

Washington, DC; Rev. Joan Campbell, general secretary, and Rev. Mac Charles Jones, associate to the general secretary for racial justice, National Council of Churches of Christ in the U.S.A.; Mayor Joseph P. Riley, Jr., of Charleston, SC; Mayor Robert D. Coble of Columbia, SC; Mayor Russell Kellahan of Kingstree, SC; Mayor Michael Mahoney of Greeleyville, SC; Millard Fuller,

founder, Habitat for Humanity; Rev. Ed Johnson, pastor, Friendship Church of God in Christ, Lincolnton, SC; R.A. Leonard, presiding elder, Kingstree District A.M.E. Churches; Rev. Patricia Lowman, assistant pastor, St. John's Baptist Church, Dixiana, SC; and evangelist Rev. Billy Graham.

The President's News Conference With European Union Leaders *June 12, 1996*

President Clinton. I'm pleased to welcome Prime Minister Prodi of Italy and President Santer of the European Commission to the White House. This is the Prime Minister's first visit here since his election in May, and I'd like to congratulate him on his fast start in office. Let me also thank President Santer, who has worked with us so productively since he took office a year and a half ago.

Last year the United States and our European partners agreed to work together to reap the benefits of this new era. Already we have seen some significant progress in our partnership in the last year. Most importantly, working with our NATO allies, we have helped to end the carnage in Bosnia.

Friday marks the 6-month anniversary of the signing of the Dayton accords. Much remains to be done, but much has been done. There is peace; businesses are slowly starting again; and some refugees are returning home.

I salute the European Union and its member states for their commitment to civilian reconstruction and for the \$718 million they are devoting to this effort. Today we discussed Bosnia's recovery, and we agreed that for progress to continue, elections should take place in September as agreed at Dayton.

The United States and the European Union are determined to carry forward this kind of leadership to seize other opportunities in the post-cold-war era. At our last meeting in Madrid 6 months ago, we took a step to achieve these goals by creating the new transatlantic agenda to address our common problems, including our continuing efforts to get a just and lasting peace in the Middle East, working more closely than

ever to fight international crime and drug trafficking.

In the next few months, in this area, let me say we expect to sign an agreement on controlling the chemicals used to make a broad range of illegal drugs. And this could be a very significant step if we can reach a good agreement and enforce it.

Today we are announcing an ambitious new effort to fight infectious diseases. Recently, diseases that were disappearing have made a dangerous comeback. Diseases know no boundaries; they threaten us all. And now we'll work together to create a global early warning and response network so that we can move decisively against the health threats of the future. Just this morning the Vice President announced our initiative to make this a reality.

The Transatlantic Business Dialogue is a forum of business leaders from both sides of the Atlantic devoting itself to helping bring down barriers and increase trade between the United States and European Union nations. Today let me especially thank two representatives of the Transatlantic Dialogue, Mr. Juergen Schrempp, the chairman of Daimler Benz, and Mr. John Luke, the chairman of Westvaco, for what they are doing and what the TABD has done. Thank you very much to both of you.

We also are going to expand on this with a transatlantic labor dialog between unions from the United States and Europe who will begin work soon on issues concerning working men and women on both sides of the Atlantic.

We can take pride that this transatlantic agenda has made a strong start. When we work together, we know we can meet the challenges of this time, and I am very much looking for-

ward to continuing to work with the Prime Minister and with President Santer. So I'd like to open the floor for a few comments by them, and then we'll answer your questions.

Mr. Prime Minister.

Prime Minister Prodi. Thank you. I thank you very much, Mr. President, for receiving us in the end of the semester chaired by Italy of the European Union.

This has been a very effective semester. I don't want to repeat what you have already told concerning the deep and fruitful cooperation between the European Union and the United States. I want only to recall the example given in Bosnia. I think that we never had such a deep, strong, and fruitful cooperation in such a difficult job. And we have to go on in the field, and so the past must be linked with the future.

