

other than the United States, and thus such illicit cannabis production does not significantly affect the United States. (FAA 481(e)(2) states that a country that cultivates and harvests more than 5,000 hectares per year of illicit cannabis falls within the definition of a “major illicit drug producing country,” unless I determine that such illicit cannabis production does not significantly affect the United States.)

Turkey and Other Balkan Route Countries. Turkey and its neighboring countries play a key role as a major transit route for much of the Southwest Asian heroin moving to Western and Central Europe along the so-called Balkan Route. We know that some of this heroin also flows to the United States, but thus far our information has been limited and we have traced only relatively small quantities. We will be looking further into this issue over the next year. Insofar as we determine that heroin transiting Turkey, Bulgaria, Greece, the Former Republic of Yugoslavia, Bosnia, Croatia, the Former Yugoslavian Republic of Macedonia, or other European countries on the Balkan Route significantly affects the United States, I will add such countries to the list.

Cuba. We still do not have sufficient evidence that Cuba plays an active role in

the drug trade affecting the United States to add it to the list at this time. However, Cuba’s geographic location and evidence of some movement of drugs around the island indicate it could become a target for greater trafficking activity in the future.

Central Asia. During 1995, we conducted probe efforts in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If ongoing analysis reveals cultivation of 1,000 hectares or more of poppy, I will add the relevant countries to the list.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Jesse Helms, chairman, and Claiborne Pell, ranking member, Senate Committee on Foreign Relations; Mark O. Hatfield, chairman, and Robert C. Byrd, ranking member, Senate Committee on Appropriations; Benjamin A. Gilman, chairman, and Lee H. Hamilton, ranking member, House Committee on International Relations; and Bob Livingston, chairman, and David R. Obey, ranking member, House Committee on Appropriations. This letter was released by the Office of the Press Secretary on February 23.

Remarks to McDonnell Douglas Employees in Long Beach, California February 23, 1996

Senator Boxer, Congressman Horn, Mayor O’Neill, Mr. Stonecipher, Mr. Kozlowski, Betty Cavanagh—I’m glad she cleared up how old she was when she came to work here. I thought I’d have to charge McDonnell Douglas with violating the child labor laws. [Laughter] I also thank you, Betty, for the ribbon and for the hug. That’s the most fun I ever had hugging a Republican. [Laughter] I want to thank you—seriously—all of you for being here and for the work you’ve done. Before I go forward I think we should all give a hand to the Lakewood High School Band who played for us today and did such a fine job. Thank you very much.

Let me say I value the jacket. I value the wonderful model of the plane I flew to Bosnia. I value this ribbon, and I will save it always. But most important, I value the hard work that all of you have done to make the C-17 possible and to make our country stronger.

The C-17 is the finest military transport plane in the world, or as I said in non-jargon, the best moving van in the world. It was forged with an extraordinary partnership between the Department of Defense and the workers and management here at McDonnell Douglas to cut costs, to increase efficiency, to make the C-17 program a model for public/private sector teamwork.

When I became President I had advocated the C-17. It was obvious to me we needed it for our national defense. There were people in Washington who said the program was in trouble and could not be fixed. Well, you fixed it, and because you fixed it, our country is stronger today. And we all owe you a deep debt of gratitude. Thank you very much.

Ladies and gentlemen, a few weeks ago in my State of the Union Address, I tried to look with you into the future to describe the seven challenges our Nation will have to meet if we're going to provide the American dream for all of our people who are willing to work for it in a new, highly competitive global economy dominated by information and technology and if we're going to pull our country together here at home and, finally, if we're going to continue to lead the world for peace and freedom and prosperity.

Those challenges were building stronger families; providing better educational opportunities to all Americans; strengthening the economic security of this country through more good jobs and access to affordable health care, secure pensions, and lifetime training; taking back our streets from crime and gangs and violence and drugs; continuing to protect our environment while we grow the economy; reinventing our Government so that it is smaller and less bureaucratic but stronger when we need it to be strong; and finally, continuing to lead the world for peace and freedom and prosperity.

