United States, how to measure China's present military and economic power, and which trends best project China's growth into the next century. Less attention has been given to how Chinese government analysts view their own security environment. Because they influence the thinking of government decision-makers and are privy to their thoughts, an analysis of their views on security is valuable. By providing a better understanding of both China's baseline realpolitik view of international politics and two significant divergences from that baseline—Beijing's attitudes toward Japan and Taiwan—such a study can help contribute to a more prudent American East Asia strategy.[1]

China may well be the high church of realpolitik in the post–Cold War world. Its analysts certainly think more like traditional balance-of-power theorists than do most contemporary Western leaders and policy analysts.[2] For example, although China has not actively opposed multilateral humanitarian efforts, the rationales for international missions in Bosnia, Somalia, and Haiti are alien to the thinking of most Chinese analysts. They are also much less likely than their Western counterparts to emphasize political, cultural, or ideological differences

---

THOMAS J. CHRISTENSEN is assistant professor of government at Cornell University and author of *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American Conflict, 1947-58* from Princeton University Press. Research for this article was funded by the Asia Security Project at Harvard University's Olin Institute for Strategic Studies.

with foreign countries. The United States considers the "enlargement of areas of democracy" a core element of its grand strategy, but China has made almost no effort, with the possible exception of its relations with North Korea, to export its ideas about "market socialism."

China is not interested in pressing either allies or rivals to comply with global norms of human rights. On occasion, it will return fire when a country criticizes its human rights record, but this seems purely tactical. It is hard to believe that Chinese elites are truly concerned with the plight of Native Americans, African-Americans in south central Los Angeles, or Turkish guest workers in Berlin. Chinese analysts raise these topics only when defending China from attack on human rights grounds.

China's elites are suspicious of many multilateral organizations, including those devoted to economic, environmental, nonproliferation, and regional security issues. In most cases, China joins such organizations to avoid losing face and influence. But Beijing does not allow these organizations to prevent it from pursuing its own economic and security interests. Chinese analysts often view international organizations and their universal norms as fronts for other powers. Particularly in times of tension with the United States, such as mid-1995 when the United States allowed Taiwanese President Lee Teng-hui to visit, they view complaints about China's violations of international norms or laws as part of an integrated Western strategy, led by Washington, to prevent China from becoming a great power. Many analysts, particularly those in the military, believe that criticisms by foreign governments and nongovernmental organizations are plots to keep Beijing off balance and encourage domestic forces bent on the overthrow of the Chinese Communist Party or the breakup of the country.

---

[1]For this essay, I conducted dozens of interviews with military and civilian government analysts during three separate month-long trips to Beijing. These government think tank analysts are not decision-makers, but they advise and brief decision-makers in all relevant government organizations: the People's Liberation Army, the Foreign Ministry, the State Council, and the Chinese intelligence agencies. The research trips were hosted by the China Institute of Contemporary International Relations.

[2]I argue that, in general, Chinese security analysts think about their nation's security like Western scholars of realpolitik (e.g., E. H. Carr, Hans Morgenthau, and Henry Kissinger). One recent work argues that realpolitik thinking in China may have its roots in the dynastic era. See Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History*, Princeton: Princeton University Press, 1995.



LANSNER/BLACK STAR

Never let down your guard: A 1993 billboard promotes China's unsuccessful campaign to host the Summer Olympics in 2000.

China has not been cavalier in its attitudes toward multilateral organizations; it has been concerned and vigilant for reasons consistent with a hard-nosed view of international politics. For example, in 1994 Chinese analysts seemed wary of the Association of Southeast Asian Nations (ASEAN) and its new security forum, the ASEAN Regional Forum (ARF). Civilian and military experts were concerned that after Vietnam's acceptance into ASEAN, the organization might become an expanded, tacitly anti-Chinese alliance with links to the United States. They have argued against trying to create a formal security regime in East Asia to parallel the Organization for Security and Cooperation in Europe. Their fear seems to have been that in a more formal ARF, China might play Gulliver to Southeast Asia's Lilliputians, with the United States supplying the rope and stakes. If ARF were to adopt specific norms of transparency and rules on force deployment, it might enable the region to monitor and limit the growth of China's ability to project power.

China has participated fully in ARF activities since 1994, and its attitudes toward the organization have clearly softened on a range of

issues. But Beijing still seems reluctant to use the multilateral forum to settle sovereignty disputes in the South China Sea, where islets, subject to overlapping territorial claims by the People's Republic of China, Taiwan, Malaysia, Vietnam, the Philippines, and Brunei are sprinkled across a vast stretch of seabed believed to contain rich oil and mineral deposits. Since China is the most powerful claimant, its wariness about the potential formation of a local anti-Chinese coalition is fully in accord with traditional balance-of-power politics.

WATCHING JAPAN

CHINESE ATTITUDES toward Japan mix elements of realpolitik with less antiseptic emotions rooted in China's bitter history of occupation by Japanese imperialists. Chinese security analysts, particularly military officers, anticipate and fear Japan's renaissance as a world-class military power in the early 21st century. These predictions are consistent with balance-of-power theories but not with the analysis of many Japan experts throughout the West, who believe that cultural pacifism after World War II, domestic political constraints, and economic interests will steer Japan away from such ambitions. Chinese analysts do not always dismiss these arguments out of hand, but many believe those obstacles will merely delay Japan's long-term military buildup. The two related and most important delaying factors, in the minds of these analysts, are the U.S.-Japan relationship, particularly the security alliance, and the political and economic stability of Japan. They believe that the United States, by reassuring Japan and providing its security on the cheap, fosters a political climate in which the Japanese public remains opposed to buildup and the more hawkish elements of the Japanese elite are kept at bay. If, however, the U.S.-Japan security alliance either comes under strain or undergoes a transformation in which Japan assumes a much more prominent military role, then, Chinese analysts believe, the ever-present hawks could more easily foment militarization.

Realpolitik would predict that the one-sided U.S.-Japan alliance will collapse after the demise of the common Soviet enemy. But Beijing's dread of various scenarios for change goes beyond the abstract logic of balance-of-power politics. According to that logic, China should

be at least as concerned about coercion or attack by the world's only superpower, the United States, as about the remilitarization of Japan. As Secretary of Defense William Perry recently reminded China, America has by far the strongest military in the western Pacific. If one considers only military power, one might expect China to welcome the ejection of American forces from Japan and the rise of a new regional power that, in collaboration with China, might counter American regional hegemony. One might argue that Japan's geographic proximity alone would make a new regional power more of a threat to China than the more distant United States. But having lost hundreds of thousands of soldiers fighting the American military in the Korean War, China is unlikely to consider the United States a removed power. In any case, a conclusion about which nation poses a greater threat to China—a distant superpower or a local great power—cannot be reached by Chinese analysts or Western scholars weighing the international balance of power alone. It must be based largely on historical legacies and national perceptions.

The real reason that Chinese military and civilian analysts are so afraid of a breakdown or a fundamental change in the U.S.-Japan alliance is a historically rooted and visceral distrust of Japan. Although they harbor suspicion toward the United States, they view Japan with even less trust and, in many cases, with a loathing rarely found in attitudes toward America. This is more a legacy of Japanese atrocities in the 1930s than a byproduct of contemporary Japanese power.[3] Like many other countries in the region, China seems grateful that America restrains Japanese militarization by guaranteeing Japanese security and replacing what would otherwise be Japanese aircraft carriers and marines with American ones. Although Chinese analysts are rarely so direct as to say that American forces should stay in Japan indefinitely, they are quick to say that they hope the United States will not leave anytime soon.

Through 1993 China's civilian and military analysts had similar takes on Japanese remilitarization. Japan's reemergence as a great power after World War II had been interpreted as the goal of a three-part grand

[3]For the classic study of China's attitudes toward Japan, see Allen S. Whiting, *China Eyes Japan*, Berkeley: University of California Press, 1989.

strategy long pursued by the Liberal Democratic Party (LDP) leadership: first, become an economic superpower; next, a political superpower, by using increased economic aid and coercion and securing a Security Council seat; and finally, a significant military power that would vie for regional power and project force around the world. Many Chinese analysts were pessimistic about the ability of the U.S.-Japan security arrangement or domestic pacifism in Japan to prevent the timely completion of this long-term design.

In 1994 and 1995 this consensus seemed to break down in ways that may influence China's defense policy and international posture. Many analysts were influenced by Clinton administration pronouncements in 1994 and by the February 1995 Department of Defense East Asia strategy report, which underscored the importance for American post–Cold War strategy of the U.S.-Japan security alliance and the maintenance of at least 100,000 U.S. troops in the region. Some who had been skeptical about America's commitment to the region were reassured that the Soviet collapse and U.S. domestic politics were not going to render the remaining superpower isolationist and self-absorbed. Many Chinese analysts still agreed on the threat posed by the long-term goals of some Japanese elites, but the more liberal and moderate analysts in Beijing believed that, despite the domestic political shakeups in Japan, the desire for economic and social stability could dissuade Japan from launching any significant military initiatives, such as massive increases in defense spending or abrogation of the current Japanese ban on forces designed to project power more than 1,000 nautical miles from the home islands (e.g., aircraft carriers or aerial refueling planes). Also, these analysts seemed willing to believe that the U.S. military might be indefinitely engaged in the region, particularly in Japan.

China worries that a military buildup by Japan may be on the horizon.

Conservative Chinese analysts, many of whom are in the military, remained more skeptical about the durability of the American brake on Japan's military modernization. In 1993 and 1994, several of these analysts argued that the lack of a common enemy meant that Japan and the United States not only lost an incentive to cooperate in the

western Pacific but gained an incentive to compete for economic and military influence in the region. They argued that the bilateral alliance would be poisoned by several factors: the effect of trade disputes and nationalist issues on domestic politics in both nations, the natural laws of international politics, and the zero-sum nature of Japanese and American rivalry in East Asia.

If U.S.-Japan relations fray, China will want to quickly brace its arms.

Since early 1995, Chinese security elites have found a new source of pessimism in the Clinton administration statements about "upgrading" or "strengthening" the U.S.-Japan defense relationship. If it were to occur, a U.S. withdrawal from Japan would still worry Chinese analysts most. However, America's presence in East Asia is only reassuring because it replaces—not strengthens—Japanese military forces. American efforts to improve Japanese defense technologies, introduce new weapons systems, and, most recently, encourage an expansion of Japanese roles in joint operations are perceived to undercut that role. The February 1995 Department of Defense East Asia strategy report received mixed responses from Beijing analysts. They seemed relieved that the United States set a formal floor for the size of its regional forces. However, they seemed worried by the suggestion that Japan and the United States might develop new weapons systems, including theater missile defense systems (TMD), that might counter China's deterrent capabilities against both Japan and Taiwan.

