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the laws of the United States (including foreign branches), or any person in the United States;

(d) the term ''new investment'' means any of the following activities, if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a nongovernmental entity in Burma on or after the effective date of this order:

(i) the entry into a contract that includes the economic development of resources located in Burma;

(ii) the entry into a contract providing for the general supervision and guarantee of another person's performance of a contract that includes the economic development of resources located in Burma;

(iii) the purchase of a share of ownership, including an equity interest, in the economic development of resources located in Burma; or

(iv) the entry into a contract providing for the participation in royalties, earnings, or profits in the economic development of resources located in Burma, without regard to the form of the participation;

(e) the term ''resources located in Burma'' means any resources, including natural, agricultural, commercial, financial, industrial, and human resources, located within the territory of Burma, including the territorial sea, or located within the exclusive economic zone or continental shelf of Burma;

(f) the term ''economic development of resources located in Burma'' shall not be construed to include not-for-profit educational, health, or other humanitarian programs or activities.

Sec. 5. I hereby delegate to the Secretary of State the functions vested in me under section 570(c) and (d) of the Act, to be exercised in consultation with the heads of other agencies of the United States Government as appropriate.

Sec. 6. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by section 570(b) of the Act and by IEEPA, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate the authority set forth in this order to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

Sec. 7. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 8. (a) This order shall take effect at 12:01 a.m., eastern daylight time, May 21, 1997.

(b) This order shall be transmitted to the Congress and published in the *Federal Register*.

William J. Clinton

The White House,
May 20, 1997.

[Filed with the Office of the Federal Register, 8:45 a.m., May 21, 1997]

NOTE: This Executive order was published in the *Federal Register* on May 22.

Message to the Congress on Burma

May 20, 1997

To the Congress of the United States:

Pursuant to section 570(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208) (the ''Act''), I hereby report to the Congress that I have determined and certified that the Government of Burma has, after September 30, 1996, committed large-scale repression of the democratic opposition in Burma. Further, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) (IEEPA) and section 301 of the National Emergencies Act (50 U.S.C. 1631), I hereby report that I have exercised my statutory authority to declare a national emergency to respond to the actions and policies of the Government of Burma and have issued an

Executive order prohibiting United States persons from new investment in Burma.

The order prohibits United States persons from engaging in any of the following activities after its issuance:

—entering a contract that includes the economic development of resources located in Burma;

—entering a contract providing for the general supervision and guarantee of another person's performance of a contract that includes the economic development of resources located in Burma;

—purchasing a share of ownership, including an equity interest, in the economic development of resources located in Burma;

—entering into a contract providing for the participation in royalties, earnings, or profits in the economic development of resources located in Burma, without regard to the form of the participation;

—facilitating transactions of foreign persons that would violate any of the foregoing prohibitions if engaged in by a United States person; and

—evading or avoiding, or attempting to violate, any of the prohibitions in the order.

Consistent with the terms of section 570(b) of the Act, the order does not prohibit the entry into, performance of, or financing of most contracts for the purchase or sale of goods, services, or technology. For purposes of the order, the term ''resources'' is broadly defined to include such things as natural, agricultural, commercial, financial, industrial, and human resources. However, not-for-profit educational, health, or other humanitarian programs or activities are not considered to constitute economic development of resources located in Burma. In accordance with section 570(b), the prohibition on an activity that constitutes a new investment applies if such activity is undertaken pursaunt to an agreement, or pursuant to the exercise of rights under an agreement that is entered into with the Government of Burma or a non-governmental entity in Burma, on or after the effective date of the Executive order.

My Administration will continue to consult and express our concerns about developments in Burma with the Burmese authorities as well as leaders of ASEAN, Japan, the European Union, and other countries having major political, security, trading, and investment interests in Burma and seek multilateral consensus to bring about democratic reform and improve human rights in that country. I have, accordingly, delegated to the Secretary of State the responsibilities in this regard under section 570(c) and (d) of the Act.

The Secretary of the Treasury, in consultation with the Secretary of State, is authorized to issue regulations in exercise of my authorities under IEEPA and section 570(b) of the Act to implement this prohibition on new investment. All Federal agencies are also directed to take actions within their authority to carry out the provisions of the Executive order.

