AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

Weekly Compilation of

Presidential Documents

Monday, August 4, 1997
Volume 33—Number 31
Pages 1131–1175

Contents

Addresses and Remarks

Balanced budget
Agreement—1155
Legislation—1168
California, Democratic Congressional Campaign Committee dinner in Westwood—1139
Justice William J. Brennan, Jr., funeral service—1154
Nevada
Incline Village
Lake Tahoe community—1136
Lake Tahoe Presidential Forum—1132, 1135
Las Vegas, National Governors' Association Conference—1144
Radio address—1131
Terrorist attack in Jerusalem, Israel—1157
Virginia, 1997 National Boy Scout Jamboree in Bowling Green—1159

Appointments and Nominations

Air Force Department, Chief of Staff statement—1163

Communications to Congress

Argentina-U.S. extradition treaty, message transmitting—1161
Barbados-U.S. extradition treaty, message transmitting—1167
Caribbean-U.S. extradition treaties, message transmitting—1160
Cyprus-U.S. extradition treaty, message transmitting—1153

Communications to Congress—Continued

Iraq
Message reporting—1164
Message transmitting notice—1163
Protection of national information infrastructure, message transmitting report—1154
Trinidad and Tobago-U.S. extradition treaty, message transmitting—1168
U.S. Arctic Research Plan, message transmitting—1157
World Intellectual Property Organization treaties, message transmitting—1154

Communications to Federal Agencies

Combined Federal Campaign, memorandum—1153
International border security assistance, delegation of authority, memorandum—1144
Refugee admissions consultations, memorandum—1168

Executive Orders

Federal Actions in the Lake Tahoe Region—1138

Interviews With the News Media

Exchanges with reporters
Briefing Room—1157
Rose Garden—1168

Joint Statements

Azerbaijan-U.S. relations—1170

(Continued on the inside of the back cover.)

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for $80.00 per year ($137.00 for mailing first class) and to foreign subscribers for $93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is $3.00 ($3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents.*

Contents—Continued

Meetings With Foreign Leaders

Azerbaijan, President Aliyev—1170

Notices

Continuation of Iraqi Emergency—1163

Proclamations

To Implement an Accelerated Schedule of Duty Elimination Under the North American Free Trade Agreement—1166

Resignations and Retirements

Air Force Chief of Staff Gen. Ronald R. Fogleman, statement—1153

Statements by the President

See also Appointments and Nominations; Resignations and Retirements
Balanced budget legislation, congressional action—1161
Campaign finance reform—1158
Renewable fuels tax incentives—1162
Tax cut legislation, congressional action—1162

Supplementary Materials

Acts approved by the President—1175
Checklist of White House press releases—1174
Digest of other White House announcements—1171
Nominations submitted to the Senate—1173

Week Ending Friday, August 1, 1997

The President's Radio Address

July 26, 1997

Good morning. I am pleased to be joined here at the White House by the young men of American Legion Boys Nation, an outstanding youth organization that has inspired thousands of young people, including me, to serve our country by serving in our communities.

I want to talk with you today about what we must do to make citizen service a part of every American's life for his or her entire lifetime. As I said at the Presidents' service summit in Philadelphia this past April, the era of big Government may be over, but big challenges remain for America, and they require an era of big citizenship, an era with new partnerships between Government and business and labor, between wealthy, middle class, and poor Americans, between cities, suburbs, and rural areas and across all racial lines. At the Presidents' service summit, thousands of Americans pledged their commitment to service. As we prepare to go forward into a new century, every one of us must join them so that we can meet our challenges and come together as one America.

For the past 4½ years, my administration has worked to give every American a chance to serve. We want to spark a renewed sense of obligation, a new sense of duty, and a new season of service all across our Nation.

Of everything we've done to meet that challenge, I am proudest of AmeriCorps, our national service organization that has helped more than 70,000 young Americans all over the country to earn money for college while serving in their communities. AmeriCorps members do real work to address critical problems, from cleaning the environment to helping at-risk children learn to read, to working with police to keep our streets safe, to helping our Nation reach record levels of child immunization.

At the service summit, one of the goals for young Americans announced by the Presidents and General Powell was that every young American should be challenged and given the chance to do citizen service. To support that goal, I announced at the summit that our administration would provide 50,000 new AmeriCorps scholarships over the next 5 years to organizations that offer young people a chance to serve. I am pleased to say today that 77 organizations have answered that challenge by offering to sponsor 10,000 new AmeriCorps members next year alone. I thank them for their commitment.

The success of AmeriCorps proves that citizen service works. And it's only one of the many things the National Government is doing to work in partnership with citizens, businesses, and civic groups. Our administration is busy following up on the commitments we made in Philadelphia at the service summit. This fall, for example, the Department of Agriculture will hold a food recovery summit to help organize volunteers to distribute food to the needy. The Justice Department's new mentoring alliance will link children in need with volunteer mentors. And the Department of Health and Human Services' new partnership with the Girl Scouts of America will teach girls about the dangers of drugs. In all these ways, we are committed to encouraging service throughout American life.

Commitment to community should be an ethic that our children learn as early as possible, so that they carry it with them throughout their lives. That is why I have called on every State to make service a part of the curriculum in high school or even middle school. There are many creative ways to do this, including giving students credit for service, incorporating service into course work, putting service on a student's transcript, or even requiring service as a condition of graduation, as Maryland does.

In addition to the AmeriCorps scholarship program we announced at the service summit, last year we took additional steps to encourage our young people to serve in their communities while in high school. We said we would offer $500 scholarships to high school juniors and seniors with the best record of service in their class if their communities and private service organizations would match that amount.

Just a year later, I am proud to say that some of our Nation's most prominent service organizations have answered that call. Today I'm pleased to announce that 1,600 high school students—some of whom are standing with me today—will receive scholarships of up to $1,000 to help pay for college. The American Legion, the Kiwanis Club, the Rotary Club, the Elks Club, the Lions Club, the Junior Leagues, and the Miss America Foundations, these are community groups that are the glue that hold America together. And now they're giving our young people another reason to give something back to our communities.

This is just the first year of the national service scholars program. I know that next year it will be even bigger. Our goal is to make this program available in every high school, so that every high school principal in America can stand before a graduating class and announce the name of a national service scholar. And with the support of groups like those who have already committed to help, I am confident we can make it happen.

Something very important to our Nation occurred at the Presidents' service summit. There, people from all walks of life looked beyond their differences and came together around the common goal of serving our country, to give all our young people a chance to have a better life. This is the way we have to meet our challenges: business, working together with government and labor, religious and community groups joining forces, people lending a hand to help one another. Today we take another important step to build on that progress.

The spirit of the service summit is stronger than ever, and it's up to us, all of us, to keep it alive as we move forward together into a new century.

Thanks for listening.

NOTE: The address was recorded at 2:02 p.m. on July 25 in the East Room at the White House for broadcast at 10:06 a.m. on July 26. In his remarks the President referred to Gen. Colin L. Powell, USA (ret.), former Chairman, Joint Chiefs of Staff.

Opening Remarks at the Lake Tahoe Presidential Forum in Incline Village, Nevada

July 26, 1997

Thank you very much. First of all, ladies and gentlemen, I want to thank all of you who had anything to do with these efforts in working with us over the last several months. The members of the Cabinet and the Deputy Secretaries have been acknowledged. The Members of the Congress have been acknowledged. The other distinguished State officials from California and Nevada have been acknowledged. But there are a lot of people who work for these Federal agencies at other levels who have just been out here killing themselves for the last few months to try to make this a good, successful 2 days. And to all the citizens who worked with them and to all the Federal employees who are here, I want to thank all of you for what you did to help these last 2 days be successful. In addition, there are four people who worked with us to help make these workshops and this forum a success: Katie McGinty, Jim Lyons, Tom Tuchmann, Phil Bayles. I can't count—six—Jeff Bailey and Dave Van Note. And I want to thank them.

I want to say a special work of appreciation to the Members of Congress from these two States who have proved that this is a bipartisan, perhaps even a nonpartisan endeavor, that we all have a stake, not just as Westerners, but as Americans, in not only preserving Lake Tahoe but, if possible, reversing some of the difficulties of the last 2 years.

But I would be remiss if I did not say a special word of thanks to the person who thought this idea up and got my commitment months ago—months ago—to show up, if you'll forgive me, come hell or high water. And here we are in the middle of the budget negotiations we're trying to finish today back in Washington, but I am here because I

promised Harry Reid months ago I would be here. [*Applause*] Thank you.

I also want to thank the people who took us out on the boat today and who do all this wonderful research here and everybody who took the Vice President around yesterday. You know, I got up at 5 o'clock in the morning my time, 2 o'clock your time, to come here today, and I ought to be tired, but I'm exhilarated, partly because of the beauty of the surroundings. And I always—on the few times in my life I've been privileged to be at this great site, I've always been exhilarated by it.

The other reason I am pumped up is that when I saw the Vice President this morning, he was virtually glowing, and I knew he had been here in his element. [*Laughter*] And the minute we got on the boat, I got my Marine Biology 101 lecture—[*laughter*]—about phosphorous, nitrogen, what does what, what does the other. I looked at the plankton. I mean, I could pass anybody's test now. [*Laughter*] And you have made Al Gore a happy man. [*Laughter*] He thinks that he is a—this may be one of the deepest lakes in the world, but he's just about 6 inches below heaven right now. [*Laughter*]

Let me say that the first stewards of this land, of course, were the Washoe people. They tell us that Lake Tahoe was the product of the Good Spirit's benevolent hand. They've also treated it that way. Perhaps now more and more Americans and more and more citizens of the world are tending to look at our environment that way. I certainly hope so. When Washoe families came to the lake each spring, they blessed the water and shared its bounty. And when they left their campsites each winter, they hardly left a track behind. Today, it appears to me that all those who are involved in this great endeavor revere this region and have worked hard to keep it safe from harm.

Your cooperation to protect Lake Tahoe is, frankly, as the Vice President said, an outstanding model for the work we have to do to protect all kinds of national treasures and deal with all kinds of environmental challenges in the new century. And if I could be quite candid here, one of the reasons that I wanted to come here was not only to highlight to the Nation the importance of Lake Tahoe but also to show the Nation that there is a place where environmentalists and business people and ordinary citizens, where Republicans and Democrats, where tribal leaders and governmental people, where everybody is working together in common cause recognizing that there cannot be an artificial dividing line between preserving our natural heritage and growing our economy. That is the fundamental lesson as Americans we have to absorb if we hope to be able to have our grandchildren and our grandchildren's grandchildren 100 years from now celebrating the kind of country we're celebrating on the edge of this new century. So you are doing something important for the country.

As all of you know, the Vice President and I got to go out on the UC Davis research vessel this morning to see how the scientists monitor the lake's clarity and quality, and we also learned just how not only pristine Lake Tahoe still is but how much it has degraded over the last 40 years or so. We could see from measurable evidence and the charts that are tacked up inside the vessel, what we have to do to reverse the decline.

We also have gotten the message in the workshops the Vice President has described. Over the last 2 months, I think it's astonishing that more than a thousand people have participated in these workshops. I believe this is the seventh such meeting—I think that's accurate. And for all of those 1,000 people plus, I want to thank you because the announcements that will be made today and the work that will be done in the months and years ahead is in no small measure the direct result of your willingness to give your time to participate in this process.

We learned that all of us have to find even better ways to work together. And I think you know that just a few moments ago, I signed an Executive order to ensure greater cooperation among all the governments, agencies, and businesses working here. It's not a top-down Federal mandate but a pledge to collaborate and share resources more than ever. We will work with you, we will support you, but you—the States, the tribes, the local citizens—you will lead the way. The Executive order simply embodies the ratification of our obligation to help and to support.

The workshops also convinced us that the Federal Government must take new actions now to help protect Lake Tahoe's environment and, with it, the area's economy and quality of life. Today, with real projects based on listening to local people, we commit to take more than 25 specific actions and more than double the Federal Government's investment in the basin in each of the next 2 years to well over $50 million.

Among the things that we intend to do are, first, to expand our efforts to restore the forest and reduce the risk of catastrophic fires. The Forest Service will use prescribed fire and other means to clean out the dry brush and wood on more than 3,500 federally owned lots and 3,000 acres of open forest each year.

Second, we'll take steps to protect and restore the lake's fabled water quality. We will work with UC Davis to develop computer tools that can predict how various watershed improvements will contribute to water quality. Every Federal agency here will work to increase efforts to restore natural habitat, reduce erosion, and keep the water clean. One crucial measure we'll work hard to deliver is a new pipeline to carry waste water out of the Tahoe Basin. And I thank all the Members who have supported that, but I particularly want to recognize the efforts of Senator Boxer and Congressmen Fazio and Doolittle.

Third, we will help to cut down on traffic congestion and auto pollution by joining with you to improve mass transit throughout the region. I'm pleased to report that the U.S. Postal Service will help by switching to cleaner natural gas trucks and expanding home mail delivery to people on the west side of the lake. The Sierra Nevada's legendary 19th century mail carrier Snowshoe Thompson would probably be proud of that. [*Laughter*]

And let me say, if I might do a little home cooking here, there are natural gas buses manufactured in Chattanooga, Tennessee, now being sold all over the world, now in use in the rainforest in Costa Rica, that would be very good for reducing air pollution around the lake. [*Laughter*] And I know someone who would be helpful in getting you in touch with the appropriate people.

Finally, the Vice President met with Washoe elders yesterday and announced that we will assist the tribe in their efforts to protect sacred areas and preserve their culture. The Forest Service intends to provide approximately 350 acres of forest to the Washoe for use in growing traditional plants and another section of land where the Washoe will establish a cultural center. As part of this action, the Forest Service intends to provide tribal members access to the water's edge for the first time in a century. I learned today from their leader that the Washoe first wrote to the President of the United States asking for help on these matters in 1877. It just took 120 years, but I can tell you, from now on, the mail will run more rapidly between Lake Tahoe and Washington, DC.

We hope to do more beyond today's announcement as we work with leaders from California and Nevada and Lake Tahoe's many friends in Congress. I also want to recognize the efforts of Governor Miller, Governor Wilson earlier this week in recommending their States' resources to the lake—recommitting their States' resources to the lake. I'm convinced we can succeed in this endeavor. And as I said before, I'm convinced, as we do, the model of cooperation you have established will be a model that we'll want to follow throughout the country.

We have a lot of work to do today to preserve the pristine Headwaters Forest in northern California, something of great concern I know to Senator Feinstein and many others; to restore the Florida Everglades; to protect the endangered Sterling Forest in the Northeast; to save Yellowstone from gold mining. We have an awful lot of work to do, I think, in perhaps our biggest challenge of all, in confronting the challenge of global climate change as we move into a new century.

President Theodore Roosevelt said, standing not far from here, "We are not building this country of ours for a day. It is to last through the ages." Well, as we approach the 21st century and deal with these huge mega-challenges like climate change, you have given us a way to meet the challenge of the ages, by working together and understanding what our forebears knew centuries ago. We cannot divide our quest for prosperity from our obligation to hand nature, God's great gift to us, on down to the generations. We

can do that. You have shown us the way. And we are determined to do our part.

Thank you very much.

NOTE: The President spoke at 11:55 a.m. at the Hyatt Hotel. In his remarks, he referred to the following forum staff: Tom Tuchmann, Department of Agriculture Western Director and Special Assistant to the Secretary of Agriculture; Phil Bayles, Deputy Director of Public Affairs, Forest Service Pacific Southwest Region; Jeff Bailey; and Dave Van Note. He also referred to Governors Bob Miller of Nevada and Pete Wilson of California.

Closing Remarks at the Lake Tahoe Presidential Forum in Incline Village

July 26, 1997

Let me say, first of all, again I'd like to thank Senator Reid for getting my commitment to do this. When I was a boy, I grew up in a town that permitted me to grow up next to a national park, next to a national forest, in a community surrounded by three lakes, one of which was virtually destroyed. I feel like I have been through a lot of these things, and I feel very much at home here.

And the second thing I'd like to do once more is to thank the Vice President for all he's done to sensitize me about these issues and to educate me. I made a joke about it earlier, but it's not funny; it's true. The third thing I'd like to do is to say to all of you, I leave here basically with three different conclusions or commitments in my own mind. One is the one that Senator Feinstein and Mr. Upton and Governor Miller and others, Congressman Fazio pressed home, is we don't have an unlimited amount of time; we have to keep intensifying our efforts. You have done more than anyone could ever have expected you to do, and we have to do our part. So I got the message, and we'll stay after it.