If you look at what we have come here to celebrate today and if you consider the work being done here on the civilian aircraft that Mr. Stonecipher mentioned, it represents a number of those challenges being met in the way that I believe America has to meet all of its challenges, not by pointing fingers at one another but by working together.

We have here an example of America doing what is necessary to preserve our security and to lead the world. It happens also to provide a large number of people good jobs and security for their families. Where the civilian aircraft are being made, we have a good example of America leading the world toward prosperity and providing economic security for families. And in both places it happened because there was a partnership.

Why do we have a strong defense today? To defend our immediate interests and our borders but also because we learned in the 20th century

that if we want to keep America free and safe, we have to stand up for freedom and safety and security and peace and prosperity around the world. We can't be the world's policeman. We can't be everywhere. We can't do everything. But when we can make a difference and when it is consistent with our values and our interests, we have to try. That's what the effort in Bosnia is all about.

It's also true that if we are going to live in that kind of world where people like you have a chance to have good jobs because we engage in and do well in global competition, we have to reach out and not retreat. We have to break down walls, not build them up. That's why those jobs are on the other side of this pavement.

Later today I will meet with the new Prime Minister of Japan, Mr. Hashimoto. Our relationship is beginning to work better than it ever has because we are beginning to work together toward common goals. Our partnership is the strongest force for peace and freedom in the Asian-Pacific region. We've worked on a lot of issues that you now don't have to worry about, from getting North Korea to give up its dangerous nuclear program—the thing I was told was the number one security problem facing our country when I became President—to Bosnia—where the Japanese are helping, even though it's a long way from home for them—to tackling the new threats that know no borders, drug trafficking, global crime, and terrorism, which sadly has affected both the Japanese and the American people.

It is in this environment that you have to see the discussion about our trade relations. So often when I hear people talk about trade, they act as if there are only two alternatives: We just open our borders and let what happens happen, or we close our borders because we think we're not being treated fairly. There is another alternative, and it's the right one. We should be pushing for free but fair trade, for tough but fair trade.

We have concluded over 200 trade agreements since I've been in office. We've worked hard to get contracts like the one that will benefit McDonnell Douglas by the sales of commercial aircraft to Saudi Arabia. With Japan alone, we have concluded 20 agreements, covering everything from auto parts to medical equipment with a simple premise: If the United States' markets are open to Japanese products, Japan's markets should be open to America's products.

In the last 3 years, jobs in this country related to exports to Japan have increased by over 20 percent, 167,000 new American jobs. In California, more than a quarter of a million jobs depend upon trade with Japan. For the first time in history, rice farmers in California can sell rice in Japan. We are moving in the right direction.

We have got to continue to take the right path. If you want your country to lead for peace and freedom and prosperity, the answer is neither to be uncritically in favor of free trade, nor to be for pulling up the rug and closing our borders. The answer is to be for trade that is free and fair so everybody has a fair chance to grow in the global economy. That is what our country should stand for.

Let me say again, we can only do that if we do what you did here to turn this program around and make it the finest transport airplane in aviation history: We have to do it together. If you ask me what is the single most significant lesson I have learned as your President in the last 3 years, it is simply this: Whenever we work together and grow together and live together and learn together, America never loses. And when we are divided, we defeat ourselves. We must do better at working together. That is the answer to our future.

When I became President and I had advocated the C-17 and problems became apparent in the program, there were those who said, "Why don't you just abandon this? After all, the cold war is over. We're downsizing the military. Just forget about it. Walk away from it." It seemed to me that the fact that we were downsizing the military made a stronger argument for the C-17. The more we have fewer forces more concentrated in fewer areas, the more we need the kind of airlift capacity that is given by this plane. The fact that we are in the post-cold-war era, where we need to move people in a hurry in unpredictable ways under very difficult circumstances, shows that we did the right thing, you and I and our friends in Congress in both parties, to stand up for the C-17. I thank Senator Boxer, Senator Feinstein, Congressman Horn, Congresswoman Harman, who is not with us today but who has fought for this program, and all others who made it a bipartisan American effort to say that we have to have the capacity to project America's power quickly and decisively and safely.

