

tions and listening, and then having a chance to share some ideas. And then we'll have the press conference and do our best to answer your questions.

Middle East Peace Process

Q. I have only one question, please, President Clinton. Will the United States try to convince Prime Minister Netanyahu to respect agreements that the Israel Government—not the Labor Party, but the Israel Government—have signed and redeploy the Israel troops from Hebron. The second point, also, to negotiate about Jerusalem and also to try to stop sealing off every time, and every now and then, the Gaza Strip.

President Clinton. Well, let me say, first of all, he reaffirmed to me when he was here, and he has met with President Mubarak as well, that he would honor the Oslo accords in every way. So I think we have to give him a chance to do that and work on that assumption. I believe that the—I think that the government is bound to honor commitments that it has made, and I believe that it will and I certainly believe it should. And so we'll just have to—we'll see. But we're going to discuss that today, and again, we'll be able to answer more questions at the press conference, after we have our meeting.

NOTE: The exchange began at 11:15 a.m. in the Oval Office at the White House. In his remarks, the President referred to Prime Minister Binyamin Netanyahu of Israel. A tape was not available for verification of the content of this exchange.

The President's News Conference With President Mubarak

July 30, 1996

President Clinton. I am delighted to welcome my friend President Mubarak and his delegation from Egypt back to the White House to reaffirm the close partnership between the United States and Egypt. Under the wise and courageous leadership of President Mubarak, Egypt has been a key partner with the United States in working to build both regional security and global peace. I commend him for his vision and his dedica-

tion. Nowhere has that been more crucial than in Egypt's own region.

The peace between Israel and Egypt is the bedrock upon which all other progress has been made. President Mubarak and I discussed our joint efforts to bring about a just, comprehensive, and lasting peace in the Middle East. The United States will continue to do all we can with our friends in Israel and in the Arab nations to preserve what we have achieved for peace and to move forward.

The President and I agreed on the need for continued progress on the Palestinian track, as we both had discussed in our recent and quite productive meetings with Prime Minister Netanyahu. We share a determination to help find a path to peace between Israel, Syria, and Lebanon.

We also spoke at length about terrorism, a threat that both our nations know all too well. As the host of the unprecedented Summit of the Peacemakers at Sharm al-Sheikh, President Mubarak helped show the world the deep desire for peace and security that prevails throughout the Middle East.

We know, too, that we have to fight terrorism on three fronts: first, through closer cooperation with our friends and allies abroad; second, here at home, by giving law enforcement the tools they need, the most powerful counterterrorism tools available; and third, in our airports and on our airplanes, by increasing security. This will be a long, hard struggle. But when we work together against terrorism, abroad, at home, and in all the places that link us, we can obtain results.

At last month's G-7 summit in Lyon, I proposed a series of concrete measures to intensify our fight against terror and ask our allies to do more. Today in Paris, Attorney General Reno and other top officials from the G-7 nations and Russia followed through on our call for action. These 8 nations announced 25 specific areas of intensified cooperation, including working together to better protect mass transportation through strict international standards for airport bomb detection, screening, and security; cooperation on vehicle and explosive identifications; and standardization of passenger and cargo manifests.

We will adopt laws controlling the manufacture and export of explosives and firearms

to keep them from falling into terrorists' hands. We will work to outlaw personal possession of biological weapons and to make all terrorist bombings an international crime. We will collaborate in stopping terrorists from using coded computer communications to conceal their plans.

We also pledged to our allies the help that America is uniquely in a position to give. The FBI will explore the creation of a forensic science database, an international clearinghouse for evidence on terrorist crimes. We will share with others our research on explosive taggants, the chemical markers that help us track down bombmakers, as well as taggant regulations our Nation is now developing.

I want to do everything we can. And I am determined to do everything we can to also give American law enforcement the tools they need to fight terrorism. Today, Chief of Staff Panetta is following up on the meeting I held yesterday with our congressional leadership to discuss how we can immediately strengthen our own antiterrorism laws, including the use of taggants, wiretaps, and other means. They had a productive session this morning. They will be meeting again this evening.