The second point again I want to reiterate is that you have done something here which, if we can properly publicize it, will help your Nation very much, because you have proved that you can bring all these people together and demolish the false choice between the environment and the economy. And that's very important, because there are lots of other places we have to do it and issues that affect local communities, the Nation as whole, and in some cases, our entire globe.

The final thing I'd like to leave you with is that you have also proved that there is a way of doing things that makes community-based solutions work, to go back to the Congressman's point. Community-based solutions only work when people come together, agree on a common goal, share values, and are willing to give up a little of their own turf in order to work together to a common goal.

But I ask you to compare—compare just for a moment—if you want to appreciate the significance of what you are achieving here, compare what you have done—look at this group just sitting around here today—with the fact that in Bosnia today we can't even get the parties to agree on what their currency will look like, that we just recently got reinstituted a cease-fire in Northern Ireland for people who are fighting over things that happened 600 years ago that the young college students would like to let go of and their elders won't let them.

Now, I mean, I don't want to—I'm not overdramatizing this. Mature societies, to preserve our life on this globe, when we're going to have a global economy, a global society, and a global environment, are going to have to be able to find community-based ways of bringing shared values and common cause together and overcoming false choices, like education and the environment—I mean the economy and the environment—and also overcoming past divisions.

And this is a mark of the kind of society it will take to preserve America's greatness for the next 100 years in a lot of ways. How, for example, can we have—we believed that we could reduce the budget deficit and increase our investment in education. Everybody said it couldn't be done; we did it. We believed that we could reduce the size of Government and, in the Vice President's terms, make it cost less and do more. There are 300,000 fewer people working for the Federal Government, but we're far more active—look here, today—in many important areas than we ever were before.

We have to be able to get these false dividing lines out of our minds and the idea that we have to fight with each other if we're dif-

ferent out of our minds. We've got to flush this out of our collective systems. This is a huge issue. If you look at the coming racial and ethnic and religious diversity in our country, we have to follow the model you have established here for reconciling our differences, celebrating them, and then coming together as one America. I say this because President Truman once said that most of his job was trying to convince people to do things that they ought to do without his having to ask them in the first place. [*Laughter*] Now, that was sort of a down-home way of saying what the President has to do is to always imagine where we're going and try to make sure people are thinking about it in the right way.

I didn't think, even myself, when I came to Washington, we'd ever be able to do what we did on this balanced budget agreement, to get huge majorities of both parties in both Houses to vote for it. I just don't accept the kind of old divisions and inevitable choices that basically rob us of the future we could create in a very dynamic time, when you get everybody together and, as Mr. Upton said earlier, whole new possibilities open up.

I want you to think about this, because you will have other challenges that don't relate to the environment and Lake Tahoe that can be dealt with in exactly this way. And our country and our world is going to have to mature to the point where we bring to bear on other challenges the way—the way you have gone about dealing with this.

And I was sitting here, hanging on every word everybody said, and saying, what I would give to see this kind of thing happening in Sarajevo today, in Belfast today, in Gaza today, in Washington, DC, today. [*Laughter*] What I would give. And I think you need to think about that.

So I will end with a laugh, but I'm dead serious. You think about this. Think about the kind of world you want to make for your children and grandchildren. You cannot—this is a dynamic time. The best days of this country are still ahead, but we have to deal with our most profound challenges in this way.

Democracies only do things when a real majority of people really want to do them. And we have this enormous set of opportunities, and you have shown us here not only how to deal with the environmental challenges but how we ought to come together to make the most of our common future. And for that, I am very, very grateful. And you may be sure, I will be giving you a lot of free publicity around the country—[*laughter*]—in the days and months ahead.

Thank you, and God bless you. Thank you.

NOTE: The President spoke at 1:47 p.m. at the Hyatt Hotel.

Remarks to the Lake Tahoe Community in Incline Village

July 26, 1997

Thank you very much. Thank you, Mr. Nakada, for making us so welcome today. I must tell you that we have had a wonderful, wonderful day. I only wish that the rest of my family could be here. They'll be very jealous when I give them a report on what I saw and what I did today.

The Vice President and I are grateful to all the Members of Congress who joined us, including, of course, Senator Bryan and Senator Reid and Senator Boxer who are here with us. And a special thanks to Senator Reid for coming up with the idea and getting us committed to this months ago. It's been a very good thing, I think, this whole summit.

I want to thank Governor Miller for his leadership on this issue. He's my former colleague. I'm going to be back in Nevada just the day after tomorrow at the Governor's conference, which you are hosting, and you should be very proud of the record that he's built and the things that he's done here. I certainly am.

I want to thank all of you for showing up. This is sort of the icing on the cake. I didn't realize you would be here until a few minutes ago. And I thank all the lacrosse players for letting us land on your field. I want to thank the AmeriCorps volunteers for being here, for what you do.

I want to be very brief, but I want you to be serious just for a minute and think about the fact that we are only 3 years away from a new century and a new millennium, that we are very fortunate in the present condition of our economy and in many other

ways, but that we have to have a strategy for going into the future and going into the future together.

I told the people at that summit today that there were three things that I took away from this experience. One is that the United States has a responsibility to help people who are trying so hard to help themselves to save Lake Tahoe, and we will spend over $50 million in the next 2 years to do our part. The second point is that we can grow the economy and preserve the environment, and they are two sides of the same coin, not inevitably in conflict, and people here have proved that. But the third, and in some ways maybe the most important of all, is that by getting together across lines that divided people—whether they're business people versus environmentalists, Republicans against Democrats, you know whatever the dividing lines are—and saying, ''We've got to save this lake and we've got to do this together and we've got to find a way to do it together and to agree on how we're going to do it,'' you have shown the way to how we have to make a lot of our decisions as we move into this new century.

I very much believe that our best days are ahead of us. I've worked hard with the Vice President and our friends and allies to create a country in which there is opportunity for everybody responsible enough to work for it; a country in which we're coming together as a community, not being divided by our diversity; and a nation that's still leading the world toward peace and freedom and prosperity.

And I'm proud of the fact that we now have the strongest economy in a generation and the strongest economy in the world; that we've had years of declining—[*applause*]—that we've had years of steadily declining crime rates; that the deficit is now 80 percent lower than it was the day I took office; that we've had the biggest drop in welfare rolls in the history of the Republic. I'm proud of all those things.

The Secretary of the Interior told me a few months ago that we have protected or set aside more acres in public trust than at any time in the history of the United States, except under the Presidencies of Franklin and Theodore Roosevelt. I'm proud of that. But you and I know that we have a lot of challenges ahead, and we cannot—we cannot—allow ourselves to be imprisoned by the thought patterns or the way of doing things of the past. We cannot believe that our old conflicts have to be carried into a new century. We cannot believe that our old false choices have to be carried into a new century. We can't be forced to choose between the economy and the environment. That's a dumb choice. We have to find a way working together across the lines that divide us to achieve both prosperity and preservation of our most sacred gift from God.

We are becoming by far the most diverse democracy in the history of humanity. We cannot be forced to choose between not only respecting but celebrating our diversity and still saying, we are one America, after all, bound together by shared values and a common future for our children. We can't be forced into that division. If you wonder what happens when you do that, you have only to look at Bosnia, the Middle East, Northern Ireland, and countless other places around the world. We don't want to make that choice.

So I can now go all across America and point to what I have seen in Lake Tahoe and how people at the local level came together across lines that divided them for years to do something that was good and noble and, by the way, in their self-interest, to create a better and a brighter future for our children. And that's how we ought to do other things in America. That's why I appreciate the citizen service of these young AmeriCorps volunteers. And that's why I am determined to stay on this path. That's why the people working for the Vice President and me are back on this beautiful Saturday laboring away with Members of the Congress, trying to reach an accord that will both balance the budget and give Americans a tax cut we can afford and invest more in education and the health care of our children than we've done since 1965. Because I believe if we're willing to really think in new ways and reach out to people across the lines that divided us, the best days of this country are still ahead. I want you to believe that. I want you to work for that. I want you to do your part to save Lake Tahoe. It's not enough to stop the degradation; we have to

reverse some of it. And we can do that if we all work together. And I want you to commit yourselves to take the model that is working for Tahoe into other areas of your lives, because I want to be able to go around this country and say, don't tell me that we can't get along and work together and do better; I have seen it in Lake Tahoe.

Thank you, and God bless you all. Thank you.

NOTE: The President spoke at 2:55 p.m. at the Village Green Soccer Field. In his remarks, he referred to Jim Nakada, board of trustees chairman, Incline Village General Improvement District.

Executive Order 13057—Federal Actions in the Lake Tahoe Region

July 26, 1997

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that Federal agency actions protect the extraordinary natural, recreational, and ecological resources in the Lake Tahoe Region (''Region'') (as defined by Public Law 91–148), an area of national concern, it is hereby ordered as follows:

Section 1. *Tahoe Federal Interagency Partnership.*

1–101. The Federal agencies and departments having principal management or jurisdictional authorities in the Lake Tahoe Region are directed to establish a Federal Interagency Partnership on the Lake Tahoe Ecosystem (''Partnership'').

1–102. Members of the Partnership shall include the Secretary of Agriculture, the Secretary of the Interior, the Secretary of Transportation, the Administrator of the Environmental Protection Agency, the Secretary of the Army, and the heads of any other Federal agencies operating in the Region that choose to participate. Representation on the Partnership may be delegated. The Partnership shall be chaired by the Secretary of Agriculture for the first year after its establishment. The Chair of the Partnership shall thereafter be rotated among the members on an annual basis.

1–103. The Partnership will:

(a) facilitate coordination of Federal programs, projects, and activities within the Lake Tahoe Region and promotion of consistent policies and strategies to address the Region's environmental and economic concerns;

(b) encourage Federal agencies within the Region to coordinate and share resources and data, avoid unnecessary duplication of Federal efforts, and eliminate inefficiencies in Federal action to the greatest extent feasible;

(c) ensure that Federal agencies closely coordinate with the States of California and Nevada and appropriate tribal or local government entities to facilitate the achievement of desired terrestrial and aquatic ecosystem conditions and the enhancement of recreation, tourism, and other economic opportunities within the Region;

(d) support appropriate regional programs and studies needed to attain environmental threshold standards for water quality, transportation, air quality, vegetation, soils (stream environment zone restoration), wildlife habitat, fish habitat, scenic resources, recreation, and noise;

(e) encourage the development of appropriate public, private, and tribal partnerships for the restoration and management of the Lake Tahoe ecosystem and the health of the local economy;

(f) support appropriate actions to improve the water quality of Lake Tahoe through all appropriate means, including restoration of shorelines, streams, riparian zones, wetlands, and other parts of the watershed; management of uses of the lake; and control of airborne and other sources of contaminants;

(g) encourage the development of appropriate vegetative management actions necessary to attain a healthy Lake Tahoe ecosystem, including a program of revegetation, road maintenance, obliteration, and promotion of forest health;

(h) support appropriate regional transportation and air quality goals, programs, and studies for the Region;

(i) support appropriate fisheries and wildlife habitat restoration programs for the

Region, including programs for endangered species and uncommon species;

(j) facilitate coordination of research and monitoring activities for purposes of developing a common natural resources data base and geographic information system capability, in cooperation with appropriate regional and local colleges and universities;

(k) support development of and communication about appropriate recreation plans and programs, appropriate scenic quality improvement programs, and recognition for traditional Washoe tribal uses;

(l) support regional partnership efforts to inform the public of the values of managing the Lake Tahoe Region to achieve environmental and economic goals;

(m) explore opportunities for public involvement in achieving its activities; and

(n) explore opportunities for assisting regional governments in their efforts.

1–104. The Partnership will report back to the President in 90 days on the implementation of the terms of this order.

Sec. 2. *Memorandum of Agreement.*

2–201. The Partnership shall negotiate a Memorandum of Agreement with the States of California and Nevada, the Washoe Tribal Government, the Tahoe Regional Planning Agency, and interested local governments.

2–202. The Memorandum of Agreement shall be designed to facilitate coordination among the parties to the Agreement, and shall document areas of mutual interest and concern and opportunities for cooperation, support, or assistance.

Sec. 3. *General Provisions.*

3–301. The Chair of the Partnership shall advise the President on the implementation of this order. The Chair may recommend other administrative actions that may be taken to improve the coordination of agency actions and decisions whenever such coordination would protect and enhance the Region's natural, ecological, and economic values.

3–302. Nothing in this order shall be construed to limit, delay, or prohibit any agency action that is essential for the protection of public health or safety, for national security, or for the maintenance or rehabilitation of environmental quality within the Region.

3–303. Nothing in this order is intended to create, and this order does not create, any right to administrative or judicial review, or any other right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

William J. Clinton

The White House,
July 26, 1997.

[Filed with the Office of the Federal Register, 8:45 a.m., July 31, 1997]

NOTE: This Executive order was published in the *Federal Register* on August 1.

Remarks at a Democratic Congressional Campaign Committee Dinner in Westwood, California

July 27, 1997

Thank you very much. One of two things is about to happen: Either this is working, which is good for you, or it's not working, and I will be the company that misery loves for the previous speakers. [*Laughter*]

I thank Mark and Jane and all those on the committee who are listed here for your work tonight. I thank Martin Frost for his tireless efforts. I thank Dick Gephardt for his leadership and his willingness to continue this fight.

I must say I used to get discouraged in the last couple of years when occasionally I would hear a Democratic Member of the Senate or the House complain that it wasn't any fun anymore to be in the minority. And when I thought of what the stakes were for our country, it didn't seem to me that fun was a very important issue. And Dick Gephardt has continued to fight and continued to lead, and I'm very grateful for that, and the country should be, too.

Let me thank all the members of the California delegation who are here. And I particularly want to thank Vic Fazio for his leadership in the House. I thank Maxine Waters for her leadership of the Congressional Black

Caucus and Xavier Becerra for his leadership in the Hispanic Caucus and so many others for the things that they do on particular issues. When I looked at the Members whose names were called, standing up here tonight, I thought, that's why I'm a Democrat. This delegation looks like America, this delegation acts like America, and this delegation is making the America of the future that I want my child and my grandchildren to be a part of. And that's one of the reasons why I'm here.

Let me say to you, I think all of you know that we are in the throes of trying to finish a budget agreement with the Republicans in the Congress that can command the support of an overwhelming majority of our caucus in the House and in the Senate as well as of the Republicans. And we are trying to get an agreement that will finish the job of balancing the budget. Now it will be much easier now because it's clear that this year, when the books are finally tallied, as Congressman Gephardt said, the deficit will be about 85 percent less than it was when I took office. And that was brought to you by these Democratic Members of Congress, and I thank them for that.

But we have a great opportunity here, and I want to just talk about it just for a second and then try to put it in a larger context. We are fighting for a budget that will balance the budget but also contain the largest increase in funding for children's health since Medicaid was enacted in 1965—the largest increase—and enough to insure 5 million kids who don't have health insurance today; the largest increase in investment in education, from Head Start through access to college, since 1965; the largest increase in helping people to go to college since the GI bill was passed 50 years ago. That is what is in this budget.

And in addition to that, this budget restores now virtually all of the egregious cuts made last year by the Republican majority in aid to legal immigrants who come to this country, which is a very important thing for the State of California. And it contains $3 billion to give to the places in this country with the highest unemployment rate to help people move from welfare to work. This is a very good budget, if we can resolve the remaining problems.

There is a tax cut in it. The tax cut ought to be fair to working families. It ought to put a primary emphasis on education. It ought to help the economy grow. And it shouldn't explode in the later years so we go right back to the deficits that we just worked ourselves out of. And that's what we're working hard to achieve, and our team has been back working over the weekend. If we stay in a positive frame of mind and we all work in good faith, I think we have an excellent chance to get there.

But I want you to understand, this is a historic thing. Yes, there is a tax cut in it. But the tax cut, in the aggregate, will only be about one-tenth—in today's dollars—the size of the tax cut that was enacted in 1981 when we adopted the whole trickle-down economics and got ourselves in the trouble that we were in. So we're working hard to give people an appropriate tax cut without allowing it to explode the deficit.