In the past, Chinese experts have worried about seemingly innocuous changes in Japan's defense policy, such as sending peacekeepers to Cambodia and minesweepers to the Persian Gulf. So the seemingly mild changes in policy that President Clinton and Prime Minister Ryutaro Hashimoto announced in the April 1996 U.S.-Japan communiqué—e.g., increased Japanese logistic support for American missions in the region and consideration of future cooperation on theater missile defense systems—triggered strong negative responses from Beijing. Chinese analysts argue that unless the U.S.-Japan alliance were to turn sharply against Beijing and seek to contain China, little upgrading would be needed. Moreover, they believe that new roles for the Japanese military would only encourage independence from the

United States and the development of Japan's force projection capabilities. One Chinese military analyst warned against American efforts to strengthen Japan's defense capabilities by citing a traditional Chinese expression, *yang hu yi huan*, which means, "When one raises a tiger, one courts calamity."

Whether or not they believe American abandonment or encouragement might spark Japanese militarization, few Chinese military or civilian analysts seem to believe that Chinese behavior could have much effect on the timing or intensity of a Japanese military buildup. Chinese analysts seem incredulous that Japan, given its history of aggression toward China dating back to the 1890s, could sincerely view China as a threat and alter its defense policy accordingly. If the current U.S.-Japan security relationship seems to be in trouble, there is likely to be a widening consensus among Chinese analysts that China should quickly build up its military power and settle various sovereignty disputes in the East and South China seas, by force, if necessary. Otherwise, China would have much less leverage against a Japanese navy and air force that is larger and could project power effectively into those areas. Chinese analysts realize that if Japan decided to strengthen its military capabilities its technological and economic base would allow it to do so quickly. They point to Tokyo's ongoing investment in defense-related technologies and to its defense budget, which is small as a percentage of GNP but second only to America's in absolute size. Although outside observers might believe that China would be creating a self-fulfilling prophecy by anticipating an eventual Japanese buildup and threatening Japanese interests in the near term, most Chinese analysts do not believe China's behavior will affect Japanese policy. Consequently, Beijing is unlikely to factor Japanese fears of China into its policy equation.

Chinese analysts vary widely in their degree of pessimism about the likely pace and intensity of Japanese militarization, but there is a basic consensus that Japanese power would be more threatening than American power and that the status quo in the U.S.-Japan security arrangement—without upgrades—is desirable. This view is not immutable, however, and when the United States appears to be threatening core Chinese security interests, particularly the one-China policy barring Taiwanese independence, the U.S.-Japan alliance is perceived

in a different light. In the summer of 1995, after Taiwanese President Lee Teng-hui's visit to Cornell University, Chinese analysts began to view the United States and Japan as collaborators in an attempt to break Taiwan away from the mainland. Suddenly American forces were not guarantors of Japanese restraint but instruments of tacit Japanese designs on China. The deployment of two U.S. aircraft carrier battle groups to Taiwan during Chinese missile exercises in March (including the *Independence*, based in Yokosuka, Japan) almost certainly affected Beijing's negative reaction to President Clinton's April trip to Japan and the resulting U.S.-Japan communiqué.

WORRYING ABOUT TAIWAN

ANOTHER AREA where realpolitik alone cannot account for Beijing's security attitudes is China's violent opposition to Taiwan's legal independence. China will almost certainly use force against Taiwan or Taiwanese interests (for example, shipping and offshore islands) if Taipei actively seeks independence. China will act even if it means damaging its profitable trade and investment relations with Taiwan, and it will do so regardless of the level of the U.S. military commitment to Taiwan's security. Since realpolitik would suggest attention to political realities, not legalities, it is puzzling why the change from de facto independence, which Taiwan has had since 1949, to legal independence would drive China to risk damage to its economy and war with the world's only superpower. But there is convincing evidence that China is prepared to do just that.

In China's century of humiliation, which began with a loss to the British in the Opium War and ended with the surrender of Japan in World War II, no event was more demeaning than the 1895 defeat at the hands of Japan, after which Taiwan was ceded to Tokyo. For the traditional Chinese state, it was degrading enough to be vanquished by "barbarians" from far-off lands like Britain and France. But given China's historical superiority to its tributary neighbors, succumbing to a local power was a much greater blow. Although Taiwan had little material value for China at the time, it became a symbol of this national tragedy. For Chinese, the return of Taiwan to China after World War II, as promised by the United States and Britain in the 1943 Cairo

Declaration, was also a symbol of China's considerable contribution to the death of Japanese imperialism. Rectifying the century of humiliation is a core nationalist goal for any modern Chinese regime, and that means preventing the loss of Taiwan.

Preventing Taiwan's independence would be important to any Chinese regime, but it is a critical nationalist issue for the Chinese Communist Party government. The party has, by way of market reforms, all but obliterated the second of the two adjectives in its name. Almost no influential figure in Chinese government or society believes in communism anymore, and that has created a vacuum that nationalism, always a strong element in the party's legitimacy, is filling. As many analysts have noted, nationalism is the sole ideological glue that holds the People's Republic together and keeps the CCP government in power. Since the Chinese Communist Party is no longer communist, it must be even more Chinese.

As continuing economic reforms and exposure of the Chinese people to Western ideas and international news cut ever more deeply into CCP legitimacy, there are few issues left that do not trigger debate and exacerbate tensions between the state and society. Yet in all sectors of politically aware Chinese society a consensus remains on the legitimacy of using force, if necessary, to prevent Taiwan's independence. On that issue one is almost as likely to hear a hawkish reaction from scholars who protested in Tiananmen Square in 1989 as from a military officer who fired on them.

Chinese leaders will go to extraordinary lengths to prevent Taiwan's independence in part because they fear a national breakup. Chinese analysts believe that national integrity would be threatened by an uncontested declaration of Taiwanese independence, especially because of the decades of propaganda about Taiwan's unbreakable links to the motherland. They subscribe to a domestic domino theory in which the loss of one piece of sovereign territory will encourage separatists elsewhere and hurt morale among the Chinese forces who must defend national unity. Their most notable concerns are with traditionally non-Han regions such as Tibet, Xinjiang, and Inner Mongolia.

Not surprisingly, People's Liberation Army officers are even more hawkish than civilian analysts on sovereignty issues, particularly Taiwan. To justify increasing military budgets after the collapse of the Soviet

Union, which was regarded as China's main military threat, the army needs a mission, and defending sovereignty is not a hard sell. On political grounds, tensions with Taiwan make the military even more important in the succession struggles that will follow the death of Deng Xiaoping. Although few China experts in the West expect a military coup, almost all believe that the military will play kingmaker. Gaining early military support and avoiding opposition from the military should prove critical to any leader hoping to succeed Deng.

China's military wants to regain the pride it lost at Tiananmen.

PLA leaders, particularly the influential officers living in and around Beijing, also desperately want to regain their social standing after the Tiananmen massacre. Almost all PLA officers believe that the pro-democracy protests should have been suppressed forcibly, but several expressed embarrassment over the level of force used and the damage to the military's image. Chinese military officers, like professional soldiers around the world, take pride in their work. The chance to show that their main mission is defending national integrity, not shooting unarmed civilians, will not be forfeited lightly.

One may get the impression that civilian leaders will grapple with Taiwan as a central issue if there is a succession struggle following Deng's death. Although attempts to endear themselves to the military and hard-liners may make economically oriented technocrats more macho and nationalistic, the jockeying is more likely to manifest itself in their attitudes toward the defense budget, the Spratly Islands disputes, or Western criticism of Chinese human rights violations than in their opposition to Taiwan's independence. Strong differences of opinion apparently have formed between more moderate and more hawkish Chinese over the wisdom of using military exercises to deter Taiwan from pursuing independence. Many elites apparently had strong reservations about the last and most provocative round of exercises in March, before the Taiwanese elections. But these differences would likely disappear if Taiwan appeared to be on the brink of declaring independence. In that case a broad consensus, including dovish liberal technocrats as well as hawkish conservatives, would likely form around a hard-line policy.

Succession struggles are not meaningless, however. The political process may make China more sensitive about what constitutes a significant move toward independence by President Lee Teng-hui's government. Taiwan's self-styled "pragmatic diplomacy" has been presented publicly as a bid to increase the island's diplomatic space and recognition without abandoning the one-China principle that Taipei has so strongly adhered to since 1949. But Beijing believes that Lee is tacitly pursuing independence. Chinese analysts say that Lee has not said so in public for purely pragmatic reasons, the most important of which is the threat of violent retaliation from the mainland. When nerves are raw in Beijing and succession politics are under way, Taipei must be very careful not to take actions that might seem mild in Taipei and elsewhere but might be interpreted in Beijing as significant advances toward independence.

IMPLICATIONS FOR U.S. POLICY

By keeping American forces in Japan, the United States can simultaneously reassure Japan and its major potential rival, China, and thereby stabilize the region. Washington should do more than stay engaged; it should reassure Japan and other regional powers publicly and often that it intends to do so indefinitely. Any suggestion that the United States might withdraw its forces from Japan may set off an arms race, escalating tensions, and self-fulfilling prophecies about Japanese militarization, all of which will destabilize the region. Chinese security analysts watch closely what the United States says about its relationship with Japan, and the division between Chinese conservatives and moderates is most visible in predictions about the hardiness of the current U.S.-Japan defense arrangement. Anything that underscores America's long-term commitment to protect Japan with American forces will have a positive impact on China and helps the moderate analysts sell their message of stability and optimism to CCP leaders. Anything that suggests either fragility or fundamental reform in the U.S.-Japan security relationship has a negative impact on China and helps conservative, hard-line analysts sell their portrayal of a threat from Japan and prescriptions for a tougher Chinese security posture. For example, any linkage of the U.S.-Japan security arrangement with

reduction of America's trade deficit with Japan would be irresponsible because it would quickly be interpreted in Beijing as an omen of discord in the U.S.-Japan alliance. Encouraging Japan to take on more military roles also may not be a good short-term strategy. For example, the United States should weigh carefully the political cost of U.S.-Japan TMDs against their military benefits. The political implications should be taken at least as seriously as the political costs of ballistic missile defenses and scrapping the Antiballistic Missile Treaty for America's Russia policy. Since China, like Russia, is in a transition period, U.S.-Japan TMD should be considered using a similar type of cost-benefit analysis.