Finally, the President and I renewed our efforts—renewed our commitment, excuse me—to economic growth in the region and in Israel and Egypt in particular in their new partnerships, including one that was announced just last week. We reviewed our efforts to the Joint Partnership for Economic Growth and Development, led on our side by the Vice President. We believe that working together we can help to bring more prosperity to the Egyptian people and to ensure that Egypt remains a source of regional strength, security, and leadership, something that is very important. Later today, President Mubarak and Vice President Gore will discuss these issues in more detail as we look forward to the Cairo economic summit in November and work to make it a success.

Mr. President, you were one of the very first world leaders to visit me here shortly after I took office. In all the meetings since, we have worked to be partners for peace. We are proud to stand with you, and I am proud to stand with you as we work together

in the future. I thank you for your wise counsel, your strong leadership, and your iron determination. And we're glad to have you here.

President Mubarak. President Clinton, once again we meet here in the White House in an atmosphere of friendship and cordiality. The warmth of our reception was matched by the spirit of mutual understanding and good will which prevailed during our talks.

We dealt with a wide range of issues of common interest. Our views were similar on many of these issues. We are very pleased with the level of cooperation we have reached in the various fields. Our relationship has never been more solid and stable. Much of the credit goes to you, Mr. President, and your administration.

At the heart of our discussions was our joint quest for a just and comprehensive peace in the Middle East, a region so crucial to countries all over the world, particularly the United States. As in the past, we were in agreement on the essential requirements for this peace. First and foremost, a just and fair peace must be based on a formula which was proposed by the cosponsors of the Madrid peace conference of October 1991 and accepted by all parties. The core of this formula is Security Council Resolution 242, 338, and 425, and the principle of land for peace and the joint political rights of the Palestinian people.

These terms of reference constitute the solid foundation of the peace process. Hence, all the parties must abide by them. Activities which are inconsistent with the requirements and spirit of peace, such as settlement activities and the confiscation of lands, should be terminated.

What is needed now is to continue the strict implementation of the signed agreement. Negotiations should also be resumed on the various tracks without delay. All the Arab leaders meeting in Cairo last month have reaffirmed their unequivocal support for the cause of peace. Their strategic decision was to uphold and to continue the peace process. This didn't happen since 50 years ago.

We know that the question of Jerusalem is a sensitive and a complicated one that does not lend itself to simple solutions. It is

charged with emotions for all the parties. However, it is not impossible, in our view, to work out an imaginative solution that will be acceptable to all sides in the course of the negotiations.

As I told President Clinton, I discussed these and other questions at length with Israeli Prime Minister, Mr. Netanyahu. I hope that he will move forward during the coming crucial months by taking practical steps necessary in order to maintain the momentum for peace. We are all quite aware of the risks involved if the peace process is terminated or set back. No party would benefit from this prospect. Although we differed during our discussions on certain issues, I felt that we could continue our dialog in order to promote peace.

The continuation of an active American role is essential to the success of our endeavors. President Clinton has assured me of the continuation of that role. He attaches top priority to the achievement of a just, comprehensive, and lasting peace. He has also assured me that the policy of the United States with respect to both terms of the reference of the negotiations and substantive aspect involved remains unchanged. The United States firmly supports the principle of land for peace. This is central to the coronation of our efforts and the success of the strategy.

In this context, the Middle East economic conference to be held in Cairo takes on a special significance. The conference will build on the momentum of political and economic transformation taking place in the Middle East. The United States shares with us a keen interest in the maintenance of security and stability in the Middle East. In our opinion, the best means to guarantee this is the establishment of a just, lasting peace that meets with the genuine acceptance and approval of the peoples concerned.

As we achieve this goal, our ability to combat violence and the terrorism in the region would be greatly reinforced. This would also strengthen the world fight against terrorism everywhere. We are together in this fight. We sympathize with the suffering of the American people as a result of terroristic actions. We extend our heartfelt condolences

to the aggrieved families of the victims and to all Americans.

Mr. President, under your vigorous leadership, the United States has steadily continued to support our efforts to achieve progress and development. We immensely appreciate your help. Your steady backing has contributed to the success of our economic reform program. The partnership program, in which Vice President Gore plays a major role, is certain to cement the bonds between our two nations. Our meeting today gave us a good opportunity to deepen our cooperation even further and solidify our friendship in all fields.

Thank you very much.