So this is a great thing. And it will help us to continue the path of economic growth. It will help us to continue the path of fighting crime by finishing the job of putting 100,000 police on the street. It will help us to continue the historic drops in the welfare rolls we have had, not by punishing poor people but by helping them to support their children and to go into the workplace. It will do a lot of good things for this country. We'll also continue to fund our vigorous efforts on the environment.

But what I want to say to all of you is we need to see this in a larger context, because that's really what I'm convinced the two parties are all about today. I just came—yesterday I was in Lake Tahoe—you may have seen the press on it—and I went to Lake Tahoe because it's a precious, wonderful, worldwide resource. It's one of the two bluest, big lakes in the world. You can still see down 65 or 70 feet clearly. Forty years ago, you could see over 100 feet clearly; now we're losing about a foot of visibility a year there. That's the troubling part. And I announced—and Congressman Fazio was there with me, and we announced an initiative. And your two Senators, Dianne Feinstein and Barbara Boxer, were there; the two Nevada Senators;

the Governor of Nevada and Congressman Miller and one of the Republican Congressmen from northern California and two from Nevada were there. It was an interesting thing.

But here's the point I want to make. That is a very conservative area of Nevada, and it is the overwhelmingly Republican portion of the State. But in Lake Tahoe now they have finally figured out one of the things we have to figure out as Americans, which is that we cannot grow our economy indefinitely at the expense of the environment; we have to figure out a way to replenish the environment as we grow the economy. So that now we have, in Lake Tahoe, the most hidebound traditionally conservative business people sitting in a room and not just talking to but working with, on a common agenda, the most ardent environmentalists, because they have finally come to the realization that they have to stop setting up these false choices.

And that is really what this whole debate is about now. When we have the budget balanced and we have reaffirmed our commitments to education, to our children, to health care, to these other things, we have to then look ahead and say, "What are the remaining challenges this country faces? How are we going to get into the 21st century? Who offers us the best changes to get there?"

And I can say this with some level of detachment, even though I plead self-interest as a member of my party by heritage, instinct, and conviction, but at least I'm not running anymore—[*laughter*]—which, for those of you who have been supporting me for the last several years, I'm sure you're grateful for that. [*Laughter*] But let me just ask you to think about that. Just imagine, what is it that you would like this country to look like 25 or 30 years from now? I saw at least two women in the crowd, with their spouses, who are about to give birth. What do you want this country to look like when the child you're about to bear is your age?

That's what we ought to be thinking about. We're coming to a new century and a new millennium, in a time that is highly dynamic, when the way we work and live and relate to each other in the world is very different and changing. And we have a chance to make sure that our children will live in the best time in all of human history. But it is not a time free of challenge.

Since 1991, I've been going around the country like a minstrel with a broken record, saying that I have a simple vision for this country: I want every child, without regard to race or condition of birth, to be able to live out his or her dreams if they're responsible enough to work for it. I want this country to be able not only to respect, but to celebrate its diversity and still be able to say, but here are the things that bind us together, that are more important, that make us one America. And I want us to continue to lead the world for peace and freedom and prosperity, because I think it's important as you look at the rest of the world that we not withdraw. That's what I want.

And I think a lot of what we have to do goes way beyond any specific program or specific issue or specific budget; it requires us to think differently. And we have to get beyond being forced to make bogus choices. And we have to get beyond embracing yesterday's conflicts. And that's what I think the Democratic Party is about now.

For example, when I took office, they said, there is no way you can reduce the deficit and increase your investment in education, but we did. They said there was no way you can reduce the size of Government and still make it more effective, but there are 300,000 fewer people working for the Federal Government today than there were the day I took the oath of office, and it is more effective in a whole score of ways. They said that you couldn't improve the environment and continue to grow the economy, but we have made aggressive efforts to clean the air, to have safer drinking water, to take chemicals out of the air, and we're moving forward on that. And we have to do more.

And I could give you example after example after example of this. But as you look ahead, let me just focus on the specific issue of the environment. We know now that we are putting greenhouse gases into the atmosphere at a breathtakingly rapid rate. We know we're 4 percent of the world's population, we're 20 percent of the world's wealth, putting in more than 20 percent of the world's greenhouse gases. We know that if

the Chinese get rich the same way we did, since they are 4 times as many of them, we're all going to have a hard time breathing sometime in the next century. Yet, we can't tell them if you work hard and you're industrious, we don't want you to make a good living and be able to support your children and educate them. So we have to build cars that give triple or quadruple the mileage that we're getting. We have to find whole different ways to get around, to move around, to do these things. We have to do this.

Now, which party do you think is more likely to say that over the long run we have got to find a way to balance our commitment to economic opportunity with our commitment to preserving our God-given natural heritage? The party that says we can do both? Not that there will never be any tough decisions, not that there will never be any hard choices, but that we have to do both. It's a huge deal.

Issue number two: We have a good economy now. It's the best it's been in a generation, and it's the best in the world. And I'm happy about that. But you can go not very far from here tomorrow morning, Monday morning, and drive down the street, and you'll see a lot of young men standing on the street who don't have jobs. And we have—20 percent of the children in this country are living below the rate of poverty. And there is still a lot of people who are more likely to get in trouble because they don't have very much to say yes to. And a lot of our schools are still not working at the level they should.

That's why I've said I'm going to spend the rest of my time here doing everything I can to try and modernize and upgrade our schools and trying to increase their performance and trying to have high standards of excellence. And I was told for years by people who thought they were experts in education that I was whistling an idle tune because we had too many poor children, too many minority children, too many children whose first language was not English to achieve international excellence in education; and that I should stop trying to set high national standards and measure people against it because I was just setting people up for failure. It seemed to me we were setting people up for failure if they came from difficult circumstances by giving them substandard education which made sure they would never get out of their difficult circumstances. That's what I always thought.

Now, finally, for the last 13 years, since—almost 14 years now, maybe more—since 1983, when the "Nation At Risk" report was issued, there have been large numbers of people seriously working to improve our schools. And we have been subjecting ourselves steadily to various international competitions and measurements. We have never scored above the international average, ever, until this year, when on the Third International Math and Science test our fourth graders scored well above the international average on math and science. Now, only a few thousand took the test, but they were representative by race, by income, by region, and they were well above the international average. Now, that's the good news.

The troubling news is our eighth graders still scored below the international average. And that is not surprising because they have to deal with adolescence, the fact that middle schools were organized when our society was more stable than it is now, and we're not functioning as well as that level. But the point is, we can—all of our kids can learn, and they can do well and they can learn what they need to know to achieve international standards of excellence. And if you don't want—even in a strong economy—tens of thousands of people standing around on the street, vulnerable to gangs and guns and drugs and violence; and costing you money, if you just want to be narrow-minded about it, then we had better rededicate ourselves to a national commitment to excellence for every child in education.

Now, which party do you believe is most likely to commit itself to international excellence in education for every child in this country without regard to race or region or background condition? That's why I'm here tonight.

Let me just give you one final issue that is terribly important. And I said this yesterday—one of you quoted this back to me when you went through the line; this was quoted on television. I said, when I saw Lake Tahoe and I saw all these people working

together, I told them, I said, this is a model not just for the environment; this is a model for how we ought to behave, because this country has got—we're all so different, but we have common challenges. And yet we're taught, almost from the crib, that we're supposed to fight with people who are different from us. And many of us are raised actually to look at ourselves as something special by being able to look down on someone else. And the truth is, there is not a person in this audience tonight that at least at some point in your life did not think better of yourself by thinking, ''Well, thank God I'm not that person; I may not be perfect, but at least there is a flaw I don't have.'' [*Laughter*] We've all done that.

But consider what I have to deal with as your President: Bosnia, the Middle East, Northern Ireland, Rwanda, Burundi. I had the President of Georgia in to see me the other day. Georgia is a small country. They have a separatist movement there. All over the world there are still people—they're fighting in Bosnia. For God's sake, they were killing each other. They stopped killing each other; now they're fighting about what their currency is going to have on it. It would be good if they had something to buy with the money. Why? Because we teach people and we lead people to look down on each other and fight each other.

We're going to have a conference on hate crimes at the White House this fall. Why? I mean, this is 1997. Why are gay people still getting beat up in public? This is 1997. Why are we doing this? Because we still—first of all, everybody is vulnerable to our darker impulses. And secondly, we have not ingrained in ourselves a way of dealing with each other that requires us to be honest and forthright and mutually respectful and that actually says, we can work this out together.

I mean, it's great that they're doing it at Lake Tahoe, but why aren't they doing it everywhere? Why can't I finally remove the threat of the gold mine at Yellowstone? I could give you lots of other examples. But the most serious challenge is our racial and ethnic diversity, which is why I went to San Diego and gave that speech a few weeks ago and why we're going to spend at least a year working on this. But we have other kinds of diversity in this country as well. And if you look around the world, it is consuming people.

Now, we have a chance in the 21st century to be not only the most powerful, not only the wealthiest but clearly the most diverse democracy in the world in every way, still being bound together as one America. But we have to work at it, and all of us have to do our part. And it will not happen by accident. The people in Sarajevo lived together in peace for 70 years. Mr. Karadzic, the Serb leader, lived in a highrise apartment where the majority of the people in the apartment house were in different ethnic groups. And I mean, within 2 months they were shooting each other's kids.

Now, do I think that's going to happen here? No, I don't. But is it guaranteed? How long ago was the Los Angeles riot? Five years. Is it guaranteed? Look around this room. Is it guaranteed that all the people in this room and everybody you represent that we're all going to be able to work these things together and get along? It better be, because it's an incredible gift for our country to have people from everywhere living here.

We just announced a big initiative on Africa. Why? Well, 30 African countries had positive growth rates last year. Seven of them grew at more than 7 percent. We got all these people interested in it; they want to do business with us. Why? Because of who we are and who lives here. We have 600 Jewish-American and Arab-American business people who have promised to invest in Gaza and the West Bank if they will ever resolve their differences there. And they want us to. Why? Because we are tied there.

This is the only country where we have people from everywhere. And it is a great gift. But if you believe that it will just happen by accident, as a matter of course, that we will preserve one America, I suggest that you haven't looked around the world enough and remembered our recent history closely enough. Which party do you believe is more likely to bring this country together as one America?

So I'm happy tonight. I'm honored beyond belief that I was elected and reelected President. I'm grateful to the people of California for making it happen for me. I'm glad that

there are 12½ million more people who get up and go to work every day and can go home with a paycheck and take care of their children. I'm glad we had the biggest drop in violent crime in 35 years. I'm glad we had the biggest drop in the welfare rolls in history. I'm glad we've got the smallest percentage of people on welfare we've had in 30 years. I'm glad about all that.

But this is a journey. There is no destination. I want us to make this balanced budget agreement tomorrow that I hope 90 percent plus of the Democrats will vote for. But even so, it's just another step on a journey. And I believe that the Democratic Party and these people that you are here to support today has demonstrated that it can be trusted to lead this country on this journey, to get beyond the bogus choices, to get beyond the false conflicts, to create the kind of country and the kind of world that you want your children and your grandchildren to inherit. That's the larger question that I believe has brought you here and that I think proves that you did the right thing by coming here tonight.

Thank you very much, and God bless you.

NOTE: The President spoke at 8:45 p.m. at the Regency Club. In his remarks, he referred to Mark and Jane Nathanson, hosts of the dinner; Representative Martin Frost, chairman, Democratic Congressional Campaign Committee; President Eduard Shevardnadze of the Republic of Georgia; and former Bosnian Serb leader Radovan Karadzic.

Memorandum on Delegation of Authority Concerning International Border Security Assistance

July 24, 1997

Memorandum for the Secretary of Defense

Subject: Delegation of Authority Under Section 1424 of the National Defense Authorization Act for Fiscal Year 1997

By the authority vested in my by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to you, in consultation with the Secretary of State, the authority vested in the President under section 1424(c) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201).

You are authorized and directed to publish this memorandum in the *Federal Register*.

William J. Clinton

[Filed with the Office of the Federal Register, 8:45 a.m., July 29, 1997]

NOTE: This memorandum was released by the Office of the Press Secretary on July 28, and it was published in the *Federal Register* on July 30.

Remarks to the National Governors' Association Conference in Las Vegas, Nevada

July 28, 1997

Thank you very much for the warm welcome. I must say, whenever I come back here, I feel terribly nostalgic. I'm eager to come, I hate to leave, and I always know there's something that we don't entirely agree on. And right before we came in here, I came into the Mirage and I saw Steve Wynn and Governor Miller, and right before we walked in, we walked through another room which is set up just like this one—a committee room. There wasn't a soul in there. And I thought, look, I know we don't agree on everything, but this is taking it a little far. [*Laughter*] I was delighted to see the real thing. Thank you very much.

I want to say that—to you, Governor Miller and to Sandy and all your team here in Nevada, Hillary and I are very grateful to you for many things, but especially for what you've done on early childhood development. I congratulate Governor Voinovich on assuming the chairmanship. And I thank him for what he has done for young children. It is a remarkable record in Ohio. And Governor Carper, congratulations. I'm delighted to be joined here by many members of the administration who have been here before and will be here when I leave.

And I would like to talk today about a number of things, but let me say that I have tried to establish a better and a growing partnership with the NGA since I first took office. I've been working on one thing, really, which is to prepare our country to go into this new century where every American who

is responsible enough to work for it has a chance at the American dream; where out of our vast diversity we build one America; and where we will continue to be the world's leading force for peace and freedom and prosperity, with opportunity for all and responsibility from all, an American community of all.

The Governors who have been kind enough to share with me work experiences, now going back nearly 20 years, have played a major role in a lot of what I have tried to do, because it seems to me now, as it seemed to me when I took office—although I feel more strongly about it now—that in some ways our major challenge is to develop new ways of thinking and acting about all of our problems, going beyond false choices which are imposed on us by limited thinking and beyond old conflicts. It's so much easier to keep fighting in the same old way than it is to imagine a new way of doing business. Indeed, a great deal of my time away from domestic issues is spent trying to get people to stop doing things that no one should have to ask them to stop doing. In Bosnia people lived together for decades in peace; within 2 months they were shooting at each other's children. In Ireland they're still fighting over 600-year-old disputes when the young people are dying to get away from it. But people just can't escape the habits of old conflicts. Thank goodness ours are more constrained, but we have to do better.

And I must say, Governor, the best example that I have seen of a new way of doing things I saw 2 days ago when I was in Nevada at Lake Tahoe, one of the most perfectly beautiful large lakes in the world, which is losing about a foot of its clarity every year because of pollution. And at Lake Tahoe, I saw the most conservative business people sitting with the most active environmentalists on the same page. They would say the same things. You couldn't tell after a point who was in what group, because they have concluded that they cannot preserve their economy and grow it without also preserving their environment. And it was a marvelous thing. I couldn't tell who was a Republican or who was a Democrat. I couldn't tell who was in the public interest environmental group and who was running a local business, because they have just imagined a future that is different from their past. And in large measure, that is what we all have to be doing, because the time we're living in is so dramatically different.

And we've tried to do a little bit of that in Washington. They told me when I got there we couldn't balance the budget and reduce the deficit and cut spending and still invest more money in education, but we did. They said that we couldn't have an activist Federal Government if we were going to cut the size of it and reduce regulations and give more authority to the States, but the Government is 300,000 people smaller than it was the day I took office. And I think it's clear that we've got a different kind of partnership here.

So that's the sort of the thing I'm interested in, in all these areas. Let me just say that the most important test of any endeavor, I guess, is results. If you look at the economy, we said that we thought we had to cut the deficit but invest more in our people and their future, and we had to open new markets to American products and services. And we've got the strongest economy in a generation.

In crime, we said we had to keep being tough on criminals, but we had to do some intelligent things—that we could have reasonable restrictions on keeping guns out of the hands of people who shouldn't have them without interfering with the right of Americans to keep and bear arms, and we have done it. We said we had to punish people more, but we had to give children something to say yes to, and we've had 5 years of declining crime and last year the biggest drop in violent crime in 35 years.

In welfare, all of you proved that you could be tough on work and still supportive of children and families, that it was a false choice, and we had the biggest drop in welfare rolls in history.

Today I would like to talk about three things, basically. One is finishing the job of balancing the budget; two is following through on welfare reform; and, third, achieving national excellence in education.