Democracy is served by having Taiwan remain nominally part of China.

The United States should make a clear distinction between its general goal of spreading democracy and its policy on Taiwanese sovereignty. Taiwanese democracy and Taiwanese independence are logically and morally separate issues. The United States should support the former and distance itself from the latter. Indeed, if the United States wants to spread democracy, it should encourage Taiwan to remain nominally part of China. When Taiwan claims to be both Chinese and democratic, it puts the lie to Beijing officials' claim that Chinese culture and Western-style democracy do not mix. In the "enlargement" strategy of the United States, China is a prize 55 times larger than Taiwan. American idealists should not be myopic and settle for current Taiwanese independence at the expense of future Chinese democracy.

Until tensions settle down, both in relations between Taipei and the mainland and in the succession politics of Beijing, Washington should discourage President Lee from aggressively pursuing his pragmatic diplomacy agenda. For example, Washington should not only refuse to support Taiwan's bid for entry into the United Nations, it should discourage Taipei from vigorously pursuing that goal in the near term. The United States should provide a guarantee of support for Taiwanese security, including direct American intervention if necessary, but this guarantee should be conditional: Taiwan's democracy will be assisted only if it does not provoke an attack by moving toward formal independence.

Even generally hawkish military and civilian analysts in Beijing have firmly stated that the current Chinese government would never attack Taiwan out of the blue, so it would be fair to deduce that a reversal in this policy would carry grave implications. A China that would launch an unprovoked, military reunification campaign that violates its own economic and political interests would have to be a radically more aggressive China. The United States would have to contain such a China vigorously or expect to face it in battle soon. For either of those tasks, Taiwan is a better platform than most.

If, however, Taiwan takes provocative diplomatic steps toward a more independent legal status, the United States should let Taiwan know unequivocally that it will also stand alone in security matters. Taiwan and the United States stand to lose too much in a fight against the mainland, particularly for the mere purpose of transforming a de facto reality—Taiwan's independence—into a legal one. If Taiwan declared independence and was then attacked by the mainland, one could not draw conclusions about Beijing's expansionist designs any more than one could draw conclusions about American expansionism from the northern states' reaction to the South's secession. If Taiwanese independence provokes the attack, Taiwan could hardly be portrayed as China's Sudetenland, and American aloofness could not be compared to Chamberlain's appeasement at Munich.

Taiwan should not provoke an attack just to transform a de facto reality into a legal one.

Some American security analysts believe that Taiwan is a logical place for Washington to draw the first unconditional containment line around any potential Chinese aggression. Taiwan is, as MacArthur said long ago, an unsinkable aircraft carrier, and it has a strong military and economy with which the United States could join forces. But if the United States were to draw a line in the Taiwan Strait now and offer unconditional assurances to Taiwan, this would encourage Taiwanese independence and spark hypernationalism in China, creating just the kind of expansionist, hard-line regime in Beijing that America and everyone else in the region fear.

On military grounds alone, Washington should recognize that, while Taiwan may be an unsinkable aircraft carrier, it is also an im-

movable one. Although China probably could not invade Taiwan successfully even if America stood on the sidelines, the United States can do little to defend Taiwan from attacks that, though a far cry from invasion, would devastate its economy. China can use force effectively against Taiwan without the slightest pretense of a D-Day–style invasion. The mere announcement that shipping around Taiwan was no longer safe from assault would cripple Taiwan's trade-dependent economy. If a few missiles landed in Taipei, the stock market there would likely crash. The drop in Taipei stocks from the first P.R.C. missile exercises last July to the last round of exercises preceding this year's March 23 elections testifies to the danger of even limited threats, let alone force.

In March the Clinton administration may have finally found a balance in its policy toward the dispute over Taiwan. Although the current leadership in Beijing was almost certainly not preparing to attack Taiwan even if America stood idly by, Washington's deployment of two carrier battle groups to the area sent a long-term signal to any hypernationalists in Beijing who might vie for power after Deng's death: the cost of an unprovoked attack on Taiwan will likely be high. At the same time, the United States avoided the politically provocative and militarily imprudent option of placing carrier battle groups in the Taiwan Strait itself.

Although it received far less news coverage than the deployment of the carriers, an equally important message was apparently sent to Taiwan through back channels and carefully worded public statements by high-level administration officials: Washington supports Taiwan's security conditionally, and it expects Taipei to avoid provoking the mainland. While the United States cannot and should not dictate policy to the democratically elected government of Taiwan, it should stress the dangers and costs of certain options so that Taiwanese officials do not base their strategic policies on misperceptions and false hopes of unconditional U.S. support.

The United States should not limit its regional role to helping Taiwan defend against unprovoked attack. Instead, it should continue to commit itself to the peaceful settlement of the sovereignty disputes in the South China Sea. The United States need not and should not take sides there, but it should guarantee peaceful resolutions.

By doing so, the United States is not "containing" China, it is protecting international sea-lanes in the region.

This policy is more prudent than a containment policy and an unconditional commitment to Taiwan's security. Beijing's claim to the Spratly Islands does not carry the same emotional baggage as its claim to Taiwan. By adopting a neutral stance on the sovereignty disputes, the United States would reduce the risk of appearing imperialistic and fueling Chinese hypernationalism. Most important, the United States would be taking actions with the express purpose of protecting Japan's sea-lanes. A large percentage of Japan's trade and the majority of its oil imports from the Middle East pass through those international waters, and keeping them open and safe is a vital security interest for Japan. If the United States explained to China and all other regional actors that the alternative to U.S. Navy patrols would be Japanese navy patrols, the message probably would not fall on deaf ears.

America has huge stakes in the political transitions of China and other East Asian nations. By remaining engaged in the region and rejecting short-sighted strategies such as a Cold War–style containment policy toward China, the United States will improve the odds that China's next generation of leaders will be moderate at home and abroad. As the differences between Deng Xiaoping and Mao Zedong make clear, leadership matters, especially in nondemocratic countries. Chinese elites' current realpolitik tendencies are infinitely preferable to the messianic versions of Chinese nationalism that might come to the fore if the United States, Japan, or other powers treat Beijing as an enemy. By engaging China and encouraging its participation in multilateral forums and confidence-building regimes, over the long term the United States may help soften China's skepticism about these institutions, which could help stabilize East Asia.

THE WHITE HOUSE
WASHINGTON

12/3/96

Todd --

Here is the proposed draft for this year's Christmas message, with the 1994 and 1995 texts attached fyi.

Flo McAfee has cleared the language, and Jim made the edits in red.

Thanks.

M.
Maureen Hudson

12-3-96
Jim D—

See comments. Also — let me see a few prior Xmas messages.
Todd

JAD's edits are in red brackets

THE WHITE HOUSE

WASHINGTON

too crowded? what does that mean? 2000 years ago the world was "crowded and harried"? I doubt it.

CHRISTMAS 1996

Warm greetings to everyone celebrating Christmas.

Each year during this blessed season, the world pauses [~~in its headlong rush to the future~~] to look back across the centuries to the birth of a Child. This Child was born to poor but loving parents in the small town of Bethlehem -- born into a world too crowded to make room for Him and too harried to notice His coming, except for some simple shepherds and a few wise men. He was the Son of God and the King of Kings, but He chose to come among us as servant and Savior.

Though two thousand years have passed since Jesus first walked the earth, much remains the same. Today's world is still caught up in the challenges and cares of everyday existence, and too often we crowd God into the background of our experience. Too often we still ignore His loving presence in our lives and the precious gifts of peace and salvation that He so freely offers to us all. And today, as on that first Christmas morning, He still reveals Himself [~~only~~] to the loving, the wise, and the simple of heart.

As we gather with family and friends again this year to celebrate Christmas, let us welcome God wholeheartedly into our daily lives. Let us learn to recognize Him not only in the faces of our loved ones, but also in the faces of those who, like Jesus, are familiar with poverty, hardship, and rejection. And let us be inspired by His example to serve one another with generous hearts and open hands. In this way we will approach the dawn of a new century and a new millennium confident in God's abundant grace and strengthened by His timeless promise of salvation.

Hillary joins me in praying that the peace and joy of this holiday season will remain with you throughout the coming year. Merry Christmas, and God bless you.

1994
+
1995
messages

CHRISTMAS 1994

Warm greetings to Americans everywhere during this joyous Christmas season.

The timeless story of a baby born in a manger amid humble surroundings is the fulfillment of a promise, an affirmation of faith. Jesus' birth demonstrates the infinite love of God. We celebrate the gift of His life, and Christmas softens our hearts and rekindles in us a sincere desire to reach out to others in peace and friendship.

As we rejoice in the miracle of Christmas, we reflect on the Holy Family and draw strength from their example of faith. We are reminded that the bonds between parent and child, between husband and wife, and between neighbor and stranger are opportunities to answer Jesus' call to love one another, and we are reminded that one day we will be asked whether we lived out His love in ways that treated all of our brothers and sisters -- even the least of them -- as we would have treated Him.

In holy Bethlehem and throughout the Middle East, ancient enemies are putting aside their differences and coming together in goodwill. Recognizing that there is still much work to be done, let us build on this success and nurture love and caring in our world, in our neighborhoods, and in our homes. With this commitment, we can all share in the fulfillment of the Christmas promise.

Hillary joins me in wishing you joy and peace this Christmas.

CHRISTMAS 1995

Warm greetings to everyone celebrating Christmas.

The Christmas story is dear and familiar to us all -- shepherds and angels, Wise Men and King Herod, Mary and Joseph, and, at the heart of it all, a Child. This Child was born into poverty in a city too crowded to offer Him shelter. He was sent to a region whose people had endured suffering, tyranny, and exile. And yet this Child brought with Him riches so great that they continue to sustain the human spirit two thousand years later: the assurance of God's love and presence in our lives and the promise of salvation.

Each year at Christmas, we celebrate these gifts with family and friends. We place candles in the window as a sign that there is always room for Christ in our homes. We put angels and stars and twinkling lights on the Christmas tree to remind us of the glory and mystery of Christ's birth. We sing the old and beloved Christmas carols to express the joy filling our hearts, and we share special gifts with those we love, just as God shared His Son with us. And, in contemplating the nativity scene under the tree or in a neighbor's yard, we realize that children hold a special place in God's heart, since He sent His only Son to us as a little Child.