Middle East Peace Process

Q. President Clinton, President Mubarak, a new plan by Israel to build new roads into the occupied areas and new bridges seems to signal a return to a hard line by Israel. My question very simply to both of you is, can there be peace in the Middle East if the new Israeli Prime Minister carries out his campaign promises to his own people?

President Clinton. Well, first of all, I have—like you, I've seen the reports of the proposed road building campaign. I don't know whether they're new roads, expansions of existing roads, nor do we know for sure that the Government of Israel has adopted that policy. We know that—the report is that a member of the government has proposed that. So until the Government of Israel adopts that as policy, it is—I don't want to blame them for something they haven't done yet.

We are concerned about anything that could affect the peace process adversely. And we expect and believe that Israel will adhere to the agreements it has already made, including the Oslo accords, the agreements that were signed here. And the Prime Minister assured me that that was so. So until I have evidence that that is not so, I don't think I should go further.

I'm concerned about the reports I've read, but I don't know precisely what the plan is. And my understanding is it has not yet been adopted by the government. And the government's commitment is to continue the peace process and not to do anything inconsistent

with the commitments made by the Israeli Government before it. So we'll have to see what happens.

President Mubarak. Only I could tell you, very frankly, I don't know exactly where this road is going to be built, but I hope it shouldn't be built in the land where the Palestinians are making argument, otherwise it's going to complicate the whole process. This is my fear. We would like to maintain stability. We don't like to make new things in the occupied territory unless it's agreed upon between the two parties so as to help the process to move forward.

Q. President Mubarak, President Clinton, after negotiation, are you optimistic about progress of peace process in the Middle East?

President Mubarak. Me? [Laughter]

President Clinton. You go first.

President Mubarak. Anyway, I would like to say that since I met Prime Minister Netanyahu and to continue to have contact with President Clinton, he assured me that he's going to implement all the agreement, all the commitments which had been signed by the State of Israel with the Palestinians. And although they have not yet enough time for that, but I hope that he could continue implementing this agreement because it's very important, at least to give the people a good signal that Israel respects and honors its commitment.

President Clinton. My answer to you, sir, would be that if the meetings that President Mubarak and I had with Prime Minister Netanyahu are an indication, then I am optimistic because if Israel is able to keep the commitments that it has already made I think that will form the basis of going forward. And I do believe that they have some idea—they have a different approach to going forward, but I think they want to go forward. I think that there is a broad understanding in Israel that this is a process that can't simply be stopped or reversed. You have to go forward with it. And I believe that that's what they will do.

Yes, Terry [Terence Hunt, Associated Press]?

Antiterrorism Legislation

Q. Mr. President, you said that today's meeting on antiterrorism legislation was productive. Yet Senator Hatch, the chairman of the Judiciary Committee, said that the White House was asking for some very controversial provisions and that some of them you're not going to get. He went on to say that your proposed study on chemical markers in explosives was a phony issue. Have things hit a snag behind the scenes? Where do they stand?

President Clinton. Well, it doesn't sound like it's behind the scenes to me. [Laughter] Let me say, yesterday in our meeting the Republican leadership was quite candid. You know we had the Attorney General there, we had the FBI Director there, we had the CIA Director there, we had—you saw them all. We had our whole frontline team there. And they were—the leadership—the Democrats were willing to put in everything that had been in the previous bill. The Republicans were open to including a lot of things that were taken out of the previous bill, but they said they still had a problem with the taggants in the black powder. That's all I know.

What I've urged them to do—keep in mind, we're trying to do something very quickly here; we're talking about trying to pass a bill before the August recess, which is upon us. And they want to go home Friday or Saturday. And we're looking for some immediate help. So what I urge them to do now—I think everyone knows that we had a difference of opinion on the taggants issue. We still do. We believe the FBI's right, and we'd like to stick with them on this issue.

But the most important thing right now is that they get the best, strongest bill they can out, that they give us as much help as they can that would be of assistance particularly in tracking terrorists that move from place to place, that don't have—we at least ought to be able to do the same thing with terrorists we can with members of the Mafia.

And so we've asked for some other things. And if I want them to—I presume they may have a floor vote on the taggants issue and people can decide one way or the other where they stand. But what I urge them to do is to be explicit about their disagreement

here but don't let it overcome the areas of agreement, because there were far more areas of agreement than disagreement yesterday in our private meeting.