First, with regard to the budget, we're now in our final stage of negotiations on the details of legislation to write into law a balanced

budget agreement. We know now that the deficit this year, when it comes in, will be over 80 percent less than it was in 1992, when I took office, in January of 1993. And some people are saying, well, we ought to just forget about it, the economy will keep growing and the budget will be in balance next year. That is dead wrong. It might be in balance next year or it might not, but if it is the deficit will start going up again immediately. Why? Because as all of you know, you can't reform the entitlements in an annual appropriations basis. We have over $400 billion of savings in the entitlement programs in this balanced budget agreement and $900 billion in savings over 10 years.

Secondly, one of the things that keeps the economy going is confidence that we're serious about fiscal responsibility. So if we walked away from the budget agreement we don't know what impact it would have on the stock market and on individual investment decisions and on the other things that keep our economy growing. So I think it would be a mistake.

More important, this is a remarkable budget. Because of the prosperity of our country we have a historic opportunity to balance the budget in a way that reflects our values and strengthens our economy as well; a historic opportunity to pass a balanced budget that includes the largest increase in education since 1965, the largest increase in helping people go to college since the GI bill passed 50 years ago; and, as Governor Miller said, the largest increase in health insurance and health support for children since Medicaid was enacted in 1965 with a bipartisan vote from the Congress.

We have a chance to pass a balanced budget that will move more people from welfare to work, that protects the environment, that extends the Medicare Trust Fund for a decade, although, to be sure, we will have to do more on that in the future. We have an opportunity to give the American people a tax cut that is modest in the context of the overall economy but still will provide much needed relief to middle class families, will support education, and will help to grow this economy in the future.

This is an historic opportunity. It can be the achievement of a generation. It can only happen with big majorities of people in both Houses and both parties coming together. And I believe we're on the verge of achieving it.

We've worked hard over the past weekend trying to work out some of the last difficulties with which many of you are very familiar. I am pleased to say that we have reached agreement that the American people will get America's version of Georgia's HOPE scholarship, a $1,500 tax credit for the first 2 years of college. There will be other things in the agreement that are well-known, but it's clear to me that it must have a child tax credit available for working families who need it, from teachers to technicians, from firefighters to small-business people across this country. It should include $24 billion for children's health care. It should include a tobacco tax to help pay for that health care. And it should preserve the fiscal integrity of the budget. We need to be able to say to you, not just in 5 years but in 10 years, we will continue to be able to keep this budget in balance if we have a reasonably successful economy. Over the long term, the policy of fiscal responsibility is the best economics. And we dare not go back to a policy of sustained structural deficits. We will be punished in the international markets, and people in every State in this country that you represent will be hurt if we do that. I think we're going to do it.

I know that you have some concerns over the continuing debate in the children's health package. We're trying to work through that. Let me just say that I am striving to achieve two principles that I do not believe have to be in conflict. First of all, I think there will be more flexibility than the States have had in the past ever in the administration of the Medicaid program and the new children's health program. And there will be no new costs to the States in the children's health program. But it is important also that we have an adequate benefit package for children, recognizing that there are some problems that children have in a way that is more profound than adults, including problems with vision, with hearing, with dental health. I also think it's important that the American people know if we're going to raise this tax money on tobacco that the money will actually add

children to the ranks of the insured and not be used, in effect, for people to be able to drop other insurance schemes of children and put them on a public program, or that the money would be spent on things other than adding children.

So that's where we are. I feel good about it. And I think we're on the right track. And I will be surprised and deeply disappointed if we do not achieve an agreement in the near future that you will, hopefully, be quite supportive of and that will achieve sustained, big majorities from both Houses and both parties.

The second thing I'd like to talk about briefly is welfare reform. It has been one of my top priorities for a long time—as Governor Miller said, for at least 10 years, since my predecessor as head of the Governors' Association, Lamar Alexander, asked Mike Castle and I to head a welfare reform task force a decade ago.

Since I took office, we have given waivers to 43 States to help you launch your own welfare reform experiments to make welfare a second chance, not a way of life; to promote independence and family and work and responsibility. And about a year ago, I signed the welfare reform law which has tough work requirements, time limits, parental responsibility, and imposes significant responsibilities on you, while giving you more flexibility to be fully responsible for the program.

There was a lot of debate about the time I signed the bill about whether welfare reform would work, about whether people would actually move from welfare to work or whether they could. I would submit to you that after 4½ years that debate should be over, based on the evidence that you have worked so hard to amass. There are now 3 million fewer people on welfare than the day I took office and 1.2 million fewer people since I signed the welfare reform bill just a year ago. Nine States have cut their welfare rolls by more than 40 percent in the last 4 years. Wisconsin and Wyoming have cut their welfare rolls in half. This is the largest decrease in history. And we now have the lowest percentage of our population on welfare since 1970. And you should be very proud of your role in that achievement. That is something America can be proud of, the lowest percentage of people on public assistance since 1970.

Now, I know there are a lot of reasons for that. The good economy has taken some people from welfare to work. There's been a 50 percent increase in child support collections, and that's helped. The minimum wage and the earned-income tax credit have made work more attractive for people on the margins; that's helped. But make no mistake about it—our Council of Economic Advisers did a very rigorous analysis of this, making clear that a significant percentage of the people who had moved from welfare to work did so because of State welfare reform initiatives and because of the new law. So we know it can work.

Now, let me also say I know that a lot of you were concerned, as I was, about some of the things that were in the welfare reform law that I felt should not have been there, and we are moving forward in this budget agreement to fix that. Among other things, the most egregious cuts in aid to legal immigrants will be restored under agreements we have already reached with the Republican and the Democratic leaders in the Congress. And there will be another $1½ billion for food stamps, which I think is important, among other things, because it's important for us to remember that most people on welfare are single mothers and their little children. But a lot of unemployed people long term in this society are single men, and we should not forget about them. And one of the things that I like so much about what Governor Carnahan has been doing in Missouri is the attempt to integrate the efforts to put single men into the work force with the effort to put people from welfare into the work force. If we can't do this now when our unemployment is 5 percent nationwide and when prosperity is virtually uniform across the country but there are pockets of people who are still unemployed, when can we do it?

So I believe that these restorations will help you in your efforts. And State officials were central to this budget debate without regard to party, and I thank you for your help in getting that into the agreement.

But there's also a lot more to be done. You asked to be cut loose from the Federal

Government's bureaucratic strings, and we did that. But now you have continuing responsibility that is greater, and we have continuing responsibility because it's still a national priority. So I think we ought to take a look at how we're doing—our successes, our shortcomings, and our continuing challenges—in four areas: jobs, child care, transportation, and child support.

First, how well are we doing in creating the jobs that are necessary to move people from welfare to work? If we require people to work, they have to be able to work; there have to be jobs there for them. Nearly all the State welfare-to-work programs include the traditional elements of job search, training, education, community work experience, placement in unsubsidized jobs. But now—I think this is remarkable—now 36 of the 50 States are doing what I would encourage every State to do, using welfare checks to subsidize private employment for a period of time.

Almost every State in America today has more money under the welfare program of the reform law than you would have if the old law was in place, because we pegged the block grant to the time when welfare rolls were the highest, and they've dropped at a record rate. So the 36 States that are doing this I predict will find much, much greater success in getting private employers to be willing to take a chance, because now that we've moved 3 million people off the rolls, you know as well as I do that the remaining adults on the rolls, by and large, are the hardest to place in employment in the private sector, need the most training, need the most support, may have a false start or two, and we cannot do it unless we have private sector support. So for those of you who have done this, I take my hat off to you.

We also know that there will be some places in this country where the impact of welfare is so great and the present absence of private sector, successful job creation is limited that we have to do more. So this agreement will include $3 billion to go to communities and States to help you create the work opportunities in those areas where the private sector will not be able to provide them alone. And I think that is a good thing.

We also have secured in this agreement from congressional leaders a private employers tax credit to help hire long-term welfare recipients. And I believe it is drawn as narrowly as we could draw it so that the tax credit cannot, in effect, be used for people other than those who are actually moving from welfare to work. And I hope that will help you to meet your goals in each State. Pennsylvania and Massachusetts are among the States that are already doing this.

And I also believe, if I might say, that every one of these workers should earn the minimum wage. And I know there's been some debate about that. I've heard already from Governor Voinovich and Governor Miller what your position is, but I just want to reaffirm my view that when people go into the workplace and they earn the minimum wage—they ought to be able to earn the minimum wage. They should be eligible for the earned-income tax credit. That's what I believe. Whether we can work some resolution of some of the other issues, I don't know, but I feel very strongly about that. I know right now that according to our analysis, the fact that we raised the minimum wage and raised the earned-income tax credit is one of the reasons a lot of people voluntarily tried to move from welfare to work, and I don't think we ought to do anything that would undermine that incentive.

Let me say that we also have a welfare-to-work partnership nationally with CEO's of large, medium, and small businesses. And I want to thank Governors Thompson and Carper for agreeing to cochair the advisory council of that partnership. I think it would be a good thing if every State had a similar partnership. North Carolina, I know, is one of the States—a growing list—that have established them locally.

My experience has been that private employers are actually quite eager to help us solve this problem. If we will help them with some of their problems, I think that they will carry a lot of this load for us because all of America has a vested interest in seeing that welfare is a second chance, not a way of life. MGM Grand Hotel here has hired over 1,000 welfare recipients during the past few years. And the State of Nevada has set a goal for new casinos to set aside 10 percent of

all their positions for former welfare recipients. And we thank you for that.

The second thing that it seems to me that we ought to look at is child care. We all know that it's essential if low income families are going to succeed at work and at home. And I think we all agree that raising children will always be our most important job. It's more important than our day job. It is the most important thing any society can do. And we can't have people with young children moving into the work force unless they know that their children are going to be well-cared for and safe and secure in a nourishing environment while they're at work.

Now, we worked hard to add $4 billion to the welfare reform law to increase child care assistance to you. And States are now receiving more Federal dollars, and about half the States over and above that are increasing their spending beyond what is needed to receive these Federal funds. And for those of you that are doing that, I applaud you. And I think the States with the biggest drop in welfare loads would say—I see Governor Thompson nodding his head—I believe they would say that that has been critical in their endeavors. Florida, Wisconsin, and a few other States have added quite a bit more than required under the Federal law. Some States are creating seamless child care systems which provide subsidies for all workers below a certain income whether they were once on welfare or not. That is a model that I hope one day we'll be able to have everywhere in America.

The First Lady and I have worked on this—she, particularly—for a long time. We think every child should have access to quality child care, and we think it's the next great frontier if we're going to make sure all Americans can succeed at home and at work. On October 23d, we're going to have the first-ever White House Conference on Child Care to discuss the strengths and weaknesses of the present system and what else we have to do. And I hope you will all be involved in that and will have representatives there.

The third thing we have to do is to make sure there's adequate transportation for those moving from welfare to work, because the jobs, the training programs, and the child care centers are often outside the neighborhoods. I must say, I thought I knew a lot about welfare, but until we actually got into the end of the law here, I was unaware that only 6 percent of the people on welfare have cars, and that in many big cities, no matter how long people are willing to ride the bus or the subway, they will never get to the available entry-level jobs. That is a stunning statistic. At the same time, there are a lot of suburbs where businesses need new workers. And Congress, therefore, I think should put in this new transportation bill the proposal I've made for $600 million to help States and localities devise transportation strategies to move people from welfare to work.

Some communities and States have already started. Kentucky has an Empower Kentucky initiative that uses the resources of four different Cabinet offices and a free transportation brokerage system to assure transportation in all areas of the State. And this will probably be something that all of us who come from States with large rural populations, where there are people in rural areas on welfare, will have to adopt. Michigan's Project Zero provides transportation in its effort to put every able-bodied person to work. In Wisconsin—this was a stunning statistic to me—only 3½ percent of the people on welfare have cars. So the State has a job ride initiative to van-pool literally thousands of central city workers to suburban jobs. Other States are spending part of the welfare block grant you now have on transportation. And I would just encourage you to do more of it, and I ask you to please help me persuade Congress to put this $600 million in the new ISTEA bill, because it will help you to do what you have to do to meet your goals of employment.

Finally, let me say a word about child support. The Governors have been in the vanguard of insisting on more uniform, tougher child support requirements. The legislation that has been passed and the efforts that we've made together have led to an increase of 50 percent in child support collections between '92 and '96. And that is very good; that's billions of dollars. But with the unanimous support from this body we made sure in the welfare law there were tough new

measures to help the States track deadbeat parents across State lines.

To date, however, as you saw from the study that was published a few days ago, not all States have put these measures in place. This is one of the critical steps to welfare reform. And the more people who are obliged to pay for their children, who can pay for their children, are unable to escape the obligation to pay for their children, the more there will be public money to spend on productive ways to help the people who actually have to have help. So I would urge all the States to put in place these tough, statewide child support collections mechanisms as fully and quickly as possible.

Finally, let me say that I have some concern that the savings from welfare, which have been very considerable in some States, will not be used on welfare reform to move all the people who can move from welfare into the work force. We have lowered welfare rolls by 3 million over 4½ years, and that's a great accomplishment. But we know we've been helped by the other things that I mentioned.

Now, I know in some State capitals there are big debates about how to use extra money caused by the fact that the block grant was pegged to the peak welfare caseload and the caseload is much lower in your States. But I think if we were to revert these savings to other things away from welfare reform, it would be a big mistake that would come home to haunt the States the next time there is an economic downturn. Anybody who does it, I think, would really wind up regretting it the next time there's an economic downturn. And if you can get people—even in an economic downturn, if people lose their jobs, if they have work experience now, if we can get all these people into the work force now, then when they become unemployed, as there will always be some people who are unemployed, they will be far, far more likely to be unemployed for a shorter period of time and to get back to productive work more quickly. Maryland has decided to take the money that they have from lowering caseloads, and they're using all of it for child care, transportation, and training people. And I think that that is the way to go.

After a year of this law, we know that welfare reform will work; we know it will. But we know that we have a ways to go to make a culture of dependency a thing of the past. And so in these four areas, for all you're doing, I applaud you. But I would urge you, all of you, to make sure that you've done everything you can in each area.

Finally, let me ask your help in one other area. As all of you know, and particularly those of you who served with me know, education has been not only the centerpiece of a lot of what I'm trying to do in this second term, it's been an obsession of mine throughout my public life. We have made a lot of progress since the ''Nation At Risk'' report was issued in the spring of 1983, and Governors have led the way. But we have a lot more to do.

In the State of the Union Address I asked every State to adopt high national standards and, by 1999, to participate in testing every fourth grader in reading and every eighth grader in math to make sure the standards are being met. Since I issued that call, Governors and education leaders in six States have agreed to participate. And I thank the Governors of North Carolina, Maryland, Massachusetts, Michigan, Kentucky, and West Virginia—three Republicans and three Democrats—along with the Department of Defense schools all over the world for stepping up to the challenge. I wish Governor Weld were here for me to thank him, but I appreciate the fact that he's willing to go to Mexico. And I hope we can get him there.

Last week Secretary Riley and I went to the National Association of Elementary School Principals where we were able to announce, thanks to the Coalition of Great City Schools, that 15 of the largest school districts in this country, including schools in six of the seven largest cities in America, have committed to adopt national standards and to participate in the program. This will get us up to about 20 percent of the children in America who are now committed to be a part of this in 1999.

Now, this is an astonishing thing. For those of us who have been at this for a long time, this—5 years ago—the idea that 15 of the largest cities in America, which were written off in terms of their school system, would

come up and say, not only do we not wish to be written off, we're willing to be held accountable, and if our kids aren't measuring up, we want to know about it, is an astonishing development in the modern history of education reform and something we should all be very, very excited about and grateful for.

Now, I know there is some reluctance here, and I would just like to deal with a couple of issues. One is the cities wouldn't do it for a long time because they thought that our kids couldn't do it. That's the truth. They said America has a higher percentage of poor kids than other countries; America's got a more diverse student body than other countries; America's got all these problems in the way they work than other countries, and on and on and on—and these kids, they just have too many loads to bear. My theory is that the kids with too many loads to bear need to be held to the highest expectations and need a good education more than anybody else.

And now we know we can do it. The results we got just a few weeks ago from the Third International Math and Science Tests, which include a few thousands kids from America—but they are a representative sample by race, by region, and by income—had for the very first time on any international test—our fourth graders scored way above the international average in math and science, way above the international average. It had never happened before. But we know we can do it now. That's the good news.