With this simple truth in mind, let us observe Christmas this year by making a solemn commitment to the children of our communities, our nation, and the world. Let us pledge to love and nurture them and promise to give them strong values and a chance to make the most of their God-given talents. Let us resolve that they will grow up in a world that is free and at peace. By cherishing the children God sends us, we express our love and gratitude for the one Child He sent whose coming offers forgiveness and hope to us all.

Hillary and I send best wishes for a blessed and joyous Christmas season and every happiness in the new year.

THE PRESIDENT HAS SEEN
12-3-96

THE WHITE HOUSE

WASHINGTON

November 14, 1996

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: REX W. SCOUTEN, CURATOR

SUBJECT: The Three Tetons (1895) Thomas Moran

I. ACTION-FORCING EVENT:

The National Gallery of Art wishes to borrow The Three Tetons, that hangs in the Oval Office, from mid-September 1997 until September, 1998.

The Gallery is holding the first retrospective exhibition ever held of works of Thomas Moran. This painting is considered one of the most successful that Moran produced during the 1880's and in the opinion of some, a painting essential to present Moran's career. This request to borrow was made by Rusty Powell, Director, National Gallery of Art, a friend of the White House and a member of the Committee for the Preservation of the White House.

Exhibition Schedule:

National Gallery of Art	September 1997-January 1998
Tulsa exhibition	February to June 1998
Seattle exhibition	June to September 1998

II. RECOMMENDATION:

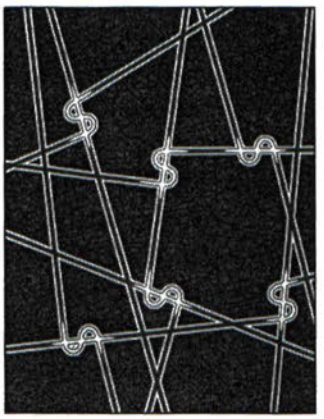
If the President wishes to approve a loan, I recommend it be restricted to the National Gallery of Art exhibition, October 1997 to January 1998. One full year would be a long time for a painting of great importance to be absent from the Oval Office.

The Economist
OCTOBER 19TH 1996

THE PRESIDENT HAS SEEN
12-3-96

Why the Net should grow up

THE growth of the Internet has been the most astonishing technological phenomenon of the last decade of this century. In 1990 only a few academics had heard of it; now, anything up to 50m people use it. In a year's time, that figure could be 100m—so far, the network's only constant has been that the number of people tapping into it has doubled every 12 months. But up to now, only a handful of companies have made much money from the Internet. If it is to become a commercial success, rather than merely a *succès d'estime*, it has to change. Otherwise many of the qualities that brought it popularity will become liabilities.



Increasingly, the Internet is coming under attack, and from many quarters. The telephone companies, whose networks carry much of its traffic, grumble noisily that Internet users clog their wires and bypass their long-distance rates with cheap Internet telephone calls. Frustrated regulators wail that the Internet has become a way to dodge national laws. Users are driven to distraction by the delays, the muddle and the brainless rubbish. Breakdowns of bits of the Net are hardly new, but when they happen these days a lot more people notice—as when America Online crashed in August, leaving 6m subscribers to twiddle their thumbs. Last week a group of American universities, fed up with the Net's sluggish ways, decided to set up Internet II, a new network that will allow its members to swap data more smoothly.

Faced with pile-ups and pollution on the prototype information superhighway, governments will be increasingly tempted to intervene. The Net's early colonisers reply that regulation will slow its growth. But is there any alternative?

Did somebody say market?

The first and most pressing need is for a better way to price the use of the Internet (see pages 23-27). At present, many users pay less than the true cost of carrying their messages over the network. Most pay a one-off monthly fee to the firm that offers them a Net connection; and then home users typically have the additional cost of the local telephone call every time that they log on. This system is an invitation to use the network as intensively as possible, even if it causes problems for others. Thanks to the wonders of the World Wide Web, the multimedia part of the Net, people are using the network to transmit telephone calls, film clips and other capacity-guzzling applications. The upshot is that the Net still resembles a congested city street: because users pay only for their car and its fuel, rather than for the inconvenience their presence on the road imposes on others, they have no incentive to limit the use of their car in order to avoid traffic jams.

Congestion is made worse by the absence of a satisfactory way for firms running the Net to charge for carrying each other's traffic. Sticking to the informal style that was characteristic of the Net's early days, they have tended to use a rough-and-ready barter system. That worked when there were just a handful of firms whose own networks formed the Net, but today there are thousands. Some admit that they now carry as much traffic from freeloaders as from their own customers. When they cannot afford to spend enough to keep up with this demand, they become bottlenecks.

To some extent, the market will develop answers for itself. Indeed, to the dismay of the most ardent Internet enthusiasts, companies are increasingly building private Internets either to connect their internal users, or to ensure fast communications with other firms. These private networks will solve other Internet problems: they offer quality-of-service guarantees, and better security against hackers. Geeks will grumble that they risk causing the balkanisation of the Net. Customers will be delighted by the absence of delays.

The subsidy from the telephone network is a different matter, and usually reflects political pressures: governments, keen to see competition when it benefits customers, do not much like measures that drive up the cost of a local call. One of the welcome effects of the Internet will be to make political meddling in telephone prices harder to sustain, because inexpensive telephone calls over the Internet will help to undermine excessive margins on long-distance telephone tariffs. Indeed, the interests of surfers and telephone callers are ultimately identical: where competition thrives and regulation does not suppress it, people will communicate through whichever channel is best for their particular needs.

Governments can leave the market to sort out the way transmission over the Net is priced. Their proper role is to decide how far to try to regulate the material that passes through it. Many people dislike the way the Net is used by law-breakers to bypass national laws on decency, libel, racism, intellectual property, and so on. Because the Internet whisks content around the world, it is harder to police than a national television channel or a newspaper.

Policing, mind you, is not impossible. The government of Myanmar has outlawed the unauthorised possession of networked computers on pain of 15 years in prison. For governments that care a jot for liberty (let alone for the health of their communications-based economies), matters are more complicated. None of the abuses complained of can be stamped out without gross invasion of privacy, any more than people can be prevented from sending racist letters to each other in the ordinary mail or making obscene telephone calls or from pirating home videos. But all can be discouraged

more vigorously than most countries have yet done. Governments need to force Internet service providers, many of which will in future be big telephone companies, to take responsibility for what they knowingly carry on their sites.

The Internet will always allow the really determined user access to unpleasant or illegal material. The telephone does the same. The important thing is that governments should not treat the Internet differently from other communications media, merely because it is new. The faster the Net grows up, the easier it will be to follow that rule.

The next disaster



It may be impossible to prevent another catastrophe in Central Africa, but the world could at least try

THE Great Lakes region of Central Africa is in turmoil. This can no longer be seen as a series of small wars in tiny separate countries, it is a conflagration (see page 45) affecting tens of millions of people over a huge area. Zaire, bordering on all the other countries, has long been a malign influence on the regional conflict between Hutus and Tutsis. Its president has now been absent for months—with cancer—and his absence has left the fate of its eastern borderlands and the adjoining countries to its vile, ill-disciplined army and equally vile local politicians. All of Zaire itself may soon suffer a similar fate.

When fighting and massacres restarted in Burundi last year, outsiders asked whether that country would explode as Rwanda had in 1994. Instead the opposite has begun to happen. The danger is that Rwanda—and eastern Zaire—will become like Burundi, a long-drawn out agony of slaughter, by ruling armies and roving rebel militias, that will create millions of hungry refugees. What could be done to stop it? What will be? The answer to that second question may well be: nothing. This is a region that no one else cares much about, far off to the east for Zaireans, to the west for East African rulers or businessmen. Richer countries have no strategic interests in it, no investments or dreams of mineral wealth. Its people have nothing to offer the world but their humanity. Yet if anything is possible, can the outside world just sit and watch that humanity dissolve in bloodshed and chaos?

In the aftermath of Somalia, the United States, the only country capable of rapid heavyweight intervention, made it clear that it would no longer send its troops into dangerous, complicated places far from home, under the American flag or helping the UN. That was why no one went to save Rwanda in 1994. Recently, however, the Americans have relented. Warren Christopher, their secretary of state, made his first visit as such to Africa this month, and advanced the idea of a 10,000-strong African peacekeeping force whose foot-soldiers would be African but the money, training and logistics American. It would not try to prevent conflicts, but intervene to protect civilian populations threatened by internal strife. Surprisingly, Mr Christopher did not take enough preliminary soundings, and African leaders were suspicious of a plan that appeared to by-pass the UN. No one flatly turned it down, but the idea received only lukewarm support.

That is a pity, because there are important if limited things that a peacekeeping force could do in the Great Lakes region. No outside force could impose peace there now. The region's steep hills covered in thick vegetation make it ideal for guerrillas. If the extremist leaders are determined to fight to the death, there is little any force could do to stop them. Yet a force could provide safe havens and protect refugees. It could also police any political or military agreement between warring parties. Its very presence would give reassurance, and help lower the political temperature. An immediate task would be to purge the camps in eastern Zaire of the armed killers who hold sway there and are blocking the return of other refugees who otherwise might be persuaded to go home. To achieve that, and help the refugees both to return and to feel safe when they got there, would be big breakthroughs for peace. As long as Rwanda has more than a quarter of its population in angry exile, it cannot be considered stable. A reconciled Rwanda would give Burundi a better chance.

Respond to the politics, not the television screen

So much for dreams. In practice, the birth of an "African crisis response force", as Mr Christopher calls it, is still, at best, far off. The world may yet see a further round of ghastly pictures of mass murder and starvation on its television screens. That would jerk western governments into a response which—though better than nothing—would anyway be too little too late; and also driven by purely humanitarian concerns, ignoring the longer-term politics. That is what sank the American expedition to Somalia. Instead, the the world could help now, given at least some readiness for peace in the rival camps.

Today's political reality is that Tutsi armies hold power in both Rwanda and Burundi; that both are very much minority regimes; and that both face strong Hutu rebel movements, Rwanda's just across its borders, Burundi's inside its own territory. To this unstable mixture, the only political answer, short-term and probably medium-term, if one exists at all, is power-sharing. The hope would be that in the long term this would lead Hutus and Tutsis eventually to find a way of living together. The present levels of mistrust, fear of annihilation and desire for revenge may have already made that too late: separation into different areas, perhaps even different states, may be the outcome. That might even be best, but do not pretend that it would be run by the Red Cross. It would be bloody; much is worth trying before that counsel of despair.