This plane has delivered on its promise to the American people. We've had airlifters before that could carry very heavy loads over long hauls, and we've had airlifters before that could land on the most primitive airfields in the worst weather conditions. But we have never had a plane that could do both things until the C-17.

And let me say I wish every single one of you, because you worked so hard to build this plane, could have had the same experience I had to fly in the plane under conditions that would test its capabilities. When I visited our troops in Bosnia, who are doing such an extraordinary job to help peace take hold there, the plane I usually fly on, that other Air Force One—she talked about it—[laughter]—was too big to land in Tuzla. And so I flew into Aviano, Italy, and took my C-17 as Air Force One for the day.

The first thing that impressed me was the plane's remarkable cargo capacity. Between my staff, the Members of Congress—there were a huge number, almost 40, I think; I can't remember, a lot of them anyway—security and the press—and there was a really large number of press; some of them are back here with us today—there were more than 100 people sitting on those hard red molded plastic seats. [Laughter] I must say I wish someone my size could become the test for those seats in the future. [Laughter] We also carried two Army Humvees, lots of bags of mail, 210 cases of Coke, and 5,000 Hershey bars. [Laughter] And there was a lot of room to spare. Not only that, even with all the press and the politicians there, the plane carried all the hot air that we could generate in that long flight. [Laughter]

I spent a lot of time on the flight deck talking with the crew and seeing what the C-17 can do. The loadmaster, Chief Master Sergeant Mark Smith, told me about his pride in the plane and its capabilities. Those crews are your best advertisement. They are grateful to you. You made their work possible. You made it more fun, and you made it safer. And they all talk about it.

He reminded me about how skeptical people were that we would risk the C-17 in an environment as hostile as Bosnia. He said, "Mr. President, people didn't really think you'd give us these planes." We allocated 12 to the Bosnian mission. They said, "We didn't think you would give us these planes. I mean, it's new. It's ex-

pensive.” And I said, “Well, that’s why we built it. I thought we were supposed to use it, not show it.”

As you know, the fog can be very bad in Bosnia, so we had to fly over Tuzla the first time, go to Hungary, have our meetings in Hungary, see the troops there, come back to Tuzla. They told us that the weather was getting so bad we absolutely had to get out of there. We were coming close to nightfall. Our plane was parked near the middle of the runway. We only had about 4,000 feet of tarmac on which to take off. The aircraft commander, Major Frederick Cianciolo, said we wouldn’t even need half that much. I thought he was kidding. *[Laughter]* I said, “You’re kidding, aren’t you?” He said, “Buckle up, Mr. President.” He then threw 160,000 pounds of thrust into those four Pratt & Whitney engines. Twelve seconds and 1,800 feet of runway later, we were in the air, thanks to you.

The C-17 has only flown 25 percent of the missions in Bosnia, but it has carried over 40 percent of the cargo and more passengers than any other transport. At the very start of the operation, you remember, terrible weather and flooding held up the construction of the Sava River Bridge, the main land link for our troops to Bosnia. I might add, the engineers who did that did a magnificent job, too. It’s the longest bridge span built like that since World War II. So we had to load the pontoon sections onto flatbeds, and we rolled them onto the C-17’s. The plane set down near the Sava. The flatbeds rolled off. The bridges were built, and our troops could move into Bosnia.

This past fall when Hurricane Marilyn devastated the United States Virgin Islands, the C-17 was the only aircraft in our fleet able to land outsized cargo on undersize runways. C-17’s flew 18 percent of our relief missions but delivered 30 percent of the supplies, 30 percent of the medicines, 30 percent of the housing materials. Thousands of people came to see the C-17 as the savior from the skies. These exploits are fast becoming legendary, thanks to you.

Now let me just say a few words, if I might, about those of you who work here. As I have said before, after the first C-17’s rolled off the production line, there were genuine concerns about cost overruns and scheduling delays. Everyone shared them, including people here at McDonnell Douglas. But you pitched in, and

you turned the program around instead of throwing up your hands and giving up.

Working side by side with the Air Force, you made a great plane even better, and you did it for less. Now the fly-away cost of the C-17 has been cut in half. The C-17 parked behind me is the 12th aircraft in a row—I want to say that again—the 12th aircraft in a row you have produced, not on schedule but ahead of time. And we thank you.