You mentioned the problem of reconstruction. The European Union has already given more than \$1.5 billion, and we need to collect more money and more help for reconstructing the former Yugoslavia area. Then we have to go on in the field of cooperation in the health, as you mentioned, and in the environment, with the example of working together in the Ukraine environmental program, and I think that this is an example why to work together.

In the Transatlantic Business Dialogue, we are just harmonizing a lot of problems in order to decrease the nontariff barriers and to increase the trade between Europe and the United States. But the most important field of cooperation will be now in the Middle East policy. This is a chapter that needs not only political and military cooperation but needs a lot of help, mutual help, in economic terms. We can't solve the Middle East problems without a strong economic effort in the area.

These are the main chapters of U.S.-European cooperation. And then I have to mention that this cooperation has never been so good, and I think it is a cornerstone of the world equilibrium. We have to stick together in the future because the challenge that comes from changing and the globalization of the economy is a challenge that must be won by strict cooperation between us.

President Santer. Mr. President, ladies and gentlemen, today's summit has convinced me that we have a new, deeper, and more robust relationship between Europe and America than

in the past. Today marks the first milestone in this new relationship.

Last December we promised to act together, rather than just consult each other, in order to tackle crime, poverty, disease, and other global issues that concern ordinary people on both sides of the Atlantic. We have now started to turn these good intentions into concrete action.

So how far have we got? You would not expect miracles in just 6 months, but since December we have made a solid start. For example, we have set up a joint task force on communicable diseases. We are working on a deal that will help control trade in dangerous chemicals and illegal drugs. We have begun studying ways of cutting trade barriers, just as businessmen have asked us to do. And we have sent a joint mission to Rwanda and Burundi to assess the needs of the refugees there.

The progress we can show today demonstrates that the highly visible disagreements we have had in the recent months over Cuba, Iran, Libya, and over trade policy represent a fraction of our overall relationship.

This was not a Helms-Burton summit that some said it would be. But we did raise our concerns about the legislation in no uncertain terms with our American colleagues. The extraterritorial elements of this law have received worldwide condemnation. We are every bit as concerned about rogue states as the United States is. The European nations have fought terrorism at every opportunity, and will continue to do so. But this is a different issue. We do not believe it is justifiable or effective for one country to impose its tactics on others and to threaten to its friends while targeting its adversaries. If that is done, it is bound to lead to reactions which it is in the interest of us both to avoid.

But despite these disagreements, today's proceedings have shown there is much more that binds us together than pulls us apart. And I am now convinced that we have a strong, strong enough relationship to speak our minds on issues which bother us without jeopardizing the vast range of things where we can and must work together to promote peace, freedom, and prosperity around the world.

We must not be complacent. The relationship needs to be worked at. Let us never forget that Europe will always need America, and the world needs us to work together on its behalf.

Look at Bosnia, the Middle East, Russia, Rwanda, and Burundi, to name a few countries. And look at the global fight against crime, drugs, pollution, poverty, and disease. Look, too, at the world trading system, at the future of the NATO Alliance. All of these issues need transatlantic leadership. And the new transatlantic agenda has given us a solid framework on which to build this strong leadership. We have made a good start, but we need to go much further.

Thank you.

President Clinton. Thank you very much.

Mr. Fournier [Ron Fournier, Associated Press].

FBI Files of White House Passholders

Q. On the domestic front, sir, three quick questions on the FBI file controversy, which Bob Dole has compared to Watergate tricks. Number one, when did you learn that the FBI files of Republicans had been requested and obtained by your White House? Two, who in the administration knew that they were requested and obtained? And lastly, how can you be so sure that this was just a bureaucratic snafu when the White House is not investigating it and Ken Starr is not finished?

President Clinton. Well, first of all, you should have answers to some of your questions by the end of the week. The White House Counsel and the FBI are working together to review the process and to see what should be done to make sure it can't happen again, both in the White House and in the FBI. And I expect to get a report by the end of the week.