What? Above all, to push, coax, bribe those who now hold sole power—and those who want it—instead to share it (and, for now, forget ballot-box democracy). Other East African countries last weekend agreed to continue their sanctions on the Tutsi soldiers who run Burundi. Sanctions did at first push the Burundian leader, Pierre Buyoya, into concessions, but they also set Tutsi pulses racing, and his reaction this week was to repudiate his commitment to talks. But the aim is right—provided all remember that it is to push Mr Buyoya to the negotiating table, not off his seat entirely.

'96 DEC 2 PM12:51

The Director of the

Office of National Drug Control Policy

requests the pleasure of your company

at ONDCP's 1996 Holiday Reception

on Friday, the Sixth of December

between the hours of three-thirty and five-thirty o'clock

R.S.V.P. by Dec. 2nd
202-395-6646

ONDCP
750 17th Street N.W.

12-2-96

Phil -
Came in interoffice mail -
send to Scheduling?

Yes ✓

No _____

C.

cc: Andy Kuns

EMBAJADA DE BOLIVIA
WASHINGTON, D.C. 20008-3603

November 6, 1996
EMBO-643/96

96 DEC 2 PM 2:10

Dear Mr. President,

I would like at this time to join the Bolivia's President, Gonzalo Sánchez de Lozada, to convey to you my warmest congratulations for your remarkable electoral victory.

I avail myself of this opportunity to express to you my sincere hope and desire to maintain and further strengthen the cordial and friendly relations which exist between our two nations.

Please accept, Excellency, the assurances of my highest consideration.

Sincerely yours,

Fernando A. Cossío
Ambassador

His Excellency
William J. Clinton
President of the United States of America
Washington, D.C.

12-2-96

Phil -
From Mack McLarty -
Send to OSC?
V

EMBASSY OF CYPRUS
2211 R STREET, N. W.
WASHINGTON, D. C. 20008

(202) 462-5772

'96 DEC 3 PM12:38

Ref. No. 551/1, 51

November 25, 1996

Ms. Carolyn Huber
Special Assistant to the President and
Director of Special Correspondence
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Ms. Huber,

Further to my telefax of November 11th 1996, I have the honour to enclose herewith the original of the message dated November 7th 1996 from H.E. The President of the Republic of Cyprus, Mr. Glafcos Clerides, addressed to H.E. The President of the United States of America, Mr. William J. Clinton and kindly request you to forward it to its high destination.

Yours sincerely,

Andreas Kakouris
Counsellor/ Deputy Chief of Mission

12-3-96

Phil -

This just came through inter office mail - I did not put in to Todd in 'Nancy' folder -

Send to WSC?

Yes ✓

No _____

C.

REPUBLIC OF CYPRUS
The Office of the President

Nicosia, 7th November 1996

Dear Mr. President,

Please accept my warmest and most heartfelt congratulations on your successful re-election. The American people have spoken and have reaffirmed their trust in you to lead your great country into the next century.

The Government and people of Cyprus welcome your success and look forward to further strengthening the already excellent relations and friendly ties that exist between our two countries.

Your renewed mandate is of historic significance not only in the American context, but also in the broader international perspective. As the world stands on the threshold of the 21st century, a strong America led by a President of vision and commitment will, no doubt, be in a position to exercise major influence in shaping the future, laying down solid foundations for lasting peace and security, promoting democracy and human rights, protecting the environment and advancing the economic development and well being of all.

These, pressing global challenges as well as many other emerging ones which confront the world, constitute a formidable agenda. We are confident that with American leadership and cooperation by all, these challenges can be successfully met. Cyprus stands ready to play its part in this endeavor.

We in this country are determined that at least one of these challenges, namely the Cyprus problem, will be successfully resolved. To the extent that would depend on myself and the overwhelming majority of the people of Cyprus, we pledge again to do our utmost to make it a reality. It would, I believe, be both non-sensical and absurd to allow the perpetuation of this problem, consuming as it does so much energy, by so many and for so long, with all such efforts being frustrated by the negative stance of the other side. As a result, the tragedy and agony of all the people of Cyprus continues unabated, while the current unacceptable state of affairs serves only to undermine and threaten regional peace and stability.

His Excellency
William J. Clinton,
The President of the United States of America,
The White House, Washington, D.C.

We welcome and appreciate your repeated affirmations that the United States is prepared to play an active role in efforts towards solving the problem and I wish to take this opportunity to reiterate our appreciation and gratitude for your own personal commitment towards this end.

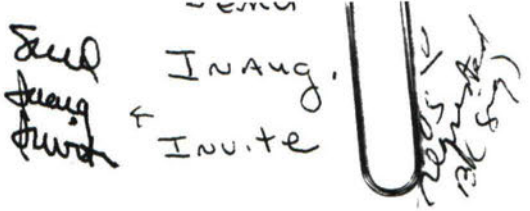
In the past, I had the occasion during meetings and through communication, to outline our thoughts on the fundamental aspects of the problem and what, in our view, should be the essential elements of an honorable just and lasting solution. On all these, I intend to follow with another communication shortly, in the belief that a recapitulation of our views and thoughts would be useful at this crucial time when new endeavors are soon to be undertaken.

In concluding, may I again congratulate you on your re-election and wish you every success in your great task for the benefit of the people of the United States and the entire world.

Sincerely,

Glafcos Clerides

(Glafcos Clerides)
President of the Republic of Cyprus



HITE HOUSE

WASHINGTON

December 2, 1996

PERSONAL

Hoa Nguyen
5909 South Oak Drive
Marrero, Louisiana 70072

Dear Hoa:

Thank you so much for the lucky coin. I had a great time during my visit to Marrero, and your kind gesture helped to make the occasion even more enjoyable.

I deeply appreciate your thoughtfulness and words of support. Mrs. Clinton joins me in sending best wishes to you and your family.

Sincerely,

Bill Clinton

THE WHITE HOUSE

WASHINGTON

cc: with incoming:
Erskine Bowles
Evelyn Lieberman
Ruth Eaglin

NH -
He's received the "2000" code at least 2x - in December 95 and Sept 96, but still doesn't use it?!

- maureen

November 14, 1996

Keven A. McKenna
23 Acorn Street
Providence, Rhode Island 02903

Dear Keven:

Thanks for your Rhode Island Watch of October 13 and for passing along Lino Stanchich's letter on the macrobiotic approach to good health. It's an interesting concept, and I know it certainly helped Marleen in her fight against cancer.

Thanks, too, for your offer to serve in my second term. As you well know, I'm very grateful for your support through the years. I'll give your suggestion serious consideration and have made Bob Nash, Director of Presidential Personnel, aware of your interest.

My best to all the McKennas.

Sincerely,

Bill Clinton

12/3/96
COPIES TO
NASH
BOWLES

MFR rec'd 11/5

KEVEN A. MCKENNA

ATTORNEYS AT LAW

23 ACORN STREET, PROVIDENCE, RHODE ISLAND 02903

Telephone: (401) 273-8200 Fax (401) 521-5820

October 13, 1996

The Honorable William J. Clinton
President of the United States
1600 Pennsylvania Avenue
Washington, DC 20005
PERSONAL AND ~~CONFIDENTIAL~~

Re: **Comments from your R.I. Watch**

Dear Mr. President: Bill

Thanks ever so much for your autographed copy of "Between Hope and History". It arrived the day before your visit to Providence and it made your visit even more unforgettable.

I am not going to take your time with a long letter. I would like to share a few quick personal thoughts with you.

The Democratic Convention was a blast. I can not believe I had so much fun as a delegate and that I would be on television doing the macarena. Thanks.

Denise (Hyland) Dangremond and I will be cheering for you this week. She is hosting a debate party at her house in Barrington. We know you will do well and you won't let Dole drag you down into the Republican increasingly negative campaign. Stay Presidential. Be cool.

As a Democratic, I am delighted that you are moving to help so many Democratic Congressional candidates A Democratic Congress would allow you to make real changes. Go for it. A few simple phrases can be persuasive: Does anyone believe that a Republican Congress has been responsible ? Is it responsible to shut the government down ? Is it responsible to fund tax breaks for the rich as the expense of Medicare recipients ?

As you may recall, my wife Marlene beat cancer by becoming macrobiotic(exercise, mediation, vegetarian style eating.). Because you live in such a fish bowl, we receive a lot of personal comments about <u>your</u> <u>health</u>. Remember we both have hit our 50's.Although I think you look tremendous, indeed, quite slim, I value the concerns of some of our holistic friends who worry about what they perceive as pre cancerous signs. Had I the chance to see you in Providence, I would have shared the

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: DB **DATE:** 7/23/19

2019-0774-S

attached letter with you from Lino Stanchich and Jane Quincannon who would like to volunteer privately to help you address some health concerns they have for you. Read the attached letter. If you can find a few free minutes after the election, I would like to introduce them to you. Their suggestions may be helpful.

Finally, I want to make a pitch for myself. I am really excited about the historic changes your second Administration will make and **I want you to make me part of your team.** I know I can make a meaningful contribution. Two years ago you were kind enough to have Craig Smith refer my name to the National Transportation Administration. However, other than a kind telephone call from the Administrator, nothing came of that effort. Two of my children are at college in Washington and I would love to be back in DC helping you.

I would love to work with the White House Legislative or Legal Staff or be your special representative for the establishment of a permanent international war crimes tribunal, as we discussed last year. How about bringing me to DC ?

Thanks again for the book. Looking forward to seeing you again.

Your Friend,

Kevin A. McKenna

Enclosures:

Resume
Letter from Lino Stanchich

Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. resume	[Personally Identifiable Information] [partial] (1 page)	10/13/1996	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 8788

FOLDER TITLE:
Chron Files: Tuesday, December 3, 1996

2019-0774-S
rs3342

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]

RESUME
KEVEN A. MCKENNA
23 Acorn Street
Providence, R. I. 02903
401 273-8200
11 October, 1996

AREAS OF INTEREST:

Creative Policy Development; New Initiatives -Legislative and Legal; Permanent War Crimes Tribunal; International Agency Reform, National Health Insurance, Consumer Protection; Drug Enforcement, Monetary Policy, Legal and Administrative Policy Coordination.

POSITION SOUGHT:

Senior Policy Position- Administration of President William J. Clinton.