And what we really have got to do now is move as quickly as we can on what we can agree on; then there will be another several weeks of this congressional session after the August recess where more might be done. But we need to keep this country together right now. We need to focus on this terrorism issue. The people are together; they're united on it. And we need to quickly identify the areas we can agree on, move as quickly as possible, have a vote if there's an area of significant disagreement, accept the result, and then look forward to the future. There will be other opportunities to pass laws.

Middle East Peace Process

Q. My question is for President Clinton. It was reported yesterday that the Israeli Government is considering lifting the ban on the settlement activity. So if this happened, what will be the U.S. position with regard to this issue? And is this going to change its longstanding stand with regard to this issue?

President Clinton. Well, first of all, we haven't changed our positions on any issues as a result of the election in Israel. Our positions are just what they were. So we haven't changed. The settlement issue under the Oslo accords is a matter for determination between the parties as we move to the end of the negotiations. And we have encouraged everyone not to do anything which would weaken the chances of peace.

And so, again, we need to know exactly what it is they're thinking about doing, because in the previous administrations, Prime Minister Rabin and Prime Minister Peres, the existing settlements expanded more or less with population growth in the State of Israel. And that was not considered to be a serious violation of the understandings that were existing at that time.

So before we—again, I say before I say anything I would need to know exactly what it is they intend to do. But my position on these issues is the same today as it was the day before the election in Israel. None of

our positions have changed, and they won't change.

Yes, go ahead.

Q. A question actually for President Mubarak.

President Clinton. I knew it. That's why I called on you. [*Laughter*]

Terrorism

Q. Your part of the world has had to deal with the fears and the consequences of terrorism much longer than—we now in this country, of course, are suddenly facing terrorism, whether homegrown or abroad. What advice would you give to the American people, and what advice, perhaps, did you give to President Clinton today?

President Mubarak. President Clinton has very little experience in that sense, anyway, but I could tell you very frankly the main problem of terrorism started from the Middle East. I don't mean that what happened in the United States is coming from the Middle East. But the kind of imitation through the revolution in the media these days—everything is on the television; even how to make a bomb has been mentioned on the television—so the people everywhere in the world are imitating what's going on the televisions.

The Middle East problem is vital and very important. If we could maintain peace, if we could reach a comprehensive settlement in this critical part of the world, which affects Europe and America and everywhere, I think we could put an end to at least 95 percent of the terroristic actions in the world.

Middle East Peace Process

Q. Mr. Clinton, Mr. President, it is taking Israel a really long time to honor its commitments on the peace process. If it weren't for Egyptian mediation all the time, things could have gone out of hand. Any assurances from the United States to guarantee an acceleration of the peace process?

President Clinton. Well, I think that the record of my administration is clear. I've worked very hard to hammer out these peace agreements and to accelerate the process of peace. I think you have to accept the fact that there was an election in Israel; that the question of how to pursue peace and main-

tain security was the central issue in the election; that by a narrow margin, but still a clear one, the voters voted to change government. Then the new Prime Minister had to constitute his own government, had to put together his own cabinet, and had to then develop a certain policy. He's just been to see President Mubarak, and I think they had a pretty good meeting. I certainly thought our meeting was a good one here in the United States.

And so I know it's frustrating for the public in Israel, for the people—I mean, excuse me, for the people in Egypt and for the people, indeed, in all Arab States throughout the Middle East, but a sort of a hiatus, a slow-down period, was inevitable because of the election. And what I have urged everyone to do and, frankly, what President Mubarak did with his Arab summit—I thought it was terrific, bringing the people together, getting a common position from all the Arab States on the peace process and then making that clear and giving a little bit of time to the Israeli Government to constitute itself and then to make contacts with the other people in the region and decide how to proceed.

I know it's frustrating, but we just have to have—let a little of that time elapse. When you change governments like that, you can't expect people just to go on as if nothing has happened. A little of this was inevitable. So I would ask the people of Egypt to be just a little patient here and give us a chance to put this back on track.

Terrorism

Q. Mr. President, how can you effectively fight international terrorism when it seems that the U.S. and the allies cannot agree on how to isolate those nations that are considered responsible for state-sponsored terrorism?

And if I could, to President Mubarak, understanding your delicate position as a recognized leader of the Arab world, is it possible for you, sir, to condemn and isolate those countries that are identified as being responsible for state-sponsored terrorism?