The bad news is, the kids in the eighth grade still scored below the international average. And we know why. When they reach adolescence, they—all the problems of adolescence come to bear. They become more vulnerable to the gangs, the guns, the drugs, all the other things. The middle schools in many, many of our States were organized—many of them are too big to be functional. They were organized when our society was far more stable and coherent than it is now.

We know there are a lot of problems we have to face, but we don't have to guess anymore about whether our kids can do it. We don't have—that's not—it's not an open debate. They proved that they could do this. And we owe it to them. So we're not doing them any favors by not saying we're prepared to be held to international standards.

The second reservation I think is that somehow this was a power grab by the Federal Government to erode States' constitutional responsibility for education or local control of the schools. Now, Secretary—Governor Riley is going to be here after I leave, and I know he's been here, but let me reemphasize, our basic role here is to pay for the development of this test. And most of you now participate in the national assessment of education progress; over 40 States do. We participated in helping to pay for the development of that test, but it's a national test that is given to a representative sample of students; it has nothing to do with the Federal Government. They're not Government questions, Government standards, Government anything. We helped them to develop the test. That's what we propose to do for all the kids at the fourth and eighth grade level—not to have a Federal standard but a national standard. Governor Romer has been working on that for years. When I handed over the leadership of the standards movement and he took it up, he's been, I think, perhaps our most passionate and certainly our most well-informed advocate on this issue for a long time.

But this is not a Federal Government power grab. It's a question of whether there should be national standards. Neither is it inconsistent with the fact that the Department of Education has actually given more say to States and local school districts than our predecessors in how to spend Federal funds. So I think that that is not accurate.

Now, the third and the legitimate concern that a lot of you have is that you already have sometimes more than one other testing regime. That is a legitimate concern. And so we have to work with you if we're going to ask you to participate in this to try to reconcile these things so that you're not overburdened in terms of the administrative time, the time that kids spend, all that. I understand there are practical implementation issues that I consider legitimate. But I think we can work through those.

I just have to say, though, I do not believe that we will be the leading economy in the world 50 years from now unless we can do

a more uniform job of getting people out of high school with excellent world-class educations. I do not believe that. You have to ask yourself whether you believe that. I don't believe that. We've got the finest system of higher education in the world. It will continue to carry us a long way, but we simply have to do a better job in K through 12. And I believe this will help. And I want to implore you to work with us and try to work through the legitimate administrative concerns you have of the duplication of tests and the time and all that business. We will do everything we can to help with that. But I think this is a terrific opportunity for us, and now we know we can do it.

So those are the things I wanted to say about the budget and welfare reform and education: State responsibilities involving education and welfare reform, but high national priorities; and critical to move with these forward into the 21st century.

Just very briefly let me mention one more thing. I have been helped greatly by two of your former colleagues, Governor Kean of New Jersey and Governor Winter of Mississippi, who agreed to be two of the seven members of our advisory board in this yearlong effort we're making to look at the state of race relations in America, race reconciliation, and where we're going into the 21st century. I think all of us know there is still some unfinished business represented by the continuing debates we have in America over affirmative action and other issues. But what I think has not been as clearly thought through are the implications of where we're going racially as a country.

Today, Governor Cayetano is the Governor of the only State in America that has no majority race. In Hawaii, about a third of the people are of European heritage; about a third of the people are of Japanese heritage, maybe a little lower, both; about 18 percent of Philippine heritage; about 16 percent native Pacific Islanders. But within 5 years the State of California will have no majority race. And unless there is a dramatic change in birth patterns and immigration patterns—I mean a dramatic change—within 30 to 40 years in our Nation as a whole there will be no majority race. We have to think about the implications of this.

I just welcomed all the delegates from Girls Nation and Boys Nation to the White House. And both the delegates from Girls Nation, Governor Carlson, from Minnesota were Asian-Americans—in Nordic Minnesota. This country is changing in dramatic ways. Race, ethnicity, and religion is convulsing the rest of the world. If we can somehow not only respect but actually celebrate our diversity and still have people say that the most important thing is I'm an American and we have one America, this is an unbelievable opportunity for us in the new century. It can do as much as anything else to preserve our world leadership for the things that we care about and to make America really work.

And so I would ask all of you over the course of the year, and maybe we'll take it beyond—we'll be trying to get in touch with people in every State—I hope you will participate in this. This will be a good, healthy thing for America. But it is also absolutely essential to the function of this country as we move into the 21st century. If we can't find a way to say it's good, whatever our ethnic heritage is and we celebrate it, but the most important thing is we are a part of one America, we can't achieve any of these other things we want to achieve over the long run.

And again I say, if you think about what the Governors are about—getting rid of false choices, getting rid of phony debates, going into the future—this is at the core of that. So the country is in good shape. We're moving in the right direction. We've got to finish the job of balancing the budget, follow through on welfare, put education on the front burner, and learn to work and live together. If we do that, then all of us together will leave our grandchildren an America that will be greater than it is today.

Thank you very much.

NOTE: The President spoke at 11:05 a.m. in the Ballroom at the Mirage Hotel. In his remarks, he referred to the following National Governors' Association officials: Gov. Bob Miller of Nevada, outgoing chairman, and his wife, Sandy; Gov. George Voinovich of Ohio, incoming chairman; and Gov. Tom Carper of Delaware, incoming vice chairman. The President also referred to Steve Wynn, chairman and chief executive officer, Mirage Resorts, Inc.; former Governors Lamar Alexander of Tennessee, Michael N. Castle of Delaware,

Thomas H. Kean of New Jersey, and William F. Winter of Mississippi; Governors Mel Carnahan of Missouri, Tommy G. Thompson of Wisconsin, Roy Romer of Colorado, James B. Hunt, Jr., of North Carolina, Parris N. Glendening of Maryland, Paul E. Patton of Kentucky, John Engler of Michigan, Benjamin J. Cayetano of Hawaii, Arne H. Carlson of Minnesota, and William F. Weld of Massachusetts, nominee to be U.S. Ambassador to Mexico; and the Intermodal Surface Transportation Efficiency Act (ISTEA).

Statement on the Retirement of General Ronald R. Fogleman as Air Force Chief of Staff

July 28, 1997

Today Gen. Ronald Fogleman, the Chief of Staff of the U.S. Air Force, announced that he plans to retire in September, after 34 years of active duty service.

It has been a great privilege for me to work closely with General Fogleman over the last 3 years. I want to take this opportunity to commend this extraordinary officer for his dedicated service to our Nation. For over three decades, in war and peace, General Fogleman has demonstrated his inspirational leadership and dedication to the men and women of the Air Force. As Chief of Staff, his clear vision and tireless championship of air and space power have shaped the U.S. Air Force for the challenges of the 21st century. These are his legacies.

General Fogleman's leadership and wise counsel will truly be missed in the senior decision-making ranks of our national security structure. Hillary and I wish him and Miss Jane the very best.

Memorandum on the 1997 Combined Federal Campaign

July 28, 1997

Memorandum for the Heads of Executive Departments and Agencies

Subject: 1997 Combined Federal Campaign of the National Capital Area

I am delighted that the Secretary of Transportation Rodney E. Slater has agreed to serve as the chair of the 1997 Combined Federal Campaign of the National Capital Area. I ask you to support the campaign by personally chairing the campaign in your agency and appointing a top official as your vice chair.

The Combined Federal Campaign is an important way for Federal employees to support thousands of worthy charities. This year our goal is to raise more than $38 million. Public servants not only contribute to the campaign, but assume leadership roles to ensure its success.

Your personal support and enthusiasm will help guarantee another successful campaign this year.

William J. Clinton

Message to the Senate Transmitting the Cyprus-United States Extradition Treaty

July 28, 1997

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of the Republic of Cyprus (''the Treaty''), signed at Washington on June 17, 1996.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report explains, the Treaty will not require implementing legislation.

This Treaty will, upon entry into force, enhance cooperation between the law enforcement communities of both countries. It will thereby make a significant contribution to international law enforcement efforts.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

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

William J. Clinton

The White House,
July 28, 1997.

Message to the Senate Transmitting World Intellectual Property Organization Treaties

July 28, 1997

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the World Intellectual Property Organization Copyright Treaty and the World Intellectual Property Organization Performances and Phonograms Treaty, done at Geneva on December 20, 1996, and signed by the United States on April 12, 1997. Also transmitted is the report of the Department of State with respect to the Treaties.

These Treaties are in the best interests of the United States. They ensure that international copyright rules will keep pace with technological change, thus affording important protection against piracy for U.S. rightsholders in the areas of music, film, computer software, and information products. The terms of the Treaties are thus consistent with the United States policy of encouraging other countries to provide adequate and effective intellectual property protection.

Legislation is required to implement certain provisions of the Treaties. Legislation is also required to ensure that parties to the Treaties are granted, under U.S. copyright law, the rights to which they are entitled under the Treaties. That legislation is being prepared and is expected to be submitted shortly.

I recommend, therefore, that the Senate give early and favorable consideration to the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, and give its advice and consent to ratification, subject to a declaration under Article 15(3) of the WIPO Performances and Phonograms Treaty described in the accompanying State Department report.

William J. Clinton

The White House,
July 28, 1997.

Message to the Congress Transmitting a Report on Protection of National Information Infrastructure

July 28, 1997

To the Congress of the United States:

Pursuant to section 1061 of the National Defense Authorization Act for Fiscal Year 1997, attached is a report, with attachments, covering Policy on Protection of National Information Infrastructure Against Strategic Attack.

William J. Clinton

The White House,
July 28, 1997.

Remarks at the Funeral Service for Justice William J. Brennan, Jr.

July 29, 1997

Mrs. Brennan, members of the Brennan family, Justices of the Supreme Court, Members of Congress, the administration, Father Jordan, Father O'Hara, Monsignor: Throughout our history, a few powerful ideals have transformed the lives of our people. And throughout our history, there have been a few individuals so devoted to those ideals they could hammer them on the anvil of history to reshape our land and our future.

Often, when our Nation could have fractured, a few have stepped into the breach, bringing us together and moving us forward. Justice Brennan found the ideals in the Constitution time and time again. And time and time again, he stepped into the breach to hammer them on the anvil of our history, saving us from our darker impulses and always pulling us together and pushing us forward. We thank God for his life and work, for Justice Brennan's America is America at its best. Today we recall his decency and grace which made out of his philosophical foes some close, personal friends. We recall his humor and humility, we recall his pride in his own heritage and the stunning, almost inexplicable empathy that enabled him to walk in the shoes of those whose lives were so very different from his own. We recall him

as a legal giant, the balance wheel who molded the Supreme Court into an instrument of liberty and equality during tumultuous times.

For Justice Brennan, the phrases of our Constitution were not archaic abstractions but living, vibrant guarantees of the freedom and equality God has given us. Because of him, those old words came alive in our lives as well. Think of it: Today, the votes of all Americans have equal weight because of Justice Brennan. The press can freely and robustly debate the great issues of the day because of Justice Brennan. Mr. Justice, you'll have to forgive the elected officials here if we have, time to time, doubted the wisdom of that decision—[*laughter*]—which probably proves its correctness. Women can break down the barriers of discrimination in the workplace because of Justice Brennan. The basic freedoms of the Bill of Rights apply to every State in America, giving ordinary citizens redress when their rights have been violated by government because of Justice Brennan. Lives were lifted up and Americans summoned to live to our highest ideals because of Justice Brennan.

As a young man growing up in the South, I lived through the shame of segregation. I know what it meant when the Supreme Court spoke unanimously and said Little Rock Central High School must open its doors to all. Then, I knew things would never be the same. Now, I know that this transformation was written into our law by Justice Brennan. He became a hero to me, a model for law and service, a real belief to me that if law could serve justice and equality then, 25 years ago, young people like Hillary and me could go into the law, because we thought, like him, we could make a difference by upholding the Constitution's dignity and meaning and working to make it more real in the lives of all Americans.

One of the greatest honors of my Presidency was to bestow on him, and posthumously his friend Justice Marshall, the Presidential Medal of Freedom.

Tonight the Sun will set over the hills of Arlington National Cemetery on the first night of Justice Brennan's residence there. But the life he lived will never be extinguished, and the life he breathed into our most cherished ideals will never die. He loved his country fiercely. He gave himself to it fully. He strengthened it profoundly, and we are all better for it. We thank God for his life and commend his soul to the Almighty.

NOTE: The President spoke at 11:23 a.m. at St. Matthew's Cathedral. In his remarks, he referred to Justice Brennan's widow, Mary; Father Milton E. Jordan, pastor, Mother Seton Parish, Germantown, MD; Father John O'Hara, priest, Diocese of Arlington; and Monsignor Ronald Jameson, rector, St. Matthew's Cathedral.

Remarks on the Balanced Budget Agreement

July 29, 1997

The President. Good afternoon. Ladies and gentlemen, we have the pleasure of announcing today an historic agreement that will benefit generations of Americans. Last night we reached agreement with Congress on detailed legislation to balance the budget in a way that honors our values, invests in our people, and cuts taxes for middle class families. After decades of deficits, we have put America's fiscal house in order again.

Above all, we are investing in education, America's most important priority. I am particularly pleased that the first balanced budget in a generation is also the best education budget in a generation and the best for future generations.

This agreement meets my goal of balancing the budget in a way that honors our values, invests in our people, and prepares America for the 21st century. It is very, very good for our country. It's a victory for every parent who wants a good education for their children, for every child in a poor household who needs health care, for every immigrant struggling to make it here, for every family working to build a secure future. It is the best investment we can make in America's future.

Let me underscore the magnitude of this achievement. Four and a half years ago, when this administration took office, America's budget deficit was $290 billion and rising. We put in place a comprehensive economic strategy to cut the deficit and invest

in our people. The budget plan adopted in 1993 made a large contribution to today's conditions in America: a strong economy, low inflation, and a deficit that has already shrunk by more than 80 percent.

The budget agreement that we announced today would not be possible had it not been for the tough vote taken in 1993 to set us on the right path. [*Applause*] Thank you. Now, this legislation will help to ensure the conditions for continued prosperity, keeping interest rates down, and spurring investment. And, just as important, it will give our people the tools to reap the rewards of economic growth.

Let me mention just a few of the details of this plan: First, at the heart of this balanced budget is a historic investment in education, the most significant increase in education funding in more than 30 years. It includes $35 billion in tax relief to help families pay for college and training, the largest investment in higher education since the GI bill 50 years ago. It will give every American who needs it a HOPE scholarship to pay for the first 2 years of college. It gives tax relief for all 4 years of college and for education throughout a lifetime. The overall budget agreement also includes the largest increase in Pell grant scholarships for deserving students in three decades, funds our America Reads Challenge, helps to connect all our schools and libraries to the Internet by the year 2000.

As the spending bills move forward in weeks to come, we will work to see that they reflect this agreement. I am pleased that this legislation also will give communities substantial tax cuts to help to build and modernize our schools. All across America, I have challenged our people to make sure that every 8-year-old can read, every 12-year-old can log on to the Internet, every 18-year-old can go to college, every adult can keep learning for a lifetime. This balanced budget makes unprecedented progress toward those goals.

Second, this a balanced budget that strengthens our families by extending health insurance coverage to up to 5 million children. By investing fully $24 billion, we will be able to provide quality medical care for these children, everything from regular checkups to major surgery. I want to thank all of the people in the Congress and among my fellow Democrats here who worked so hard on the health care issue, but I especially want to say a thanks to Senator Kennedy, Senator Rockefeller, and to the First Lady for what they have done over these years to help us to reach this important day.

We want every child in America to grow up healthy and strong, and this investment takes a major step toward that goal. I'm also pleased that Congress agreed to pay for the children's health care in part with a new 15-cents-a-pack tax on cigarettes. Not only will this new revenue help to pay for health care, it will help prevent children from taking up smoking in the first place.

Third, this is a balanced budget that provides modest tax relief to the middle class, helping families to raise their children, buy and sell a home, save for their retirement with expanded IRA's, and send their children to college. We fought very hard to make sure this tax cut helped a wide range of middle class parents, all those who are working hard to raise their children, pay their taxes, and be good citizens, and the agreement does just that.