ADDRESS:

Business: 23 Acorn Street, Providence, Rhode Island 02903
(401) 273-8200
Home: 248 Mount Pleasant Avenue, Providence, RI
(401) 272-0522

PERSONAL:

Born (b)(6) married Marlene Marcello McKenna; Licensed stockbroker, Corporate Securities Group; Providence; Children: Sean-30, Christopher-28, Damian-22; President, Student Council, GWU; Mary Kathryn-18; Freshman-GWU Joseph-8;

EDUCATION:

High School Diploma-Westerly High School, 1963;
Certificate-University of Dijon, France, 1964;
B.S.F.S.-Georgetown University School of Foreign Service, 1967;
M.P.A.-Maxwell School, Syracuse University, 1968;
J.D. - Georgetown University Law Center, 1972

PRESENT OCCUPATION:

Attorney: McKenna Law
23 Acorn Street, Providence, RI 02903
Member R.I. Bar 1973, First Circuit Court of Appeals, 1976, American Bar Association, Justice of the Peace, Martindale-Hubell (B)(V).

OCCUPATIONAL HISTORY:

1968- Special Assistant to the Assistant Secretary for Legislation, U.S. Department of Health, Education & Welfare Washington, D.C. - liaison between White House and Congress for President L.B. Johnson on health and consumer matters

Handled Hill Burton Hospital Aid, Electronic Products Safety Act. Health Planning, & Health Manpower, FDA, and NIH legislation; drafted testimony and policy statements.

1969-1972- Legislative Aide to U.S. Senator Claiborne Pell, Washington, D.C. -prepared legislation, drafted speeches, policy research, specific projects, Medical school laws, Pell grants, National Health Insurance bills, Chemical and biological weapons limitations, Social Security Amendments; Northeast Corridor Rail Transportation grants

1973-1974- Special Counsel to R.I. Governor Philip W. Noel, handled coordination of human service agencies, development of new tax and economic development legislation, Chair of Health Finance Task Force,-developed and drafted State Catastrophic Health Insurance Act; State Pension Study, State Manpower Planning Council and R.I. Drug Abuse Council-drafted Uniform Controlled Substances Act, Served as Liaison to National Governor's Conference.

1975-1976- R.I. Assistant Attorney General, in charge of Civil, Consumer and Planning Divisions; specific projects included Public Utilities and Business Regulation Hearings, appellate review, Federal Court litigation

1977-1978- Entered Private Practice with Temkin, Merolla, and Zurier, 40 Westminster Street, Providence

1979-1980 Solo Practitioner, 1010 Turks Head Bldg., Providence

1981-1990- Founded law firm of McKenna, Greenwood & Feinstein; focus commercial litigation, complex litigation; bankruptcy law, small business problems

1985-1990- Municipal Court Judge, City of Providence

1990- 1996- McKENNA LAW- General Practice of Law.

LEGAL MATTERS:

-Specialty Areas- Litigation, Legislative drafting; Statutory Construction, Criminal defense, Chapter 11 bankruptcy reorganizations; business reorganizations, mortgage backed securities, Municipal law; Property taxation, government grants; commercial and constitutional litigation.

-Plaintiff attorney for Providence Firemen and Policemen successful Supreme Court appeal on state tax exemption; for Coalition of Consumer Justice Blue Cross appeal; Supreme Court appeal on Olneyville Hazardous Waste Citing case; Supreme Court appeal of denial to allow students and professors on R.I. Grand Juries; State Court action on right of access to shore, Counsel for depositors in closed credit unions

-Plaintiff attorney for pro bono class actions challenging excise tax on automobiles, illegal Providence property taxes; depositor actions, sewer fees of City of Providence; Asbestos actions, Trial experience in Superior, Federal, District and Family Courts.

PUBLIC INTEREST PROJECTS:

1980- Elected Democratic Delegate, Jimmy Carter;
1992- Elected Democratic Delegate, Bill Clinton.
1996- Elected Democratic Delegate, Bill Clinton
1979-1985 R.I. State Representative-District 10, Providence-North Providence-; sponsor of handicapped rights legislation, utility reform legislation, chair of R.I. Property Tax Reform Commission, sponsor of 1984 reform package, Chair of R.I Asbestos Study Commission, 1985, Chief draftsman of State Asbestos law, model for nation according to U.S. Department of E.P.A., sponsor of Automobile Excise tax reform; member of R.I. Excise Tax Valuation Commission;
R.I. State Democratic Committee Member-1976-85;
President, R.I. State Constitutional Convention, 1986,
Draftsman of first successful rewrite of State Constitution since 1842, led passage of 18 major changes in State Constitution in November, 1986
Director, Advent House, Providence, 1988
United Way-Public, private funding, 1973-1976
Reform 92 Founder: Statewide political reform group re: ethics, banking, voter initiative, and campaign finance reforms; 1991-1992.

SPECIAL SKILLS:

Computer and word processing skills; speech writing; excellent people skills, creative problem solving; Willingness to serve anywhere and work around the clock.

REFERENCES:

William J. Clinton, President, friend since serving on Georgetown University Student Council, 1965
Claiborne Pell, U.S. Senator, friend since serving as Legislative Aide;1968-1972
Patrick Kennedy, U.S. Congressman, former neighbor; 1990
Richard James, R.I. State Democratic Chairman;
Frank Montanaro, R.I. A.F.L. CIO Chairman;
Edward McElroy, AFT-Washington;
James Langevin, R.I. Secretary of State; friend;
Mark Weiner, Mutual Friend of President and KAM;
Stephen Fortunato, R.I. Superior Court Judge, Friend;

Stanley

THE PRESIDENT HAS SEEN
12-3-96

D'Kelley may sop[illegible] doesn't want to accept this if it might cause a problem - I told him it might - Pls advise -

BC

中華民國高雄市政府
The City of Kaohsiung, ROC

November 6, 1996

THE PRESIDENT HAS SEEN
12-3-96

Mr. Richard W. Kelley
209 Bayside Rd.
Hot Springs, AR. 71913
U.S.A.

Dear Mr. Kelley,

It is a cheerful news to hear that your step-son, Mr. Bill Clinton has won the presidential re-election overwhelmingly. As the mayor of Kaohsiung, on behalf of 1.43 million citizens, I would like to express my sincerest congratulations to him for the success of his next tenure.

It was a great honor for me to visit Little Rock -- our sister-city and President Clinton's hometown -- in July. It was also a privilege to call on you. I still remember vividly the wonderful moments we shared. I appreciate very much the hospitality you showed to us.

Your promise to visit Kaohsiung next March has been well received in due course. I look forward to having you as it is a great honor to the Kaohsiung City. Please feel free to inform my office whenever you have decided your traveling schedule. Best wishes.

Sincerely yours,

Wu Den-yih

Wu Den-yih
Mayor of Kaohsiung

高雄市四維三路二號
No.2, Ssu Wei 3rd Road, Kaohsiung, Taiwan, R.O.C.
Tel : (07) 337-3028～9, 334-2255 Fax : (07) 335-3132

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Secretary Michael Kantor

Fax Number: 482-2741 Phone Number:

FROM: Staff Secretary

SUBJECT: Letter from P. J. Keating

DATE: December 3, 1996

NUMBER OF PAGES (including cover sheet): 7

MESSAGE:

If all pages are not received, please call 202/456-2702

The document accompanying this facsimile transmittal sheet is intended only for the use of the individual or entity to whom it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying or distribution, or the taking of any action in reliance on the contents of this communication is strictly prohibited.

WASHINGTON

DATE: December 3, 1996

NOTE FOR: Secretary Michael Kantor

The President has reviewed the attached, and it is forwarded to you for your:

Information ☒

Action ☐

Thank you.

Staff Secretary
(x6-2702)

cc:

THE PRESIDENT HAS SEEN
12.2.96

TO USC / cc MCMaster
CBerkeley
↳ Eyes -

↳ Pls draft reply
& send it to Sir
Australia -
BC

THE PRESIDENT HAS SEEN
12.2.96

P. J. KEATING

19 NOV 1996

President William J Clinton
President of the United States of America

Dear Bill

I am sorry I will not be seeing you in Australia. I'm off to Japan the day after you arrive. Annita and I were so looking forward to hosting a holiday for you and Hilary in Australia - as Mr and Mrs Prime Minister of course - but at least we got you to Port Douglas for a rest and a look at the reef.

I can't tell you how pleased I was that you won again. There would have been no justice in the world if those shellbacks were able to displace your view, energy and good spiritedness. Most of them have dark hearts like the ones who displaced us here. The difference here was that we already had the equivalent of three United States Presidential terms and more and were looking for a fourth. After that long they forget how bad the others are, though let me tell you the country here is learning quickly about the intangible worth of a government with imagination , with a world view and with some innate kindness.

I told them in the election campaign; "when the government changes, the country changes", and many are repeating those words now.

At any rate, at least we've got you for four more years, but you are too shrewd not to know that after about two to two and a half years the mandate will start to recede and the power will begin to pass. Your next thirty months, unencumbered in a second term, will allow you to change the nature and balance of power in the world; stamping your Presidency as the great post-war one. Because you have inherited the post-cold war world and you and you alone can re-fashion it.

The Asia-Pacific is, I believe, the right place to begin the re-ordering and APEC is one instrument to help with the task.

The Cold War and immediate post Cold War structure of power has, in my view, been immature and has put too great a burden on the United States. For instance, Japan and Germany, the second and third largest economic powers do not take an active role in the security of the globe and the potentially greater power, China, has been either locked out or held out of contention. This will not and should not last. United States power will in future not be as dominant and absolute as it has been in the past, but the most powerful country should be able to re-set the balance of world power to get support to manage it, while still effectively guiding things. More hands to the wheel, but everyone still knows who the navigator is.

It seems to me the key variable in this is China. If we ask the question; will the United States be advantaged in geo-strategic terms by a relationship of substance with the largest power on the periphery of the Eurasian landmass I think the answer has to be 'yes'. When the structure for this is right, the other bits which sit around it (Japan, Korea, Taiwan etc) are more likely to be right too. We would not be relying on our World War Two history and attenuated post war alliances to keep the balance and the peace. The whole thing could have a proper central weight and counter weights.