President Clinton. Let me answer first. First of all, there are some differences between ourselves and our allies in the G-7, for example, and other places about the ex-

tent to which we should impose economic sanctions to isolate countries we know are supporting terrorism. I'll come back to that.

But let's look at what we do agree on. We have agreed today in Paris on a sweeping set of common measures to prevent terrorist activity from occurring in the first place and to catch terrorists when they do successfully carry out their schemes.

Now, this is the most important thing you can do. In the United States, since I have been here, we have dramatically intensified our efforts. We have succeeded in thwarting schemes designed to bomb the United Nations, bomb the Lincoln Tunnel, go after airplanes leaving from the west coast, the Arizona operation which was uncovered just a few weeks ago. And then, of course, we had the World Trade Center tragedy, but there were people arrested and tried and convicted. And we have a trial going on involving Oklahoma City now.

So there are things that can be done here. Just because we have a disagreement in some areas doesn't mean we don't have wide areas of agreement. I believe sooner or later other countries will come to our understanding that you simply cannot continue to do ordinary business with people who believe that they have a right to practice commerce with you in the daytime and fund terrorists to kill your innocent civilians at night. I believe in the end that these countries will come around to our position. But in the meanwhile, I think we ought to cooperate with them where we can, because no civilized nation of any culture or religion or region wishes to see its people exposed to terrorism.

President Mubarak. I could tell you very frankly we are the first country who have declared several times since 1986, warning the whole world that terrorism is going to spread out all over the world. And starting from the nineties I have been stressing on that in every speech delivered in my country. But so many countries in the world said, oh, Egypt's just saying this because they had some incidents. We had at that time very few incidents. And these incidents are coming from abroad. Nowadays, with the existing situation of terrorism, we condemn the terrorism wherever it is, if in a neighboring country or an Arab

country or a Muslim country, we are against it.

But I have another thinking concerning terrorism. We would like to form a committee—and I think the President is doing such a thing like that—to find out how could we punish not the whole people of a country but to punish the group who's responsible for terrorism in any country in the world. Because if we are going to punish the whole country in any place because of terrorism, the people will get upset, get furious. So we'd like to select—see who is responsible about that. This is a new formula; I'm thinking about it because just punishing the whole people creates terrible problems.

Middle East Peace Process

Q. President Mubarak, Jerusalem is an important issue in the peace process, and without discussing it in the upcoming talks between Israel and the Palestinians, peace will not prevail in the Middle East. What is your opinion, Mr. President, of a solution for Jerusalem, knowing that the Palestinians want their God-given share in the holy city of Jerusalem without dividing it but creating a Palestinian autonomous section of greater Jerusalem?

And Mr. President Clinton, Israeli Prime Minister Netanyahu—

President Mubarak. Was the first question for me?

Q. Yes, one for you, and if you both want to answer it, it will be very nice.

Mr. Netanyahu announced that he is sitting the teams to discuss the peace process with the Palestinians, which is a good omen this morning. What are your both guidelines to Mr. Netanyahu in light of the fact that the peace was put on hold? And when do you think that the funds will arrive to the Palestinian Authority to supplement the losses that reach about \$6 million a day for the Palestinians who have been under siege for over 4 months now? Thank you.

President Mubarak. Look, I have already, in my word, mentioned Jerusalem and the problem of Jerusalem. I remember since the Camp David accord, since late President Sadat started his initiative for peace, the man who opened the gate for peace—he was speaking about Jerusalem, and he was trying

to find out a formula to be convenient to both sides. And I think nowadays, the Israelis say our capital is not divided. I heard the representative from the Palestinian Authority saying, we are not asking for dividing Israel, we are not going to put a fence dividing Jerusalem, we are not intending to put up a fence. Then I think in the process, they could, in negotiations, find a formula which would be convenient to both sides, to the Israelis and the Palestinians. I cannot foretell what's the formula. We will leave it to both sides. We could help whenever it is needed.

President Clinton. I can say that what I have urged to be done is what is being done. I have urged the Prime Minister to do whatever he can to accelerate the pace of the negotiations. I hope the talks will start again between Syria and Israel. I hope there will be a resolution of the issue between Syria and Lebanon and Israel. I feel very strongly about it.