I will say again, it appears to be nothing more than a bureaucratic snafu based on all of the evidence that I have seen. There is no evidence to the contrary. The first time I had learned about it was when there was a newspaper article about it, when it broke in the press. I knew nothing about it beforehand.

Q. Who else in the White House knew about it before—

President Clinton. I don't know that anyone did. I don't know anything other than what has been said to you by Mr. Panetta. He looked into it. He has all of the facts that any of us know. And so I—I would never condone or tolerate any kind of enemies list or anything of that kind. I think this is really an honest bureaucratic mess-up. There was a lot of—if you will remember going back to that time, there was a lot of interest in whether we had

the right sort of credentialing here for access to the White House, and I think trying to review that is what gave rise to this whole thing.

I do believe, based on the evidence that we know, it was just an innocent bureaucratic snafu, which is what I've said all along. And I'm sorry that it occurred, and I believe that we will correct it. And I think the FBI will correct it on their end as well so that nothing like this will happen again.

I'd like now to recognize a European journalist. I'll try to alternate between the Americans and the Europeans.

International Trade

Q. Thank you. Mr. President, the Export Administration Act of 1979 seems to contradict the Helms-Burton law because it does criticize secondary boycotts as a procedure. And that law was established to criticize Arab countries that were adopting secondary boycotts against Israel. So how do you reconcile this contradiction that seems to be happening with the United States at this point?

And for Mr. Santer, China seems to be a strong target of trade sanctions from the United States. They are being considered now, and there is a complaint from the United States side that Europe has not done enough to help the United States in controlling China. What do you have to say to that? There was, yesterday, testimony in Congress criticizing directly and strongly Europe for this behavior.

And finally, Mr. Prodi—[laughter]—STET is under direct attack—it is an Italian company—because of the Helms-Burton act. What are you doing to protect this Italian company?

The President. Let me answer first. First of all, there's quite a difference between the generalized Arab boycott of Israel, which we have worked to bring to an end, simply because Israel existed, and the Helms-Burton bill, which provides the President some flexibility in its administration and which is directed against the only country remaining in our hemisphere which is not a democracy and which passed in the aftermath of Cuba's flagrant shooting-down of two airplanes, American airplanes, in international airspace and killing innocent civilians, most of whom were American citizens. And so the two things are entirely different.

I'm very sensitive to the whole question of extraterritoriality. We are reviewing that. But we think that the Cuban—the persistent refusal of

Cuba to move toward democracy or openness and the particular problems that causes for countries in our hemisphere, and for the United States especially, justified the passage of the bill, which I signed into law.

Now, they were asked questions, too. I hope they can remember.

President Santer. The question about China—we have trade relations with China. That is not the normal way to go ahead—but I am not aware that there could be from our side some questioning about—that's incrimination on the European side. I do not know what are the causes for this incrimination. We are establishing our trading relation with China, as with other countries, on behalf of negotiations. And these negotiations have to come to an end, but otherwise, I do not see that there would be any harm done through the negotiation to the United States in this case.

Prime Minister Prodi. Concerning the STET case, STET is an Italian telephone company who bought shares of a Mexican company owning shares of—having Cuban interest. And so they didn't even know about the Cuban interest. And so I limited myself to collect news and knowledge about the problem, and I think that in due time we shall try to defend our interest, because it is a very indirect involvement with Cuba. So I didn't even know about that.

President Clinton. Helen [Helen Thomas, United Press International]?

Bosnia

Q. Mr. President, you agreed on an election to go forward in Bosnia in September. Did you also agree on the pullout date, to stick with December as the pullout date for the troops? And why is it that the troops don't go after Karadzic and Mladic and bring them before the world court? What's the holdup?

I'd like also the other leaders—

President Clinton. You might want to ask them that question, but let me say, we did not discuss the military operation today. We discussed basically the elections and the reconstruction effort.