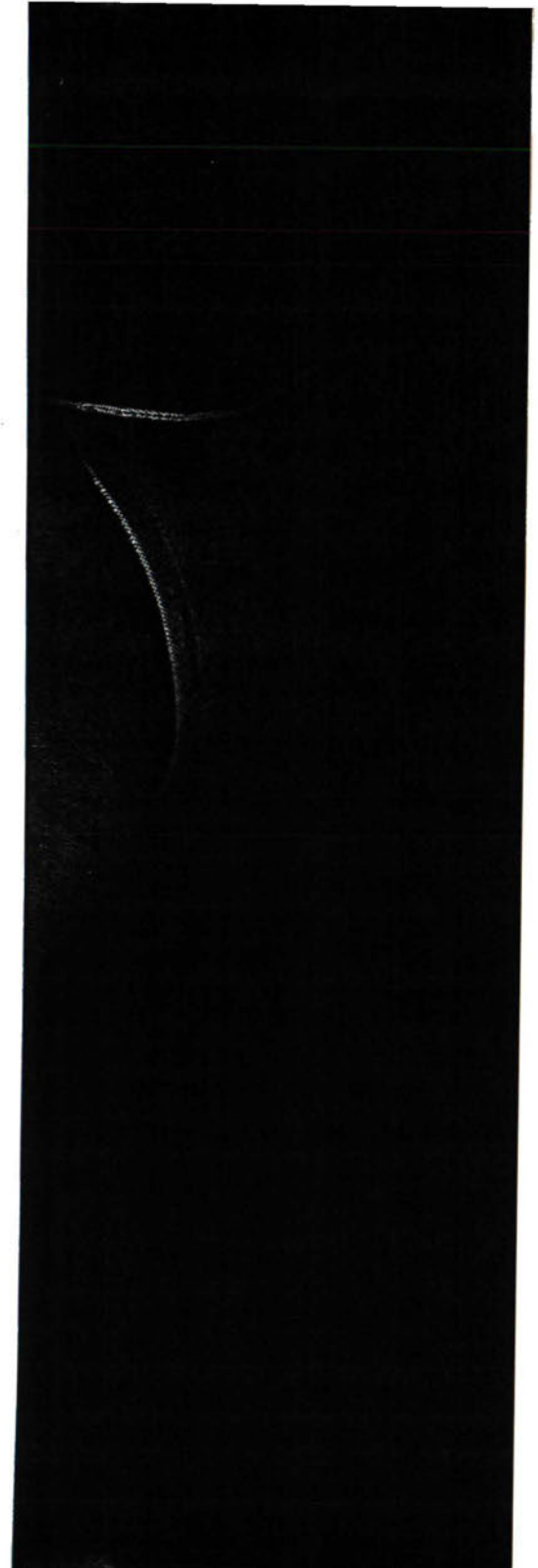
I've always thought that countries that have mass and weight and a deep inner sense of themselves, with confidence in who they are, are not inclined to be adventurous, incognizant of the interests of others, or capricious.

Countries which know well who they are, generally behave properly.

Whatever anyone thinks of China, however difficult and intransigent it can be - it knows what it is; it has no question as to its worth or place in the scheme of things, yet for nearly all of this century it has been on the receiving end from the west.

After the First World War at Versailles, the German possessions in China were passed across, not to China but to Japan. Between 1921 and 1946, 30 million Chinese died during the occupation.

In 1946-49 Mao Tse Tung and Zhou en Lai pressed the United States for a partnership, for it to deal with them as the coming government of China and not with Chang Kai Shek. They were denied.



They were then accused of being in a marxist union with the Soviet Union. Nixon recognised this to be untrue and signed China up as the United States defacto cold war partner in 1972, a relationship which lasted until 1989.

And as China introduced a market economy; lifting the yoke of poverty from the backs of millions; writing communism down in favour of nationalism as the real unifying force in China; the west and especially the United States gave them away. Human rights was part of the reason but during Mao's cultural revolution, when human rights were massively sacrificed, the United States remained a party principal to the unofficial compact.

The Chinese do not understand why they are being held out now, yet the risk the United States is running is that it is going to inculcate in a generation of *young* Chinese a nationalist sentiment which is very anti-US and anti-west.

What can we do?

One idea I have been pushing is that at the APEC meeting in Manila, the APEC leadership takes over, negotiates and concludes the issue of China's membership of the W.T.O.

If you were to approve of this and you had Hashimoto's support it seems to me that in one move both the US and Japan could re-orient their relationships with China in a very tangible way.

It would then be incumbent upon China no longer to play its games on trade rules; to meet a generous gesture in kind.

This would also give the APEC meeting some real life and creative tension which is important for you, your attendance at it, as well as for the body itself, if it is to be relevant and to prosper.

But it would really mean that you would have to be the effective sponsor of the China WTO APEC initiative. It is important that you stay on the front of the wave with the rest surfing along behind.

This move, or something like it, would, in my opinion, provide a good opportunity or climate to begin a better relationship between the United States and China.

And if this happened it would probably mean that you would go there. You could, with Jiang Zemin, sort this out during your bilateral in Manila. Again, in my opinion you should go first. You are the world leader. You lead, you set the agenda. Jiang could follow up with a visit to the US.

A few bold strokes of this kind and we might end up with a much more secure Asia Pacific, with the United States squaring China away in a proper relationship for the first time in a century.

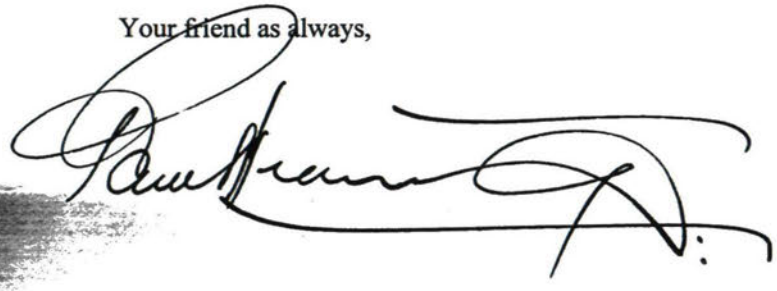
The U.S. will always look askance at another large and emerging power, and ask why should it help or encourage it. The answer I think is that it will emerge anyway. Yet this is the critical time for the US which, in its magnanimity and thoughtfulness can re-shape the world; if not in its own image, then into a manageable, harmonious and creative whole.

More will always need to be done in the European theatre with Russia and Germany. But we should never underestimate the capacity for trouble in North Asia. The tension is *always* there between China and Japan and Japan and Korea. If we can make this structurally better now, a lot of potential problems will be avoided.

I apologise for the length; but I wanted to say these things to you before Manila and to indicate my faith in you as the person best placed and most able to get this part of the jigsaw right.

Annita and I also send our best wishes to Hilary. Our thoughts will be with you both over the coming months. Americans made a sound decision. I would like the world to be further confirmed in just how right and timely that decision was.

Your friend as always,



MESSAGE CONFIRMATION

DEC-03-96 10:02

FAX NUMBER : 2024562215

NAME :

FAX NUMBER : 94822741

PAGE : 07

ELAPSED TIME : 02'58"

MODE : G3 STD

RESULTS : O.K

Lake

THE PRESIDENT HAS SEEN
12.2.96

To USC | cc McClinton
CBaughman
GBG -

→ Pls draft reply
& sent it to Sec'y
Australia -
BC

THE PRESIDENT HAS SEEN
12.2.96

P. J. KEATING

19 NOV 1996

President William J Clinton
President of the United States of America

Dear Bill

I am sorry I will not be seeing you in Australia. I'm off to Japan the day after you arrive. Annita and I were so looking forward to hosting a holiday for you and Hilary in Australia - as Mr and Mrs Prime Minister of course - but at least we got you to Port Douglas for a rest and a look at the reef.

I can't tell you how pleased I was that you won again. There would have been no justice in the world if those shellbacks were able to displace your view, energy and good spiritedness. Most of them have dark hearts like the ones who displaced us here. The difference here was that we already had the equivalent of three United States Presidential terms and more and were looking for a fourth. After that long they forget how bad the others are, though let me tell you the country here is learning quickly about the intangible worth of a government with imagination , with a world view and with some innate kindness.

I told them in the election campaign; "when the government changes, the country changes", and many are repeating those words now.

At any rate, at least we've got you for four more years, but you are too shrewd not to know that after about two to two and a half years the mandate will start to recede and the power will begin to pass. Your next thirty months, unencumbered in a second term, will allow you to change the nature and balance of power in the world; stamping your Presidency as the great post-war one. Because you have inherited the post-cold war world and you and you alone can re-fashion it.

The Asia-Pacific is, I believe, the right place to begin the re-ordering and APEC is one instrument to help with the task.

The Cold War and immediate post Cold War structure of power has, in my view, been immature and has put too great a burden on the United States. For instance, Japan and Germany, the second and third largest economic powers do not take an active role in the security of the globe and the potentially greater power, China, has been either locked out or held out of contention. This will not and should not last. United States power will in future not be as dominant and absolute as it has been in the past, but the most powerful country should be able to re-set the balance of world power to get support to manage it, while still effectively guiding things. More hands to the wheel, but everyone still knows who the navigator is.

It seems to me the key variable in this is China. If we ask the question; will the United States be advantaged in geo-strategic terms by a relationship of substance with the largest power on the periphery of the Eurasian landmass I think the answer has to be 'yes'. When the structure for this is right, the other bits which sit around it (Japan, Korea, Taiwan etc) are more likely to be right too. We would not be relying on our World War Two history and attenuated post war alliances to keep the balance and the peace. The whole thing could have a proper central weight and counter weights.