Fourth, this is a balanced budget that will help us finish the job of welfare reform, providing $3 billion to move welfare recipients to private sector jobs, keeping our promise made last year to provide $12 billion to restore disability and health benefits for 350,000 legal immigrants. And, as the Vice President will describe, it will double the number of empowerment zones to bring the spark of private enterprise to our hardest pressed neighborhoods.

Finally, this is a balanced budget that honors our commitment to our parents by extending the Medicare Trust Fund for a decade and to the next generation by continuing our commitment to the environment to protect our air, our land, our water, to clean up the worst toxic waste sites in the Nation. And we achieve all these goals while eliminating the budget deficit by 2002. We are determined never again to repeat the mistakes of the past, when we mortgaged our economy to reckless policies. This budget reforms and cuts yesterday's Government so that we can

help provide our people the means to meet the challenges of tomorrow.

Let me thank the negotiators for the administration who did a superb job, all the Democratic lawmakers here and, indeed, all of the Members of Congress who worked hard on this legislation. I also want to say a special word of appreciation to Senator Lott and Speaker Gingrich, to Senator Domenici and Congressman Kasich, and to their committee chairs who worked with us across the lines of substantial philosophical and practical differences to reach a good-faith agreement that is an honorable and principled compromise. And especially let me thank Senators Daschle and Lautenberg, Congressman Spratt, and Congressman Rangel for their leadership.

This agreement is a monument to the efforts that people, who good will can make, when they put aside partisan interests to work together for the common good and our common future. It reflects the values and aspirations of all Americans, and I hope and expect it will marshal strong majorities of both parties in both Houses.

This summer we had an historic opportunity to strengthen America for the 21st century, and we have seized it. Now our Nation can move forward stronger, more vibrant, more united than ever. For that, I am profoundly grateful.

Now I'd like to ask the Vice President to come forward, and let me thank you all again for this great, great day.

[*At this point, the Vice President and congressional leaders made brief remarks.*]

The President. Wait, wait. We forgot to say one thing. We still have to pass this agreement. [*Laughter*] And so, tomorrow, the next day—and I hope it will be over by then—all of us who are for it, in both parties, have a solemn obligation to go out there and try to keep moving and keep this spirit alive and actually pass it. We are celebrating an agreement. We still have to celebrate the passage of the bill and then the signing of the bill, and I look forward to being here for that with all of you and others as well.

Thank you very much.

NOTE: The President spoke at 2:50 p.m. on the South Lawn at the White House.

Message to the Congress Transmitting the United States Arctic Research Plan

July 29, 1997

To the Congress of the United States:

Pursuant to the provisions of the Arctic Research and Policy Act of 1984, as amended (15 U.S.C. 4108(a)), I transmit herewith the fifth biennial revision (1998–2002) to the United States Arctic Research Plan.

William J. Clinton

The White House,
July 29, 1997.

Remarks on the Terrorist Attack in Jerusalem, Israel, and an Exchange With Reporters

July 30, 1997

The President. Good morning. Today's bombing by terrorists in Jerusalem was a barbarous act. There is no excuse and there must be no tolerance for this kind of inhumanity. The slaughter was aimed directly at innocent Israelis. And make no mistake, it was also aimed at the majority of Israelis, Palestinians, and Arabs who want a lasting and just peace.

The only answer can and must be concrete steps by the Palestinian Authority to increase security operations and the strengthening of security cooperation between Palestinians and Israelis and a deepened determination by both Palestinians and Israelis to pursue peace. Only when a lasting and secure peace is achieved will the enemies of peace be defeated.

I have just spoken to Prime Minister Netanyahu. I told him the hearts and prayers of Americans are with him, the people of Israel, and the victims of the attack and their families.

I have nothing further to say about this except to say, again, we must not let the enemies of peace prevail. There must be increased security operations, increased security cooperation, and a continuing commitment that is deep into the peace process.

Q. Mr. President, what kind of security could have guarded against these two people

who apparently were willing to kill themselves in order to do this damage?

The President. Well, I can't answer that, but I do know that there have been long periods when the security operations have succeeded. And if these people were part of larger networks, there may well be something else that can be done, but I don't obviously know the facts of this specific case. We can't say whether any action by the Palestinian Authority, for example, could have stopped this bombing, but we can say, from our observations, that there could be increased security activity and cooperation.

Q. Will you try to reach Chairman Arafat, and what publicly do you expect him to do in the wake of this explosion?

The President. Well, he's already talked to Prime Minister Netanyahu, and I would expect him to say in public what he said to him in private. And I would expect there to be increased security activity and increased security cooperation.

Q. Mr. President, how long will the Dennis Ross trip be postponed, and what specific new steps will he bring from the United States trying to revive the peace process?

The President. I think it's inappropriate to discuss the second part of your question at this moment, but the trip will be postponed for a period—an appropriate period of mourning.

Q. Mr. President, do you think that it's time for either you or the Secretary of State to become personally involved? There has been a lot of criticism that the United States hasn't been——

The President. First of all, I think the suggestion that we've not been personally involved is just false. But certainly——

Q. In a public way, though.

The President. Well, I believe, and I think that the record will bear this out—I believe—my personal involvement has been continuing and intense in this. But I know of no example in recent history where peace is made by third parties trying to be helpful making public statements alone. I believe the way I'm doing this is the most effective way. But you should not conclude for a moment that the White House has not been intimately and intensely and continuously involved in this peace process, particularly as it has gotten more difficult.

Thank you.

NOTE: The President spoke at 9:45 a.m. in the Briefing Room at the White House. In his remarks, he referred to Prime Minister Binyamin Netanyahu of Israel; Chairman Yasser Arafat of the Palestinian Authority; and Special Middle East Coordinator Dennis Ross.

Statement on Campaign Finance Reform

July 30, 1997

In my State of the Union Address, I called on Congress to enact bipartisan campaign finance reform legislation. I said that delay could be the death of reform and urged Congress to move forward quickly. I strongly support the decision by Senators McCain and Feingold to bring campaign finance reform legislation to the floor of Congress in September for a vote.

The problems with the role of money in Presidential and congressional elections are plain. Since the campaign finance laws were last overhauled two and a half decades ago, the system has been overwhelmed by a flood of campaign cash. Both political parties are now engaged in an ever-escalating arms race for campaign funds. The consequences for our political system are clear: There is too much money in politics, and it takes too much time to raise.

To make sure that ordinary citizens have the loudest voice in our democracy, we must act to change the campaign finance laws. This year, I have asked the FEC to ban so-called soft money to parties; I have asked the Federal Communications Commission to require broadcasters to provide free TV time to candidates; and the Justice Department has indicated it will defend spending limits in the courts. But these steps, however important, are no substitute for legislation. America needs—and the American people demand—strong, comprehensive campaign finance reform legislation. As the new century approaches, we have an opportunity and an obligation to restore the trust of the American people in their politics—and this is our chance to do it.

For years, the special interests and their allies have blocked reform. This year, those who seek to continue special interest influence as usual will filibuster again. But this year, we have an opportunity to come together across party lines to act and pass reform that cleans up the campaign finance system. September will be the time for Members of the Senate to stand up and be counted for reform. I will do what I can to see to it that 1997 is finally the year that it is achieved.

Remarks to the 1997 National Boy Scout Jamboree in Bowling Green, Virginia

July 30, 1997

Thank you very much. Are those Arkansas flags I see back there? Thank you for waving them.

Let me say to all of you, I want to begin by thanking John Kates for that introduction. Congratulations for passing the board of review for the Eagle Scout rank. I didn't notice whether John had a public speaking merit badge on his sash, but I'd say he earned one tonight standing up in front of all of you to introduce me. I think he did a great job. Let's give him a hand. [*Applause*]

I want to say to Jere Radcliff, Roy Roberts, Jack Creighton, to all the officials of the Boy Scouts here, thank you for what you do with our young people. I'm happy to be joined tonight by the Secretary of the Navy, John Dalton; the Secretary of the Air Force, Sheila Widnall; the Under Secretary of the Army, Joe Reeder; and the Chief of Naval Operations, the top ranking naval officer in the United States and a proud Eagle Scout, Admiral Jay Johnson. They're right over here, and we're all glad to be with you tonight. Again let me say to Major General Dennis Malcor, the commander of the National Scout Jamboree Task Force, to all the Scout leaders, and to the men and women of the Armed Forces who are helping with this jamboree, I am grateful to you for supporting these fine young Americans.

It's a great privilege for me to be here to celebrate the 60th anniversary of the first national Scout jamboree, a pleasure to serve and an honor to serve as your honorary president. As has already been said, ever since 1910, when William Boyce founded the Boy Scouts of America, every President has proudly served as your honorary president, for every President has recognized what a great contribution Scouting has made and is making to the character of our young people and, therefore, to the character and future of the United States of America.

I, like many members of our administration, was exposed to Scouting at a young age. I began as a Cub Scout in Hot Springs, Pack 1, Ramble Elementary School, Ouachita area council. And those are the guys that are waving those flags back there. So don't boo them too hard. They're just sticking up for one of their own.

When I was preparing to come out here to visit you, I was reminded of how the Boy Scouts got its start in our country as the result of a good turn. I reviewed once again the classic story of how William D. Boyce lost his way in a dense London fog and received help from a British Scout who refused to accept a tip. Just think about how that one good turn set in motion millions upon millions of other good turns over the years.

I know that John Kates, the Scout who introduced me, and the other young Eagle Scouts whom I met before coming up here have done their good turns—John, his for many older people in his hometown of Detroit, where he's mobilized more than 3 dozen volunteers to bring hot meals to elderly folks who don't have families to help them during the holidays. Just yesterday Scoutmaster Andrew Leahy of Brentwood, Missouri, did a good turn on pure instinct and reflex, with an impressive tackling form as well. Surely you have heard that Andrew helped the Capitol Police apprehend a man who almost ran down several pedestrians, including a Member of the United States Congress, in his car. I believe that he is here tonight, and if he is, I want to thank him personally for that good turn. I don't know if there's a Scout merit badge for tackling dangerous people who are violating the law, but if there is one, I think he ought to get it.

You may know that last April, I and all former Presidents and General Colin Powell

sponsored a Presidents' service summit in Philadelphia. At that summit, we said that we wanted every young person in America—every single one—to have the benefit of five things: a safe childhood, a healthy childhood, a childhood with a good education, a childhood with an adult mentor, and the chance for every child, himself or herself, to serve in every community in the country. In other words, what we said was we challenged all the adults in America to engage in citizen service, another way of doing a good turn. The Boy Scouts of America, as much or more than any other organization in this country, has answered our call, for the Boy Scouts committed after the Presidents' service summit to provide 200 million hours of community service through the year 2000. I thank you for that commitment.

Building community and character is what the Boy Scouts have always been about. So today I ask all of you to help spread the word about doing good turns. All of you here, each in your own way, are future leaders of this country. When you return home from the jamboree, please encourage your classmates and your friends to join you in committing to community service. If every young person in America would give back to their community in the way you do, just imagine what we could do. Imagine how many fewer problems we could have. So many times I have wished that every young person in America had the chance to be a part of Scouting. And tonight I see why, more clearly than ever. So I hope you'll go home and help others to serve and learn the joy that you share by the service you do.

And the next time you recite the Scout oath, I hope you will remember that it's not just your fellow Scouts, your parents, and the people you know well but your whole Nation that is counting on you. We need you to remain focused on the strong values you learned in Scouting, to remember that character counts and service counts. We need you if we're going to build our communities and bring our people together across all the lines that divide us. We need you if we're going to lead our country into the 21st century still the world's strongest force for peace and freedom and democracy and prosperity. We need you if we're going to have a country where every person, without regard to race or station in life, who is responsible enough to work for it, can live out his or her dreams. We need you to keep this country coming together and coming ever closer to the ideals on which we were founded: that we are one Nation under God, all created equal. We have to work harder and harder and harder to build that one America, strong and united and good.

Over 150 years ago, the astute French observer Alexis de Tocqueville said, "America is great because America is good." You help to keep America good, and I know you will throughout your lives. Thank you for what you do. Thank you for what you are. And thank you for what you will become.

Good luck, and God bless you all.

NOTE: The President spoke at 8:05 p.m. at Fort A.P. Hill. In his remarks, he referred to Jere B. Radcliff, chief Scout executive; Roy Roberts, jamboree chairman; and Jack Creighton, president, Boy Scouts of America.

Message to the Senate Transmitting the Caribbean States-United States Extradition Treaties

July 30, 1997

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaties between the Government of the United States of America and the governments of six countries comprising the Organization of Eastern Caribbean States (collectively, the "Treaties"). The Treaties are with: Antigua and Barbuda, signed at St. John's on June 3, 1996; Dominica, signed at Roseau on October 10, 1996; Grenada, signed at St. George's on May 30, 1996; St. Lucia, signed at Castries on April 18, 1996; St. Kitts and Nevis, signed at Baseterre on September 18, 1996; and St. Vincent and the Grenadines, signed at Kingstown on August 15, 1996.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaties. As the report explains, the Treaties will not require implementing legislation.

The provisions in these Treaties follow generally the form and content of extradition treaties recently concluded by the United States.

Each Treaty will enhance cooperation between the law enforcement communities in both countries. That will thereby make a significant contribution to international law enforcement efforts. Upon entry into force of the extradition treaties between the United States and Antigua and Barbuda, Dominica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, the Extradition Treaty between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland signed June 8, 1972, which was made applicable to each of these territories upon its entry in force January 21, 1977, and which continues to apply between the United States and each of the entities subsequent to becoming independent, will cease to have any effect between the United States and the respective country. Upon entry into force of the Extradition Treaty between the United States and Grenada, the Extradition Treaty between the United States and Great Britain signed December 22, 1931, which was made applicable to Grenada upon its entry into force on June 24, 1935, and which continues to apply between the United States and Grenada, following its becoming independent, shall cease to apply between the United States and Grenada.

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

William J. Clinton

The White House,
July 30, 1997.

NOTE: This message was released by the Office of the Press Secretary on July 31.

Message to the Senate Transmitting the Argentina-United States Extradition Treaty

July 30, 1997

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the United States of America and the Argentine Republic, signed at Buenos Aires on June 10, 1997.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report states, the Treaty will not require implementing legislation.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

Upon entry into force, this Treaty would enhance cooperation between the law enforcement authorities of both countries, and thereby make a significant contribution to international law enforcement efforts. The Treaty would supersede the Extradition Treaty Between the United States of America and the Republic of Argentina signed at Washington on January 21, 1972.

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

William J. Clinton

The White House,
July 30, 1997.

NOTE: This message was released by the Office of the Press Secretary on July 31.

Statement on Congressional Action on Balanced Budget Legislation

July 31, 1997

The final congressional passage of the balanced budget bill is the achievement of a generation and a triumph for every American. This budget marks an end to decades of deficits, and just as important, it honors our values, investing in the education, health, and futures of our people. This budget includes the most significant new investment in education in three decades and the largest increase in investment in higher education since the GI bill a half century ago. And it means that up to 5 million children who lack health insurance will now receive quality health care, even as we cut overall Government spending. That's the right way to balance the budget.

I am particularly pleased that our balanced budget passed with the overwhelming support of both parties in both Houses of Congress. It reflects the common values and common sense of the vital center of American politics.

This balanced budget also will strengthen America by continuing our economic strategy. Beginning in 1993, our new economic approach of cutting deficits, investing in our people, and expanding exports through tough trade agreements has created the conditions for sustained prosperity. Today we have learned that the economy grew over the first 6 months of this year at a 3.5% rate, with low inflation and rising incomes. Today's passage of the balanced budget will continue that strategy and help keep America's economy growing.

I look forward to the swift passage of the tax cuts in separate legislation to complete our balanced budget plan.

Statement on Congressional Action on Tax Cut Legislation

July 31, 1997

Congressional passage of tax cut legislation brings us one step closer to final enactment of landmark legislation that will balance the budget, provide meaningful tax relief to middle class families, and strengthen the Nation's economy.

This tax cut honors our values by helping middle class families raise their children, send them to college, save for retirement, and buy and sell a home. I am particularly pleased that it includes $35 billion to give every American who needs it a Hope scholarship tax cut for the first 2 years of college, to provide further tax relief for all 4 years of college, and to help to pay for education and training throughout a lifetime. The first balanced budget in a generation is also the best education budget in a generation.