I believe that we should stick with our timetable. We believe that IFOR can complete its mission in about a year. We believe that it has to be in full force during the time of the elections. We believe that it has to be an effective military force certainly until December 20th, and then some drawdown can begin after that,

below the level we think is necessary to maintain what we believe clearly is required for the election.

On the other question you asked, I would remind you that when the IFOR mission went in, they went in with a certain very strict mission, and it did not include running down people who were suspected of war crimes, but it did include apprehending those with whom our forces came in contact. Now, I expect that in the—particularly in some regions where there's a lot of movement that has to occur back and forth between people trying to return home, visit their homes, visit their relatives, there will be more and more vigorous enforcement of that. And I expect that if the IFOR troops came in contact with Mr. Karadzic, they would do what they would do to anybody else suspected of being a war criminal.

But there's never been part of their mission to go into specific communities with the mandate to arrest particular people. That was not part of the IFOR mission in the first place.

Q. But who would be the culprits in this case? I mean, are you going to arrest the people who simply carried out orders?

President Clinton. The IFOR troops can arrest anybody that's been charged with a war crime with whom they come in contact. But they are not charged with, in effect, being the domestic or the international police force and targeting people and going after them. That was not part of the agreement of Dayton, and it's a very delicate balance. I understand that. But they have arrested some people with whom they have come in contact, some people that they have found in the ordinary course of doing their jobs. And if that should happen in this case, I would expect them to do their duty.

Do you want to add anything to that?

President Santer. Mr. President, I have nothing to add to what you have said. After tomorrow there will be a conference, a Florence conference as implementation of the Dayton peace agreement. We have to stick to all of the parts of the Dayton peace agreement, as the President said. And I'm coming back from a journey to former Yugoslavia with Vice Prime Minister Dini, and to all our partners—we met the Presidents of all of the republics—we stated also that they have to stick to the implementation of the Dayton peace agreement in all the parts. And I think that the conference, the implemen-

tation conference of tomorrow in Florence would deal also with these subjects.

NATO and Greece-Turkey Relations

Q. Mr. President, two questions. One is, how do you see the U.S. role in the new defense NATO structure as it was agreed in Brussels? And secondly, there seems to be some heightened tension between Greece and Turkey. I wonder whether this was part of your discussion and whether you're personally concerned and whether you are going to take any initiative into this matter.

President Clinton. First of all, I am strongly supportive of the general direction taken at the last conversations—at the last meeting in Brussels about the evolution of NATO and the possibility of a European security unit within NATO.

I believe the United States should remain as a security partner, a political partner, and an economic partner of Europe. I believe that we need each other, and I believe the world needs our partnership. And I think NATO is a very important part of that. And how we manage the development of European security within NATO, how we manage the expansion of NATO—all of these are questions that we must resolve by working together in good faith. So I'm basically encouraged by what has been done so far.

As to Greece and Turkey, we did not have the opportunity to discuss it, but I can tell you that I am very concerned about it. Both those nations are our allies and Europe's allies through NATO, and I believe that the future of the region which they both occupy will be immeasurably brighter if they can resolve their problems and immeasurably darker if they cannot.

And so it's a source of great concern to me, and we have invested quite a bit of time on it in the last few months, and I expect to invest even more time on it in the months and, if the people decide, in the years ahead. I think it's very important—the resolution of the difficulties between Greece and Turkey is central to having the kind of future for Europe and particularly for the Mediterranean region that we want.

Yes, Brian [Brian Williams, NBC News]?

Church Burnings in the South

Q. Dick Armev criticized the trip you took today to talk about the church burnings in the South, and late today Haley Barbour criticized

it as well, saying that at best your motives were political. I wonder if you have a reaction to that.