So you ask what instructions or advice I have given. I have urged them to start these talks again and then to find one or two or three things that can show concrete evidence of progress. The Palestinians need to be able to work again. We need to be able to see economic opportunity flowing back into Gaza and the West Bank. People need to be able to make a living.

If we can find a way to secure the areas from terrorism and Israel from terrorism and keep the borders open, then we will be able to attract more investment into Gaza and into the West Bank. We will be able to—you know, we had 600—600—Arab and Jewish, American business people here when we signed the first Israel-PLO accord, 600, people that really want to invest there, that want to give an opportunity to people. But we have to find a way to keep the borders open and to maintain security. So I'm encouraged by these talks, and I hope that they'll have some concrete results. I think it's likely that they will.

Arab Summit and U.S. Aid to Egypt

Q. Mr. President, you mentioned the Arab summit in Cairo. At that summit was Muammar Qadhafi of Libya, Colonel Qadhafi. Did you express your concern to President Mubarak about Colonel Qadhafi's attendance at

the summit in which he apparently flew in in violation of U.N. sanctions? And are you concerned about Egypt's support for Libya?

And for President Mubarak I have an unrelated question. Are you worried in these days of budget cutting, in terms of U.S. foreign aid, about the \$2 billion of U.S. aid to Egypt annually? And are you also considering, as Prime Minister Netanyahu mentioned when he was here, the idea of eventually weaning Egypt from some of that aid?

President Clinton. The specific answer to your question is, we did not discuss it today because my position had previously been made clear. We can't have any accommodation with Mr. Qadhafi until we have the people that we believe blew up Pan Am 103 and they stand trial. So that's the position of the United States. And yes, I did make it clear.

You asked President Mubarak a related question; I'll let him answer that.

President Mubarak. Your question concerning aid—I didn't discuss this issue at all. I know very well that the aid is not going to stay forever. We are arranging ourselves; at any time it may be reduced. So there is no worry about that. There is good cooperation with the United States, so we don't worry about that. If Mr. Netanyahu wants to reduce it, we are not against that. [Laughter]

Middle East Peace Process

Q. The question is for President Clinton. Mr. President, the U.S. has declared its firm stand regarding the peace process. But in the months ahead, will the U.S. administration be willing to influence Israel to take more tangible steps towards the peace process?

President Clinton. We'll do whatever we can to be a positive influence on them. But you have—let me say that it's very important that we do the best we can to exercise influence, that is, to affect the outcome of events. And sometimes what may seem most satisfying in a public statement is not what is most likely to affect the outcome of events.

I believe that one of the reasons that we made as much progress as we did in the last 3 years is that the United States was able to make Israel feel secure in taking risks for peace. And I believe one of the reasons there's been a slowdown in it is because there

was a limit to how much security we could provide and the voters had a reaction to the violence that they experienced.

So what I will continue to do is to do everything I can to push them to take risks for peace and to minimize those risks for peace. But I want to do it in a way that recognizes what I think is the fundamental truth, which is that in the end, the United States and Egypt won't make this agreement; these agreements will have to be made between Israel, the Palestinian Authority, Syria, and Lebanon. And the Jordanian agreement, of course, is in good shape and I think will be maintained.

So we all have to remember this fundamental reality. Yes, I will do what I can. But I believe the greatest influence the United States has had in this peace process is to be able to bring the concerns of the Arab States to Israel in a forthright way, to be able to bring—the Secretary of State has virtually worn himself out going the other way as well, bringing the Israeli position to the Arab parties and then to make the people feel secure that we would stand behind the integrity of the peace process and try to protect people who take those risks. I still believe that is the best strategy, and that's what we will continue to do.

NOTE: The President's 128th news conference began at 1:40 p.m. in the East Room at the White House.

Remarks on Signing the Second Taxpayer Bill of Rights and an Exchange With Reporters

July 30, 1996

The President. Thank you very much. Mr. Secretary, Commissioner Richardson, Congresswoman Johnson, thank you for all your hard work on this. Senator Baucus, Senator Reid, Congressman Matsui, former Congressman Jake Pickle. You look like you're right where you belong, standing up here with everybody else today, Jake. [Laughter] We are glad to see you.

I would like to say a special word of thanks to Senator Grassley, who was not able to come at the last moment, for his hard work on this, and a special word of thanks to my