By giving working families direct tax relief, we are continuing our economic strategy of balancing the budget while investing in people. That strategy has helped create prosperity, with steady growth, low inflation, strong investment, and rising middle class incomes. Now, this tax cut will boost the standard of living for middle class families even more. Working families deserve the dividend from a growing economy and a balanced budget, and with this tax cut, they will receive it.

Statement on Renewable Fuels Tax Incentives

July 31, 1997

I am very disappointed that the tax incentives for renewable fuels were not extended in this budget agreement. By now, all Americans should be aware of the important role ethanol plays in cleaning our air and in providing economic development for rural America.

In the last two decades, ethanol has grown from a fledgling industry to make a real contribution to our environment, our national economy, and our efforts to wean ourselves from foreign sources of energy. As the Nation moves toward cleaner reformulated gasoline in 2000, it will be crucial to have a number of options for making this fuel. Specifically, Americans will need a choice of oxygenated fuels to meet their clean air needs, including ethanol and its ether, ETBE, which has properties that make it particularly beneficial to the environment. Having a broad range of oxygenated fuels from which to choose will help increase competition in that market, lowering prices for consumers.

To continue the progress made so far, and to provide Americans with a choice of oxygenated fuels, it is critical that we extend these tax incentives beyond 2000. Only by extending these incentives until 2007 will farmers and renewable fuels producers have the certainty they need to invest in new ethanol plants and thus to further expand our domestic renewable fuels industry.

I have included a 7-year extension of the renewable fuels tax incentives in the NEXTEA legislation I sent to Congress earlier this year, and I urge Congress to enact this proposal as part of the reauthorization of the transportation bill.

Statement on the Nomination of General Michael E. Ryan To Be Chief of Staff of the Air Force

July 31, 1997

I am pleased to nominate General Michael E. Ryan to be Chief of Staff of the U.S. Air Force.

General Ryan currently serves as Commander, U.S. Air Forces Europe, and Commander, Allied Air Forces Central Europe. He brings to the job of Chief of Staff broad operational and joint experience as well as proven leadership ability and a deep concern for the men and women of the U.S. Air Force.

During his distinguished career, General Ryan served a combat tour in the Vietnam war and commanded a fighter squadron and fighter wing. As Commander, Allied Air Forces Southern Europe, he directed the highly successful air strikes in Bosnia that convinced the warring factions they could not achieve their aims through military means, which contributed to our efforts to convene the negotiations that resulted in the Dayton accords.

General Ryan assumes the post of Chief of Staff as the U.S. Air Force proudly celebrates 50 years of dedicated service to our Nation in war and peace. With General Ryan as Chief of Staff, I am confident that the Air Force will continue its tradition of excellence as it enters the 21st century.

Notice—Continuation of Iraqi Emergency

July 31, 1997

On August 2, 1990, by Executive Order 12722, President Bush declared a national emergency to deal with the unusual and extraordinary threat to national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders 12722 of August 2, 1990, and 12724 of August 9, 1990, the President imposed trade sanctions on Iraq and blocked Iraqi government assets. Because the Government of Iraq has continued its activities hostile to United States interests in the Middle East, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 1997. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iraq.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

William J. Clinton

The White House,
July 31, 1997.

[Filed with the Office of the Federal Register, 11:45 a.m., July 31, 1997]

NOTE: This notice was published in the *Federal Register* on August 1.

Message to the Congress Transmitting the Notice on Iraq

July 31, 1997

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1997, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to the stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad

authorities necessary to apply economic pressure on the Government of Iraq.

William J. Clinton

The White House,
July 31, 1997.

Message to the Congress on Iraq

July 31, 1997

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of February 10, 1997, concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 and matters relating to Executive Orders 12724 and 12817 (the ''Executive Orders''). The report covers events from February 2 through August 1, 1997.

Executive Order 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a United States person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contracting support of any industrial, commercial, or governmental project in Iraq. United States persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution (UNSCR) 661 of August 6, 1990.

1. In April 1995, the U.N. Security Council adopted UNSCR 986 authorizing Iraq to export up to $1 billion in petroleum and petroleum products every 90 days for a total of 180 days under U.N. supervision in order to finance the purchase of food, medicine, and other humanitarian supplies. UNSCR 986 includes arrangements to ensure equitable distribution of humanitarian goods purchased with UNSCR 986 oil revenues to all the people of Iraq. The resolution also provides for the payment of compensation to victims of Iraqi aggression and for the funding of other U.N. activities with respect to Iraq. On May 20, 1996, a memorandum of understanding was concluded between the Secretariat of the United Nations and the Government of Iraq agreeing on terms for implementing UNSCR 986. On August 8, 1996, the UNSC committee established pursuant to UNSCR 661 (''the 661 Committee'') adopted procedures to be employed by the 661 Committee in implementation of UNSCR 986. On December 9, 1996, the Secretary General released the report requested by paragraph 13 of UNSCR 986, making UNSCR 986 effective as of 12:01 a.m. December 10.

On June 4, 1997, the U.N. Security Council adopted UNSCR 1111, renewing for another 180 days the authorization for Iraqi petroleum sales contained in UNSCR 986 of April 14, 1995. The Resolution became effective on June 8, 1997. During the reporting period, imports into the United States under this program totaled approximately 9.5 million barrels.

2. There have been no amendments to the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (the ''ISR'' or the ''Regulations'') administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury during the reporting period.

As previously reported, the Regulations were amended on December 10, 1996, to provide a statement of licensing policy regarding specific licensing of United States persons seeking to purchase Iraqi-origin petroleum and petroleum products from Iraq (61 Fed. Reg. 65312, December 11, 1996). Statements of licensing policy were also provided regarding sales of essential parts and

equipment for the Kirkuk-Yumurtalik pipeline systems, and sales of humanitarian goods to Iraq, pursuant to United Nations approval. A general license was also added to authorize dealings in Iraqi-origin petroleum and petroleum products that have been exported from Iraq with the United Nations and United States Government approval.

All executory contracts must contain terms requiring that all proceeds of the oil purchases from the Government of Iraq, including the State Oil Marketing Organization, must be placed in the U.N. escrow account at Banque National de Paris, New York (the "986 escrow account"), and all Iraqi payments for authorized sales of pipeline parts and equipment, humanitarian goods, and incidental transaction costs borne by Iraq will, upon arrival by the 661 Committee, be paid or payable out of the 986 escrow account.

3. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. Several cases from prior reporting periods are continuing and recent additional allegations have been referred by the Office of Foreign Assets Control (OFAC) to the U.S. Customs Service for investigation.

On July 10, 1995, an indictment was brought against three U.S. citizens in the Eastern District of New York for conspiracy in a case involving the attempted exportation and transshipment to Iraq of zirconium ingots in violation of the IEEPA and the ISR. The intended use of the merchandise was the manufacture of cladding for radioactive materials to be used in nuclear reactors. The case was the culmination of a successful undercover operation conducted by agents of the U.S. Customs Service in New York in cooperation with OFAC and the U.S. Attorney's Office for the Eastern District of New York. On February 6, 1997, one of the defendants plead guilty to a 10-count criminal indictment including conspiracy to violate the Iraqi Sanctions and the IEEPA. The trial of the remaining defendants is ongoing.

Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to OFAC's listing of individuals and organizations determined to be Specially Designated Nationals (SDNs) of the Government of Iraq.

Since my last report, OFAC collected four civil monetary penalties totaling more than $470,000 for violations of IEEPA and the ISR. The violations involved brokerage firms' failure to block assets of an Iraqi SDN and effecting certain securities trades with respect thereto. Additional administrative proceedings have been initiated and others await commencement.

4. The Office of Foreign Assets Control has issued a total of 700 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Licenses have been issued for transactions such as the filing of legal action against Iraqi governmental entities, legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes, executory contracts pursuant to UNSCR 986, sales of humanitarian supplies to Iraq under UNSCR 986, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq and the protection of preexistent intellectual property rights in Iraq. Since my last report, 47 specific licenses have been issued.

5. The expense incurred by the Federal Government in the 6-month period from February 2 through August 1, 1997, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported to be about $1.2 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of International Organization Affairs, the Bureau of Political-Military Affairs, the Bureau of Intelligence and Research, the U.S. Mission to the United Nations, and the Office of the Legal Advisor), and the Department of Transportation (particularly the U.S. Coast Guard).

6. The United States imposed economic sanctions on Iraq in response to Iraq's illegal invasion and occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with relevant United Nations Security Council resolutions. Security Council Resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, Iraqi recognition of Kuwait and the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Seven years after the invasion, a pattern of defiance persists: a refusal to account for missing Kuwaiti detainees; failure to return Kuwaiti property worth millions of dollars, including military equipment that was used by Iraq in its movement of troops to the Kuwaiti border in October 1994; sponsorship of assassinations in Lebanon and in northern Iraq; incomplete declarations to weapons instructors and refusal of unimpeded access by these inspectors; and ongoing widespread human rights violations. As a result, the U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continues to violate basic human rights of its own citizens through the systematic repression of minorities and denial of humanitarian assistance. The Government of Iraq has repeatedly said it will not be bound by UNSCR 668. The Iraqi military routinely harasses residents of the north, and has attempted to "Arabize" the Kurdish, Turcomen, and Assyrian areas in the north. Iraq has not relented in its artillery attacks against civilian population centers in the south, or in its burning and draining operations in the southern marshes, which have forced thousands to flee to neighboring states.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The U.N. resolutions affirm that the Security Council must be assured of Iraq's peaceful intentions in judging its compliance with sanctions. Because of Iraq's failure to comply fully with these resolutions, the United States will continue to apply economic sanctions to deter it from threatening peace and stability in the region.

William J. Clinton

The White House,
July 31, 1997.

Proclamation 7016—To Implement an Accelerated Schedule of Duty Elimination Under the North American Free Trade Agreement

July 31, 1997

By the President of the United States of America

A Proclamation

1. On December 17, 1992, the Governments of Canada, Mexico, and the United States of America entered into the North American Free Trade Agreement ("the NAFTA"). The NAFTA was approved by the Congress in section 101(a) of the North American Free Trade Agreement Implementation Act ("the NAFTA Implementation Act") (19 U.S.C. 3311(a)) and was implemented with respect to the United States by Proclamation 6641 of December 15, 1993.

2. Section 201(b) of the NAFTA Implementation Act (19 U.S.C. 3331(b)) authorizes the President, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)), to proclaim accelerated schedules for duty elimination that the United States may agree to with Mexico or Canada. Consistent with Article 302(3) of the NAFTA, I, through my duly empowered representative, on March 20, 1997, entered into an agreement with the Government of Canada and the Government of Mexico providing for an accelerated schedule of duty elimination for

specific goods. Consultation and layover requirements of section 103(a) of the NAFTA Implementation Act with respect to such schedule of duty elimination have been satisfied.

3. Pursuant to section 201(b) of the NAFTA Implementation Act, I have determined that the modifications hereinafter proclaimed of duties on goods originating in the territory of a NAFTA party are necessary or appropriate to (i) maintain the general level of reciprocal and mutually advantageous concessions with respect to Canada and Mexico provided for by the NAFTA and (ii) to carry out the agreement with Canada and Mexico providing an accelerated schedule of duty elimination for specific goods.

4. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483) ("the Trade Act"), authorizes the President to embody in the Harmonized Tariff Schedule of the United States ("the HTS") the substance of the relevant provisions of acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to section 201(b) of the NAFTA Implementation Act and section 604 of the Trade Act, do proclaim that:

(1) In order to provide for an accelerated schedule of duty elimination for specific goods, the tariff treatment set forth in the HTS for certain NAFTA originating goods is modified as provided in the Annex to this proclamation.

(2) Any provisions of previous proclamations and Executive orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(3) The amendments made to the HTS by the Annex to this proclamation shall be effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after July 1, 1997.

In Witness Whereof, I have hereunto set my hand this thirty-first day of July, in the year of our Lord nineteen hundred and ninety-seven, and of the Independence of the United States of America the two hundred and twenty-second.

William J. Clinton

[Filed with the Office of the Federal Register, 8:45 a.m., August 1, 1997]

NOTE: This proclamation and attached annex were published in the *Federal Register* on August 4.

Message to the Senate Transmitting the Barbados-United States Extradition Treaty

July 31, 1997

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of Barbados, signed at Bridgetown on February 28, 1996.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report explains, the Treaty will not require implementing legislation.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

This Treaty will, upon entry into force, enhance cooperation between the law enforcement communities of both countries, and thereby make a significant contribution to international law enforcement efforts. It will supersede the Extradition Treaty between the United States and Great Britain that was signed at London on December 22, 1931, which was made applicable to Barbados upon its entry into force on June 24, 1935, and which the United States and Barbados have continued to apply following Barbados becoming independent. However, that treaty has become outmoded and the new Treaty will provide significant improvements.

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

William J. Clinton

The White House,
July 31, 1997.

Message to the Senate Transmitting the Trinidad and Tobago-United States Extradition Treaty

July 31, 1997

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of Trinidad and Tobago, signed at Port of Spain on March 4, 1996.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report explains, the Treaty will not require implementing legislation.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

This Treaty will, upon entry into force, enhance cooperation between the law enforcement communities of both countries and thereby make a significant contribution to international law enforcement efforts. Upon entry into force, it will supersede the Extradition Treaty between the United States and Great Britain signed at London on December 22, 1931, and made applicable to Trinidad and Tobago upon its entry into force on June 24, 1935, and which the United States and Trinidad and Tobago have continued to apply following Trinidad and Tobago's independence. That treaty has become outmoded, and the new Treaty will provide significant improvements.

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

William J. Clinton

The White House,
July 31, 1997.

Memorandum on Refugee Admissions Consultations

July 31, 1997

Memorandum for the Secretary of State

Subject: FY 1998 Refugee Admissions Consultations

In accordance with section 207 of the Immigration and Nationality Act (INA), you are authorized to consult with the appropriate committees of the Congress concerning refugee admissions as follows:

1. The authorization of 78,000 refugee admissions during FY 1998, which would be allocated by specific region as follows: 7,000 for Africa; 14,000 for East Asia (including Amerasians); 4,000 for Latin America and the Caribbean; 4,000 for the Near East; 46,000 for the former Soviet Union and Eastern Europe; and 3,000 for the Unallocated Reserve. The recommended level of funded admissions is equal to the level assumed in the FY 1998 budget request.

2. The authorization of an additional 10,000 refugee admission numbers to be made available for the adjustment to permanent resident status of persons who have been granted asylum in the United States.

3. The designation, pursuant to section 101(a) 42(B) of the Immigration and Nationality Act, of persons in Cuba, Vietnam, and the former Soviet Union who, if they otherwise qualify for admission as refugees, may be considered refugees under the INA even though they are still within their country of nationality or habitual residence.

William J. Clinton

Remarks on Balanced Budget Legislation and an Exchange With Reporters

August 1, 1997

The President. Good morning. Today Congress will send to me for my signature the first balanced budget in a generation. This budget will help millions of families to raise their children, educate them, and provide health care for them. It is an investment in the hopes and dreams of the American

middle class, and I look forward to signing it.

This morning we have further evidence that the strategy of balancing the budget while investing in our people and selling more American products around the world has helped to produce sustained prosperity for Americans. The new figures indicate 4.8 percent unemployment in July and 316,000 new jobs. Our economy is growing with the lowest unemployment in 24 years.

This economic rebirth is due to many things: first and foremost, the hard work and productivity of American businesses and American workers, the spirit of American entrepreneurs, the diligence of the Federal Reserve. But there is no doubt that the economic strategy we put in place in 1993 created the conditions for the extraordinary private sector growth we have all witnessed.

The day I took office, the deficit was $290 billion; today, even before the budget agreement, it had been reduced by 80 percent. Four straight years of deficit cuts have begun to put our fiscal house in order. The low interest rates that have resulted have produced the economic expansion as well as real benefits for ordinary Americans: lower car payments, lower mortgage rates, lower credit card rates. It also made possible—that 1993 agreement did—this budget agreement that has spending cuts and tax cuts and very large increases in investments in education and health care.

This year we had a choice: whether to succumb to gridlock and undercut confidence in our economy or continue our successful strategy into the 21st century. I am pleased that very large bipartisan majorities in both chambers, including over 75 percent of the Democrats on all the votes, have voted to continue our economic approach and keep our prosperity going. There are many reasons why I believe it will strengthen America, but let me just mention one of them as I close.