President Clinton. I think you ought to ask those people that were out on that country road in South Carolina today, the people that rebuilt their church, or that pastor that came up from North Carolina who just lost his church. I don't believe they think this is a political issue, and I don't think that our country is well served by turning into politics what is a very important matter. We should be united together across political and racial and religious lines in our determination not only to find the people responsible for burning these churches—and one mosque also, I might add—but also in sort of pushing back on this extremist impulse, this racist impulse which seems to be at least manifesting itself among some people who are involved in these church burnings.

So I think that's what we ought to be talking about: what, as Americans, our responsibilities are to stand up against racism, to stand up against the desecration of houses of worship. And we should not turn this into a political issue; it isn't political, and it isn't partisan.

Press Secretary Mike McCurry. This will be the last question.

Italian Separatist Movement

Q. Mr. President, you've often mentioned that you like Italy very much, and perhaps you are going to repeat the same thing to Mr. Prodi afterwards in your bilateral. What about if there were not one but two Italys, and I'm referring specifically to this possibility of a—

Prime Minister Prodi. One is enough. [Laughter]

Q. —of a secession, you know, the one in Canada, whatever.

President Clinton. Well, I took a position on the one in Canada, and I don't think I had much to do with the outcome. It was a very close race there. But we take no position about the internal affairs of other nations. But I thought what the Prime Minister said made a lot of sense: One seems to be enough.

In America, we've tolerated a North and a South for quite a long time now. And we tried to split up once, and it didn't work out so well, and I wouldn't recommend it to anybody. I think, you know, you just—[laughter]—it's better to try to just resolve your difficulties and go on.

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Thank you very much.

Senate Majority Leader Trent Lott

Q. What do you think of Trent Lott taking over?

President Clinton. Congratulations to him.

NOTE: The President's 124th news conference began at 4:05 p.m. in Room 450 of the Old Executive Office Building. The President met with

Prime Minister Romano Prodi of Italy, President of the European Council, and Jacques Santer, President of the European Commission. During the news conference, the following persons were referred to: Bosnian Serb leaders Radovan Karadzic and Ratko Mladic; and Vice Prime Minister Lamberto Dini of Italy. A reporter referred to the Societa Finanziaria Telefonica, S.p.A. (STET), an Italian telephone company.

Message to the Congress Transmitting the Report of the National Endowment for the Arts

June 12, 1996

To the Congress of the United States:

It is my pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for the fiscal year 1995.

On September 29, 1995, at the close of the fiscal year, the Arts Endowment celebrated its 30th anniversary. A young man or woman born at the same time as this Federal agency's establishment has enjoyed access to the arts and culture unparalleled in the history of the country. The National Endowment for the Arts has helped bring tens of thousands of artists into schools, teaching tens of millions of students about the power of the creative imagination. This small Federal agency has helped launch a national cultural network that has grown in size and quality these past 30 years.

This Annual Report is another chapter in a great success story. In these pages, you will find projects that bring the arts to people in every State and in thousands of communities from

Putney, Vermont, to Mammoth Lakes, California. The difference art makes in our lives is profound; we see more clearly, listen more intently, and respond to our fellow man with deeper understanding and empathy.

In these challenging times, when some question the value of public support for the arts, we should reflect upon our obligation to the common good. The arts are not a luxury, but a vital part of our national character and our individual human spirit. The poet Langston Hughes said, "Bring me all of your dreams, you dreamers. Bring me all of your heart melodies. . ." For 30 years, the Arts Endowment has helped keep those dreams alive for our artists and our audiences. May it long continue to do so.

WILLIAM J. CLINTON

The White House,
June 12, 1996.

Statement on the Court Decision on the Communications Decency Act

June 12, 1996

The Justice Department is reviewing today's three-judge panel court decision on the Communications Decency Act. The opinion just came down today, and the statute says we have 20 days to make an appeal.

I remain convinced, as I was when I signed the bill, that our Constitution allows us to help

parents by enforcing this act to prevent children from being exposed to objectionable material transmitted through computer networks. I will continue to do everything I can in my administration to give families every available tool to protect their children from these materials. For example, we vigorously support the development