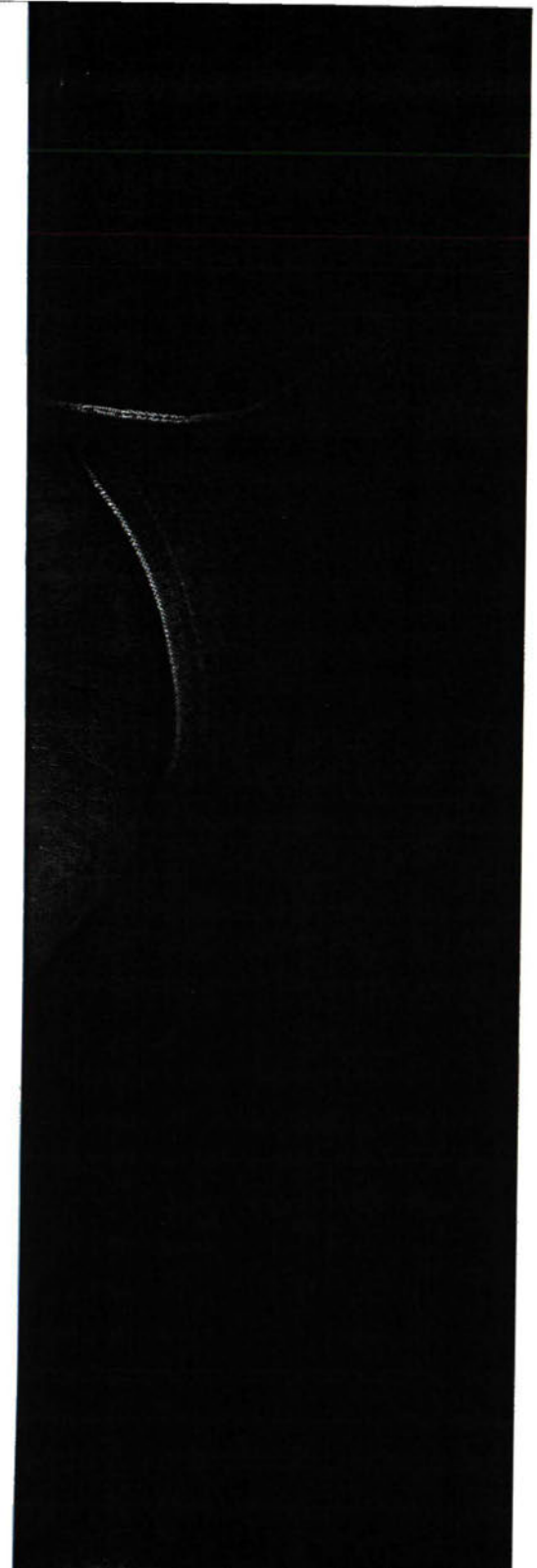
I've always thought that countries that have mass and weight and a deep inner sense of themselves, with confidence in who they are, are not inclined to be adventurous, incognizant of the interests of others, or capricious.

Countries which know well who they are, generally behave properly.

Whatever anyone thinks of China, however difficult and intransigent it can be - it knows what it is; it has no question as to its worth or place in the scheme of things, yet for nearly all of this century it has been on the receiving end from the west.

After the First World War at Versailles, the German possessions in China were passed across, not to China but to Japan. Between 1921 and 1946, 30 million Chinese died during the occupation.

In 1946-49 Mao Tse Tung and Zhou en Lai pressed the United States for a partnership, for it to deal with them as the coming government of China and not with Chang Kai Shek. They were denied.



They were then accused of being in a marxist union with the Soviet Union. Nixon recognised this to be untrue and signed China up as the United States defacto cold war partner in 1972, a relationship which lasted until 1989.

And as China introduced a market economy; lifting the yoke of poverty from the backs of millions; writing communism down in favour of nationalism as the real unifying force in China; the west and especially the United States gave them away. Human rights was part of the reason but during Mao's cultural revolution, when human rights were massively sacrificed, the United States remained a party principal to the unofficial compact.

The Chinese do not understand why they are being held out now, yet the risk the United States is running is that it is going to inculcate in a generation of *young* Chinese a nationalist sentiment which is very anti-US and anti-west.

What can we do?

One idea I have been pushing is that at the APEC meeting in Manila, the APEC leadership takes over, negotiates and concludes the issue of China's membership of the W.T.O.

If you were to approve of this and you had Hashimoto's support it seems to me that in one move both the US and Japan could re-orient their relationships with China in a very tangible way.

It would then be incumbent upon China no longer to play its games on trade rules; to meet a generous gesture in kind.

This would also give the APEC meeting some real life and creative tension which is important for you, your attendance at it, as well as for the body itself, if it is to be relevant and to prosper.

But it would really mean that you would have to be the effective sponsor of the China WTO APEC initiative. It is important that you stay on the front of the wave with the rest surfing along behind.

This move, or something like it, would, in my opinion, provide a good opportunity or climate to begin a better relationship between the United States and China.

And if this happened it would probably mean that you would go there. You could, with Jiang Zemin, sort this out during your bilateral in Manila. Again, in my opinion you should go first. You are the world leader. You lead, you set the agenda. Jiang could follow up with a visit to the US.

A few bold strokes of this kind and we might end up with a much more secure Asia Pacific, with the United States squaring China away in a proper relationship for the first time in a century.

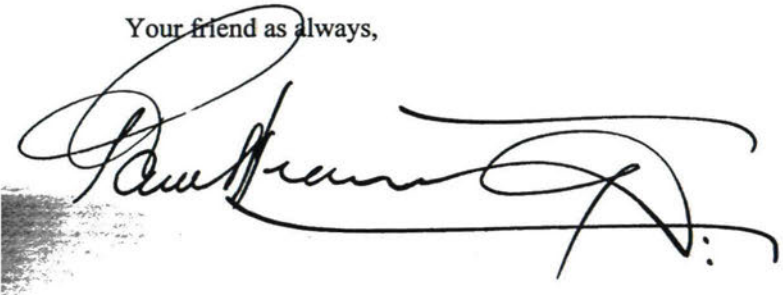
The U.S. will always look askance at another large and emerging power, and ask why should it help or encourage it. The answer I think is that it will emerge anyway. Yet this is the critical time for the US which, in its magnanimity and thoughtfulness can re-shape the world; if not in its own image, then into a manageable, harmonious and creative whole.

More will always need to be done in the European theatre with Russia and Germany. But we should never underestimate the capacity for trouble in North Asia. The tension is *always* there between China and Japan and Japan and Korea. If we can make this structurally better now, a lot of potential problems will be avoided.

I apologise for the length; but I wanted to say these things to you before Manila and to indicate my faith in you as the person best placed and most able to get this part of the jigsaw right.

Annita and I also send our best wishes to Hilary. Our thoughts will be with you both over the coming months. Americans made a sound decision. I would like the world to be further confirmed in just how right and timely that decision was.

Your friend as always,



219 Chestnut Street
Newark, New Jersey 07105
(201) 690-3500
(201) 690-3564 (FAX)

12/1

TO Staff Secretary: Please arrange for an appropriate response to be sent

'96 DEC 3 AM8:46

CATHEDRAL HEALTHCARE SYSTEM

November 26, 1996

Honorable Harold Ickes
Deputy Chief of Staff to the President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20502

Dear Harold:

The enclosed letter was written by the son of a close friend and colleague. I would appreciate it if your office could arrange for "special handling" of the letter and possibly for an autographed picture of the President.

I hope to see you down at John and Jo's.

All the best.

Sincerely,

Victor E. Botnick

12-3-96

Phil -
Come in interoffice mail -
Send to Dorsland for reply?
Yes ✓
No
C.

11/19/96

The President
1600 Pennsylvania Avenue
Washington, DC 20502

Dear President Clinton,

I got done reading a book called The Boy Who Ran For President, by Dan Gutman. Instead of writing to the author I wrote to you because I want to ask you questions instead of the author. I want to know if there are any secret tunnels in the White House? How much money do you make? Tell me what you would do if you were running for President at age nine and you won. Would you accept or give it to your older Vice President? The boy in my book gave it to the older lady that was his Vice President. Have you ever got into a fight with someone and they said, "Who do you think you are the President?" and you were.

Please write back it would be cool to get a letter from the President.

Your friend,

Luke

Luke Popko

PS My address is 98 Eleanor Drive
Kendall Park, NJ 08824

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

THE CHAIRMAN

November 15, 1996

'96 NOV 15 PM4:54

MEMORANDUM FOR THE PRESIDENT

FROM: JOSEPH E. STIGLITZ

SUBJECT: Response to Inquiry on Energy Price Increases

THE PRESIDENT HAS SE
12/3/96

After receiving our statement on the most recent release of the consumer price index, you asked if there was anything that could be done to ease the increase in energy costs (mainly caused by increases in heating oil and gasoline prices).

In general, we prefer to focus attention on the core inflation rate, which ignores changes in energy and food prices. The core inflation rate has been low and remained steady (with a 2.6 percent increase over the last 12 months, a smaller increase than last year). The recent experience of low core inflation gives us little cause for concern about overall inflationary pressures.

However, energy prices (especially for oil) are quite volatile. To put some perspective on recent price swings, consider that in 1978, average oil prices were around $9.00 per barrel. By 1981, they had more than tripled to over $31.50 per barrel. Crude oil prices today are a bit over $23 per barrel. In inflation- adjusted terms, oil prices today are only slightly above 1978 levels and are less than half the 1981 levels.

Some retail energy markets have experienced recent price increases. For instance, home heating oil prices increased on average from $1.10 per gallon in early October to $1.13 per gallon in early November. Some of this increase is seasonal -- with the onset of the heating season, demand for home heating oil increases, putting upward pressure on prices. The month-to-month increase, however, pales in comparison to the year-over-year increase, as home heating oil prices were about $0.90 at this time last year (though today's heating oil prices are below those seen in 1981 in nominal terms, and just over half 1981 levels in inflation-adjusted terms). Much of the 20 cent per gallon increase is due to higher crude oil prices, which have risen about 30 percent (from $18 to over $23 per barrel) since this time last year.

Our assessment is that there are no underlying forces that should lead to sustained higher prices for energy and oil in particular over the short to medium term. For specific products such as heating oil, price changes may reflect particular aspects of the market. We understand that the Department of Energy is monitoring the situation, and Secretary O'Leary

has met with representatives of the major oil companies to help ensure that there is not a shortage of heating oil nor a prohibitive price run-up. One concern is lower than normal inventory levels which can make consumer prices more susceptible to shocks in the market.

There are limited policy options available in this area and we observe that previous attempts to meddle in energy markets have often proved fruitless or counter-productive. The Department of Energy is already engaged in sale of $220 million of crude oil from the Strategic Petroleum Reserve. This may help dampen increases in crude oil prices, but the effect should be rather small, since the sales represent much less than one day's supply of oil for the United States. And, lower crude oil prices do not guarantee lower heating oil prices for consumers. To the extent that higher prices than last year impose hardship on lower-income households, the $1 billion in LIHEAP (Low-Income Home Energy Assistance Program) monies available to States via formula can help these households make ends meet. Another $400 million or so in emergency LIHEAP funds is available, but you would need to declare an energy emergency in order to distribute these monies. It might be desirable to see if heating oil prices (and the prices of other energy sources such as natural gas) increase markedly over the next few months before deciding to release these emergency funds. Moreover, a decision to release these emergency funds would also require a decision about where the funds should go, one that is likely to prove contentious.

Please let me know if you wish to discuss this issue further.