I have taken these steps in response to a deepening pattern of severe repression by the State Law and Order Restoration Council (SLORC) in Burma. During the past 7 months, the SLORC has arrested and detained large numbers of students and opposition supporters, sentenced dozens to long-term imprisonment, and prevented the expression of political views by the democratic opposition, including Aung San Suu Kyi and the National League for Democracy (NLD). It is my judgment that recent actions by the regime in Rangoon constitute large-scale repression of the democratic opposition committed by the Government of Burma within the meaning of section 570(b) of the Act.

The Burmese authorities also have committed serious abuses in their recent military campaign against Burma's Karen minority, forcibly conscripting civilians and compelling thousands to flee into Thailand. Moreover, Burma remains the world's leading producer of opium and heroin, with official tolerance of drug trafficking and traffickers in defiance of the views of the international community.

I believe that the actions and policies of the SLORC regime constitute an extraordinary and unusual threat to the security and stability of the region, and therefore to the national security and foreign policy of the United States.

It is in the national security and foreign policy interests of the United States to seek an end to abuses of human rights in Burma

and to support efforts to achieve democratic reform. Progress on these issues would promote regional peace and stability and would be in the political, security, and economic interests of the United states.

The steps I take today demonstrate my Administration's resolve to support the people of Burma, who made clear their commitment to human rights and democracy in 1990 elections, the results of which the regime chose to disregard.

I am also pleased to note that the Administration and the Congress speak with one voice on this issue, as reflected in executive-legislative cooperation in the enactment of section 570 of the Foreign Operations Act. I look forward to continued close consultation with the Congress on efforts to promote human rights and democracy in Burma.

In conclusion, I emphasize that Burma's international isolation is not an inevitability, and that the authorities in Rangoon retain the ability to secure improvements in relations with the United States as well as with the international community. In this respect, I once again call on the SLORC to lift restrictions on Aung San Suu Kyi and the political opposition, to respect the rights of free expression, assembly, and association, and to undertake a dialogue that includes leaders of the NLD and the ethnic minorities and that deals with the political future of Burma.

In the weeks and months to come, my Administration will continue to monitor and assess action on these issues, paying careful attention to the report of the U.N. Special Rapporteur appointed by the U.N. Human Rights Commission and the report of the U.N. Secretary General on the results of his good offices mandate. Thus, I urge the regime in Rangoon to cooperate fully with those two important U.N. initiatives on Burma.

I am enclosing a copy of the Executive order that I have issued. The order is effective at 12:01 a.m., eastern daylight time, May 21, 1997.

William J. Clinton

The White House,
May 20, 1997.

Remarks to the United States Conference of Mayors

May 21, 1997

Thank you very much, Mr. Mayor. Mayor Helmke and other officers of the Conference of Mayors, General McCaffrey, Mr. Vice President, to members of the Cabinet and the administration, all of you who are here. First, let me thank you for participating in what, as Mayor Daley said, is a fairly unprecedented, long-term, consistent effort at cooperation with all these Federal agencies to try to work through a united approach to this issue.

It occurred to me as I was coming here that one of the things I ought to say is that all the objectives that all of us have for our country depend in part on our being able to give our children a drug-free future. I came here saying that I wanted to be President because we needed to change America for the 21st century to make sure opportunity would be available for all people—it's by definition not there for people who are too paralyzed to take advantage of it—to make sure that all citizens would be responsible contributors to a community becoming more united. Drugs divide America in all kinds of ways that you're very familiar with and, by definition, represent irresponsibility.

And I wanted our country to be a leader in the world for peace and freedom and prosperity. And it's hard for America to lead when we're fighting all the time over the drug issues. And we certainly do. I just got back from a trip to Mexico, Central America, and the Caribbean, and each stop along the way, it was a big point of our discussions.

So it's important that you're here. A lot of you were just at the Presidents' Summit of Service in Philadelphia. We said we were going to try to create communities in which every child in this country by the year 2000 would have a safe place; a decent, healthy start in life; access to a good education and marketable skills; a mentor trying to help him or her; and have a chance to serve themselves—our children. We can't do any of that unless these kids have a drug-free future. So this is very, very important.

Before I get into the substance of my remarks, I'd also like to say a special word of