

school and still be compassionate for people that need a hand up. We need to do things that prove that you don't have to make false choices—you can grow the economy, protect the environment; you can balance the budget and invest in education; you can be strong at home and be strong abroad. And we can build a unifying vision that will bring this country together and move it forward.

That's what I want you to be a part of. I want you to be excited. I want you to be happy. I want you to be proud to be a part of what we're trying to do. And I want you to be a

part of what we're trying to do. You are very welcome.

Thank you, and God bless you all.

NOTE: The President spoke at 8:12 p.m. at the Sheraton Carlton Hotel. In his remarks, he referred to Carol Pensky, treasurer, Steve Grossman, national chair, Gov. Roy Romer of Colorado, general chair, and Alan Solomont, national finance chair, Democratic National Committee; C. Thomas Hendrickson, chair, Democratic Business Council; Gov. Gary Locke of Washington; and Gov. Jeanne Shaheen of New Hampshire.

Letter to Congressional Leaders Reporting on Terrorists Who Threaten To Disrupt the Middle East Peace Process

January 28, 1997

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. 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 (IEEPA), 50 U.S.C. 1703(c). Since the crisis with respect to the grave acts of violence committed by foreign terrorists that threaten the Middle East peace process has not been resolved, on January 21, 1997, I renewed this national emergency in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order") (60 *Fed. Reg.* 5079, January 25, 1995). The order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the order. The order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have

committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the order (collectively "Specially Designated Terrorists" or "SDTs").

The order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering. Designations of persons blocked pursuant to the order are effective upon the date of determination by the Secretary of State or his delegate, or the Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the *Federal Register* or upon prior actual notice.

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 *Fed. Reg.* 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition the notice provides 9 name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a risk of committing, acts of violence that have the purpose of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material, or technological support for, or service in support of, such acts of violence, or are owned or controlled by, or to act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the List of SDTs (60 *Fed. Reg.* 41152, August 11, 1995; 60 *Fed. Reg.* 44932, August 29, 1995; and 60 *Fed. Reg.* 58435, November 27, 1995). The OFAC, in coordination with the Secretary of State and the Attorney General, is continuing to expand the list of Specially Designated Terrorists, including both organizations and individuals, as additional information is developed.

3. On February 2, 1996, the OFAC issued the Terrorism Sanctions Regulations (the "TSRs") (61 *Fed. Reg.* 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process.

4. The expenses incurred by the Federal Government in the 6-month period from July 23,

1996, through January 22, 1997, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East peace process are estimated at approximately \$285,000.

5. Executive Order 12947 provides this Administration with a new tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

In addition, comprehensive counterterrorism legislation was enacted on April 24, 1996, that would strengthen our ability to prevent terrorist acts, identify those who carry them out, and bring them to justice. The combination of Executive Order 12947 and the Antiterrorism and Effective Death Penalty Act of 1996 demonstrate the United States determination to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism.

I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on January 29.

Remarks Prior to a Meeting With Military Leaders and an Exchange With
Reporters in Arlington, Virginia
January 29, 1997

The President. Let me say, first of all, I'm delighted to have a chance to be back at the Pentagon to meet with our commanders-in-chief. This is the first meeting for Secretary Cohen and our new national security team. We're all looking forward to it.

America is very proud of our men and women in uniform, and they have maintained an extraordinary tempo of operations for the last several years, being deployed in many different places for long periods of time. And the leadership and planning that has gone into these operations are a tribute to the people around this table and to others in our Armed Forces. And I'm looking forward to discussing what we're going to do in the next year and having this meeting.

War Crimes in Bosnia

Q. Mr. President, do you think that U.S. troops could play a role in trying to arrest some of the accused war criminals that are out and about in Bosnia at the moment?

The President. I think that the agreement that was struck at Dayton and signed in the Paris Peace Treaty says what our military believes is responsible, that if we're going to go there and do the UNPROFOR mission, it would be impossible to do that and spend your time taking affirmative action over—as a police force, in effect, international police force—but that if they come in contact with people who are wanted and where there is, in effect, a warrant out for them, they ought to apprehend them. But I think it would be very difficult for them to do the mission, particularly with a smaller number of people, and in effect spend full-time doing that.

It's always—I think at Dayton—everyone knew from Dayton on that this was one of the most difficult things, that they couldn't walk away from this evidence of war crimes and that

there needed to be some way of proceeding, but that there was no way that you could effectively do the job of UNPROFOR, which was the most important thing to try to stabilize the country and the borders, and in effect make that the primary mission.

Maybe I ought to let General Joulwan answer that question, but I think that's the right answer.

Gen. George A. Joulwan. Yes, Mr. President. [Laughter]

Q. Do you oppose the international group that's been proposed?

The President. Well, what I want to look—I have asked—at the University of Connecticut, when I spoke at the—Senator Dodd not very long ago—I said I thought we ought to consider whether there should be a permanent international war crimes tribunal, which of course would require some sort of way of carrying out its mandate. But that—if we do that, we need to look at it not just in terms of Bosnia but over the long run.

We need to recognize that we can't expect people who are sent into a very volatile situation and ask us to stabilize borders, to ensure the security of cross-border crossings, and all the other things that UNPROFOR has had to do, you can't expect those same people to do this other work unless they literally come in contact with those who should be arrested and returned. So there would have to be a completely different way of dealing with it if we're going to have a permanent war crimes tribunal, which I think has a lot of merit.

NOTE: The President spoke at 10:25 a.m. in the Army Conference Room at the Pentagon. In his remarks, the President referred to Gen. George A. Joulwan, USA, Supreme Allied Commander, Europe. A tape was not available for verification of the content of these remarks.