Just today, the Air Force delivered to McDonnell Douglas a contract for the production of the last 8 of the 40 C-17’s originally requested, a contract worth \$1.8 billion. Because of your extraordinary efforts and the exceptional performance of the C-17, I have today sent to Congress a letter seeking approval of a multiyear procurement for another 80 C-17’s. This will be the longest and the largest multiyear defense contract ever. It will be worth more than \$14 billion to McDonnell Douglas and more than 18,000 jobs to the State of California. It will save our taxpayers nearly \$1 billion because we’re ordering all the planes we need at once, instead of a few at a time.

Let me say a word of thanks to some of the people who made this possible, starting with Major General Ron Kadish, the Air Force’s C-17 program director; Rudy de Leon, who is over here with me, our Under Secretary of the Air Force; to Harry Stonecipher, and your program manager, Don Kozlowski; and to the Members of Congress who supported this program so strongly. All of you have done a job very well.

And let me say, I want you to remember—if you don’t remember anything else about today except how many more planes you’re going to build—*[laughter]*—how you turned the program around, the partnership between Government and McDonnell Douglas, the partnership between management and labor, the understanding that there was a mission to perform, that it had to be performed by everybody pulling together and working together.

And I want you to think about every single challenge your country faces. Just look around the sea of faces here today. Is there another nation where the head of the nation’s government could go and speak to a group like this and see so much diversity in the crowd among the workers? I think not. Is there another place where you could see so many people from so many different backgrounds, so many different walks of life, so many different religious faiths,

working together toward a common goal? What you did here and the way you did it is a model for the way America must meet the other challenges we face.

We have a clear choice facing us in every single area of human endeavor. If you want everybody in your country to be able to have a good job and raise a strong family; if you believe everybody ought to be able to send their children to good schools; if you think everybody should enjoy the benefits of a clean environment; if you believe people ought to have safe streets and that they shouldn't have to worry about their children and their children's teachers being shot at the way the poor man in Los Angeles was wounded just a couple of days ago; if you believe that this country has to continue

to lead the world toward peace and freedom, then you must understand that every single challenge we have has to be met the way you met the challenge of the C-17. When we pull together, when we work together, when we have a clear mission, we never lose. You won for America, and America can win in the future.

Thank you, and God bless you all.

NOTE: The President spoke at 10:50 a.m. on the east ramp at Building 54. In his remarks, he referred to Mayor Beverly O'Neill of Long Beach; Harry Stonecipher, chief executive officer, Don Kozlowski, president, C-17 program, and Betty Cavanagh, employee, McDonnell Douglas; and Prime Minister Ryutaro Hashimoto of Japan.

Message to the Congress Reporting Budget Deferrals and Rescissions February 23, 1996

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report three new deferrals and one revised deferral, totaling \$3.6 billion, and four rescission proposals of budgetary resources, totaling \$140 million.

These deferrals affect the International Security Assistance programs as well as programs of the Agency for International Development.

The rescission proposals affect the Department of Defense.

WILLIAM J. CLINTON

The White House,
February 23, 1996.

NOTE: The report detailing the deferrals and proposed rescissions was published in the *Federal Register* on March 15.

Exchange With Reporters Prior to Discussions With Prime Minister Ryutaro Hashimoto of Japan in Santa Monica, California February 23, 1996

Trade Policy

Q. Mr. President, does it help or hurt matters if trade policy is a campaign issue this year?

The President. I think it should be an issue. I think it's important that the American people know all the facts and make their decisions. But let me reiterate what I said today, and let me begin by saying it's a great honor for me to welcome Prime Minister Hashimoto here to the United States. We know him well and respect and admire him for his work on trade

on behalf of his country. And now this is his first trip here as Prime Minister. This will be a good opportunity for us to get better acquainted before I go to Japan on my state visit in April.

Let me also say that we have a broad and deep friendship with Japan which encompasses far more than trade. We have a security partnership that has enabled us to work together to head off the North Korea nuclear threat, something which was an immediate threat to the