For years, as our economy has gathered momentum, we've looked for ways to make sure all Americans reap the rewards of that prosperity. The tax cuts in this balanced budget will directly and immediately improve the standard of living of millions of middle class families. For a typical middle class family with two children, the child tax credit alone amounts to a thousand-dollar raise in take-home pay. The college tax cuts will help families even more. And by encouraging more Americans to get the education they need, these education tax cuts will boost the long-term earning potential of all Americans who use them and, therefore, the long-term strength and wealth of the American economy.

Let me make one other point. This balanced budget will close a chapter in American history, years—decades, in fact—when our people doubted whether Government could work for them and questioned whether our Nation could set and meet goals. Over the past 4 years, through tough, persistent, patient effort, we have made unparalleled progress, rolling back the crime rate, reducing welfare rolls by historic numbers, and now finishing the job of balancing the budget. All Americans can be proud of what has been accomplished.

But let me say, too, that we know there are still challenges we have to meet to fully prepare our people for the 21st century. We must move ahead now to set national education standards and test our children on whether they're meeting them; to make further progress in the work of racial reconciliation; to open more foreign markets to American products; to move on our environmental problems; and finally, to address the very real challenges of long-term entitlement reform. I look forward to dealing with all these issues.

If we follow the path that has proven so successful in this balanced budget process, working to find common ground on common challenges, then I have no doubt that we will move forward together into the 21st century.

Thank you very much.

Terrorist Attack in Jerusalem and Arrests in New York City

Q. Is there a connection between Hamas and the New York arrests? Is there a connection there?

Q. Mr. President, there seems to be some confusion about whether or not you think this is a good time to send Secretary of State Madeleine Albright on her first trip to the Middle East. Could you tell us where that possibility stands and the level of cooperation between the Israelis and the Palestinian Au-

thority? And if you could, what, if any, connection to the Middle East—to the Jerusalem bombing—occurred in New York yesterday with this foiled bombing plot?

The President. Let me—Mr. Plante, [Bill Plante, CBS News] asked that question, and you asked that. Let me try to answer both of them. I have to go meet with President Aliyev of Azerbaijan, but I will try to answer them both quickly.

First of all, when the period of mourning is over, I will send Dennis Ross to the Middle East, to meet with the leaders there, with our latest ideas. I think it was appropriate to delay that in view of the terrible loss of life from the bombing. And then we will see where we are. I have said all along that I would send the Secretary of State to the Middle East at the appropriate time. But I want Mr. Ross to go there to do the work I am sending him to do to get the reaction of the leaders, and then we'll make a decision.

Secondly, with regard to the arrests in New York yesterday, first of all I'd like to commend the law enforcement officials, both the New York City officials and the Federal officials who were participating in it; and secondly say that I cannot comment and cannot reach a final conclusion yet because I haven't received a report of the direct investigation done, including the interrogation of the people who were arrested.

But I will say that we have worked very hard in this country to increase our capacity to deal with terrorism. It is something we take very seriously, and we will continue to do that. We will work very hard. But I think it's important not to reach conclusions before we have ironclad evidence to support them. The main thing we need to do is to thank the law enforcement officials for what they did and to continue to heighten our vigilance and our capacity to deal with such matters.

Thank you very much.

NOTE: The President spoke at 11:12 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Heydar Aliyev of Azerbaijan.

Joint Statement on Azerbaijan-United States Relations

August 1, 1997

During their August 1, 1997 meeting in Washington, Presidents Clinton and Aliyev agreed on the importance of expanding the partnership between the United States and the Republic of Azerbaijan through strengthening bilateral cooperation in the political, security, economic and commercial spheres. President Clinton reaffirmed U.S. support for the independence, sovereignty, territorial integrity, and democratic development of Azerbaijan, noting that close U.S.-Azerbaijan relations are important in promoting regional peace, stability and prosperity.

The two Presidents expressed strong support for an early and peaceful resolution to the Nagorno-Karabakh conflict. President Clinton made clear that the United States is committed, together with Russia and France, to work jointly through the OSCE Minsk Group for a just and lasting peace to this conflict. President Aliyev endorsed the recent proposal of the Co-Chairs of the OSCE Minsk Group as the basis for intensified negotiations to achieve a peace agreement this year. The two Presidents agreed that the settlement should be based on the three OSCE Lisbon principles.

Both Presidents noted the positive contribution made by U.S. humanitarian assistance to Azerbaijan, particularly to refugees, internally displaced persons (IDPs), and other needy groups. They agreed that Section 907 of the Freedom Support Act limits potential cooperation between the United States and Azerbaijan. President Clinton reiterated the Administration's strong support for repeal of Section 907.

Azerbaijan is at a critical juncture in its development as a democratic and market-oriented state. President Clinton praised President Aliyev's success in strengthening Azerbaijan as a state, implementing economic reform and spurring growth in recent years. Azerbaijan's deepening commitment to an economic reform program, including recent decisions to move forward with broader and faster privatization in cooperation with the

World Bank and IMF, is central to its successful transition to a market-based economy. The two Presidents agreed that democracy, economic reform and the observance of human rights play an essential role in ensuring Azerbaijan's continued stability. President Clinton also welcomed President Aliyev's commitment to strengthen market freedom, rule of law and political pluralism in Azerbaijan, including the holding of free and fair elections.

Both Presidents support expanded economic and commercial relations, including greater bilateral trade and investment. The two Presidents noted the importance of rapid development of Caspian energy resources and highlighted the extensive participation of U.S. companies in the development and transport of Azerbaijan's oil and gas resources. This has already contributed to a thriving bilateral commercial relationship. The Presidents welcomed the establishment of an official dialogue on energy policy and commercial issues. They also agreed on the vital importance of the Eurasian transport corridor to the economic future of Azerbaijan and the entire region. The two Presidents welcomed the signing of the U.S.-Azerbaijani Bilateral Investment Treaty and the U.S. Export-Import Bank Project Incentive Agreement. The United States encourages Azerbaijan's integration into the global economy, including early completion of its application for membership in the World Trade Organization on commercial terms generally applied to newly acceding members.

The United States recognizes the challenges facing Azerbaijan in assuring its national security and strongly supports Azerbaijan's active integration into newly emerging European security structures, including NATO's Partnership for Peace and the Euro-Atlantic Partnership Council. The Presidents expressed satisfaction with the entry into force on May 15, 1997 of the CFE Flank Document and agreed on the importance of the U.S.-Azerbaijani Joint Statement released in that connection. They also welcomed the adoption of the CFE Basic Elements decision in Vienna July 23, 1997 and agreed that the adaptation of the CFE Treaty should enhance the security of each state party.

The two Presidents also discussed security threats posed by international terrorism, narcotics trafficking, international criminal activity, and proliferation of weapons of mass destruction. They agreed to explore the expansion of security cooperation, including through the bilateral security dialogue inaugurated in March 1997.

Both Presidents underlined their support for increased parliamentary, cultural, scientific and educational exchanges, as well as contacts between individual citizens to enhance relations between the United States and Azerbaijan.

NOTE: An original was not available for verification of the content of this joint statement.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

July 26

In the morning, the President traveled to Lake Tahoe, NV. In the afternoon, he participated in water clarity testing aboard a University of California, Davis, research vessel on Lake Tahoe.

In the evening, the President traveled to Los Angeles, CA.

July 28

In the morning, the President traveled to Las Vegas, NV, and in the evening, he returned to Washington, DC.

The President announced his intention to nominate Peter L. Scher for the rank of Ambassador during his tenure as the Special Trade Negotiator for Agriculture in the Office of the U.S. Trade Representative.

The President announced his intention to nominate Marshall S. Smith as Deputy Secretary at the Department of Education.

July 29

The White House announced that the President and Secretary of State Madeleine

Albright will send Special Middle East Coordinator Dennis B. Ross to the Middle East on July 30 to meet with Prime Minister Binyamin Netanyahu of Israel and Chairman Yasser Arafat of the Palestinian Authority.

July 30

In the afternoon, the President met with Deputy President Thabo Mbeki of South Africa and Vice President Al Gore in the Oval Office.

In the evening, the President traveled to Fort A.P. Hill in Bowling Green, VA. Later, he returned to Washington, DC.

The President announced his intention to nominate Ela Yazzie-King to serve a second term as a member of the National Council on Disability.

The President announced his intention to nominate Mary Anne Sullivan as General Counsel at the Department of Energy.

The President announced his intention to appoint Aaron D. Miller to the U.S. Holocaust Memorial Council.

July 31

The President announced his intention to nominate Paul M. Igasaki to serve a second term as Vice Chair and Commissioner of the Equal Employment Opportunity Commission.

The President announced his intention to nominate Tadd Johnson as Chairman of the National Indian Gaming Commission at the Department of the Interior.

The President announced his intention to nominate Ernest J. Moniz as Under Secretary at the Department of Energy.

The President announced his intention to nominate Charles O. Rossotti to be Commissioner of the Internal Revenue Service.

The President announced his intention to appoint Dennis DeConcini, Neil Hartigan, Joe Serna, Jr., and Harriett F. Woods to the Federal Home Mortgage Corporation (Freddie Mac) Board of Directors.

The President announced his intention to nominate Dan Reicher as Assistant Secretary for Energy Efficiency and Renewable Energy at the Department of Energy.

August 1

In the morning, the President met with President Heydar Aliyev of Azerbaijan in the Oval Office. Later, the two leaders had a working luncheon in the Old Family Dining Room.

The President declared a major disaster in Colorado and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, heavy rain, flash floods, flooding, mudslides, landslides, and severe ground saturation.

The President announced his intention to nominate Cheryl Feldman Halpern as a member of the Broadcasting Board of Governors.

The President announced his intention to to nominate John Arthur Hammerschmidt as a member of the National Transportation Safety Board.

The President announced the nomination of Dennis Dollar to serve as a member of the Board of Directors of the National Credit Union Administration.

The President announced the nomination of Nancy Dorn to serve as a member of the Inter-American Foundation.

The President announced his intention to nominate Dale Cabaniss to serve as a member of the Federal Labor Relations Authority.

The President announced his intention to nominate Richard F. Keevey to serve as the Chief Financial Officer for the Department of Housing and Urban Development.

The President announced his intention to nominate Paula J. Dobriansky as a member of the U.S. Advisory Commission on Public Diplomacy.

The President announced his intention to nominate Jacques Gansler as Under Secretary of Defense for Acquisition and Technology.

The President announced his intention to nominate Robert W. Gee as Assistant Secretary for Policy and International Affairs at the Department of Energy.

The President announced his intention to nominate John E. Mansfield as a member of the Defense Nuclear Facilities Safety Board.

The President announced his intention to nominate George Moose as the Representative of the United States to the European Office of the United Nations, with rank of Ambassador.

The White House announced that the President has asked Representative Donald Payne to lead a Presidential delegation, including Representatives John Conyers and Cynthia McKinney, to the Presidential Inauguration in Liberia on August 2.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 28

John C. Angell,
of Maryland, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs), vice Derrick L. Forrister, resigned.

Marshall S. Smith,
of California, to be Deputy Secretary of Education, vice Madeleine Kunin.

Withdrawn July 28

Niranjan S. Shah,
of Illinois, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1998, vice John H. Miller, term expired, which was sent to the Senate on January 9, 1997.

Submitted July 30

Susan Graber,
of Oregon, to be U.S. Circuit Judge for the Ninth Circuit, vice Edward Leavy, retired.

Peter L. Scher,
of the District of Columbia, for the rank of Ambassador during his tenure of service as Special Trade Negotiator.

Mary Anne Sullivan,
of the District of Columbia, to be General Counsel of the Department of Energy, vice Robert Riggs Nordhaus, resigned.

Ela Yazzie-King,
of Arizona, to be a member of the National Council on Disability for a term expiring September 17, 1999 (reappointment).

Submitted July 31

A. Richard Caputo,
of Pennsylvania, to be U.S. District Judge for the Middle District of Pennsylvania, vice Richard P. Conaboy, retired.

G. Patrick Murphy,
of Illinois, to be U.S. District Judge for the Southern District of Illinois, vice William D. Stiehl, retired.

Carlos R. Moreno,
of California, to be U.S. District Judge for the Central District of California, vice Robert M. Takasugi, retired.

Michael P. McCuskey,
of Illinois, to be U.S. District Judge for the Central District of Illinois, vice Harold A. Baker, retired.

Victoria A. Roberts,
of Michigan, to be U.S. District Judge for the Eastern District of Michigan, vice George LaPlata, retired.

Frederica A. Massiah-Jackson,
of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania, vice Thomas N. O'Neill, Jr., retired.

Bruce C. Kauffman.
of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania, vice James McGirr Kelly, retired.

John H. Bingler, Jr.,
of Pennsylvania, to be U.S. District Judge for the Western District of Pennsylvania, vice Maurice B. Cohill, Jr., retired.

James S. Gwin,
of Ohio, to be U.S. District Judge for the Northern District of Ohio, vice Sam H. Bell, retired.

Jeffrey D. Colman,
of Illinois, to be U.S. District Judge for the Northern District of Illinois, vice Brian B. Duff, retired.

Rebecca R. Pallmeyer,
of Illinois, to be U.S. District Judge for the Northern District of Illinois, vice William T. Hart, retired.

Dan A. Polster,
of Ohio, to be U.S. District Judge for the Northern District of Ohio, vice David D. Dowd, Jr., retired.

Algenon L. Marbley,
of Ohio, to be U.S. District Judge for the Southern District of Ohio, vice John D. Holschuh, retired.

Jo Ann Jay Howard,
of Texas, to be Federal Insurance Administrator, Federal Emergency Management Agency, vice Elaine A. McReynolds.

Paul M. Igasaki,
of California, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 2002 (reappointment).

Tadd Johnson,
of Minnesota, to be Chairman of the National Indian Gaming Commission for the term of 3 years, vice Harold A. Monteau, resigned.

Ernest J. Moniz,
of Massachusetts, to be Under Secretary of Energy, vice Thomas Paul Grumbly, resigned.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released July 26

Transcript of a press briefing by Council on Environmental Quality Chair Kathleen McGinty and Deputy Press Secretary Joe Lockhart on Lake Tahoe environmental issues

Released July 28

Transcript of a press briefing by Deputy Press Secretary Joe Lockhart on balanced budget negotiations

Released July 29

Statement by Press Secretary Mike McCurry on the decision to send Special Middle East Coordinator Dennis B. Ross to the Middle East

Transcript of a press briefing by President's budget team

Released July 30

Transcript of a press briefing by Press Secretary Mike McCurry

Statement by Press Secretary Mike McCurry on the President's meeting with Deputy President Thabo Mbeki of South Africa

Announcement of nomination for U.S. Court of Appeals Judge for the Ninth Circuit

Released July 31

Transcript of a press briefing by Press Secretary Mike McCurry

Transcript of a press briefing by Council of Economic Advisers Chair Janet Yellen on the state of the economy

Announcement of nominations for 13 U.S. District Judges

Released August 1

Transcript of a press briefing by Press Secretary Mike McCurry

Statement by Press Secretary Mike McCurry on the appointment of Stephen J. Flanagan as Special Assistant to the President and Senior Director for Central and Eastern European Affairs at the National Security Council

Statement by Press Secretary Mike McCurry on the President's meeting with President Heydar Aliyev of Azerbaijan

Fact sheet on the Presidential signing ceremony with President Heydar Aliyev of Azerbaijan

Statement by Press Secretary Mike McCurry on U.S. policy on arms transfers to Latin America

Statement by Press Secretary Mike McCurry on the U.S. delegation to the Presidential Inauguration in Liberia

Acts Approved by the President

Approved July 29

S. 768 / Private Law 105–1
For the relief of Michel Christopher Meili, Giuseppina Meili, Mirjam Naomi Meili, and Davide Meili

Approved August 1

H.J. Res. 90 / Public Law 105–32
Waiving certain enrollment requirements with respect to two specified bills of the One Hundred Fifth Congress

United States Government Printing Office

SUPERINTENDENT
OF DOCUMENTS

Washington, D.C. 20402

OFFICIAL BUSINESS
Penalty for private use, $300

BULK RATE
Postage and Fees Paid
U.S. Government Printing Office
PERMIT G-26