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December 1996 / January 1997  
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Produced By CISPES,  
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ARENA ATTACKS CISPES,  
LABOR LEADERS WHO TESTIFY BEFORE CONGRESS

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"I can only call them inhuman traitors."

-- President Calderon Sol, December 4, 1996,  
referring to Ana Maria Romero and Wilmer Erroa Argueta,  
who were in Washington as part of a CISPES-sponsored tour.

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In a measure of just how threatened the Salvadoran right wing is by  
the truth about El Salvador's deplorable labor conditions, government  
and business elites have lashed out at CISPES and our Campaign for  
Working People's Rights.

They launched their malicious assault with a series of articles in two  
Salvadoran dailies and quickly escalated. The slanderous campaign  
culminated with the televised denunciation of Ana Maria Romero and  
Wilmer Argueta by President Calderon Sol, and a resolution signed by  
ARENA deputies in El Salvador's National Assembly condemning  
"the so-called Committee in Solidarity with the People of El Salvador."

ARENA's vitriol was sparked by the December 1 testimony of the two  
labor leaders before the Congressional Human Rights Caucus. It was  
compounded by the publicity generated by CISPES's campaign and in  
particular by the satirical "SweatGear" catalog [see article below].

What Calderon Sol fears is the tarnishing of his carefully cultivated  
image of El Salvador as a modern, democratic, efficiently run country  
where there are stable conditions for doing business. International

investors aren't scared off by labor rights violations per se (in fact, they are an attraction), but by the exposure of such repressive practices, and by any organized challenge to them.

#### FIGHTING THE GLOBAL SWEATSHOP

Spotlighting those violations and the resistance to the government's economic policy was precisely CISPES's objective in organizing a five-week tour of two Salvadoran labor leaders entitled "Fighting the Global Sweatshop / Defending Unions."

The brouhaha capped the 22-city tour of maquila organizer Ana Maria Romero and of Wilmer Argueta, secretary of international relations for ASTTEL, the telecommunications workers union. Their visit was co-sponsored in many cities by union locals and religious and university groups.

Thousands throughout the US heard their powerful testimony. For many, it evoked the same intensity of emotion and outrage as war-time testimony of bombardments and torture. Ana Maria told of abuse in her factory which led to a miscarriage, and of being inspired to join the union after a co-worker died because she was denied medical attention. Of ARENA's economic policies, Wilmer drew the analogy clearly: "As sure as they did with bullets during the war, they are killing us with poverty and with hunger."

#### SOLIDARITY ACROSS BORDERS

There were many highlights. Especially valuable was the support both Ana Maria and Wilmer garnered as they built solid relationships between their unions and those in cities across the US.

In Portland, Wilmer was keynote speaker at a conference of CWA (Communications Workers of America) organizers from throughout the West.

After hearing from members and staff of their meetings with Wilmer, the president of UE (United Electrical, Radio and Machine Workers) in Pittsburgh wrote the Assistant Secretary of State for Inter-American Affairs to "express to you our grave concern about the role of the United States, most particularly of U.S. AID, in promoting the privatization of ANTEL. We ... believe that privatization would be extremely inappropriate, and we urge you to take steps to eliminate U.S. participation in this effort."

In Washington, Ana Maria and Wilmer had the opportunity to join Justice for Janitors on the picket line, then give a rousing call to action for workers to stand firmly in solidarity with each other despite borders that would divide them.

Each met with union leadership as well, among them the regional director of the international trade secretariat for telecommunications industry workers; CWA president Morton Bahr; international reps for the Teamsters and the Union of Needletrade and Industrial Textiles Employees (UNITE!); Ann Hoffman, director of UNITE's "Stop Sweatshops!" campaign; and Karen Nussbaum, head of the AFL-CIO's Working Women's Institute.

#### THE TRUTH

On December 1, at the invitation of the Congressional Human Rights Caucus, Ms. Romero and Mr. Argueta testified on continuing human rights abuses in El Salvador.

Rene Mauricio Vargas, minister for economic affairs for the Salvadoran Embassy, claimed to be surprised by the testimony. A Notimex correspondent greeted this posture with a good deal of skepticism. He then questioned Vargas on ARENA's wisdom in appointing Orlando de Sola to head up a regulatory body handling telecommunications once ANTEL is privatized. De Sola's credentials include bankrolling the death squads.

The hearings and Ana Maria and Wilmer's testimony were covered heavily by the Spanish-language media, including networks Univision and Telemundo and the Mexican and Spanish wire services, and by Bloomberg Business News and Women's Wear Daily.

As the journal of the garment industry informed its readership, "The spotlight was on El Salvador...at a hearing [that] was part of the 180-member caucus's growing effort to combat sweatshops internationally.

"Among the violations we have experienced in these factories are the forced overtime, the physical mistreatment as well as the harassment," said Ana Maria Romero, a former apparel factory worker turned union organizer...

"...Romero called for the El Salvadoran government to support its own labor laws. Romero said garment sweatshops still routinely fire pregnant women, defraud workers of pay, force overtime and fire trade unionists...

"As you can see, this isn't easy for us, but this is the way we have to live," she said. "These factories are an important source of employment, but not enough to lose your life over."

#### THE LIE

Upon realizing the size and influence of the audience to which CISPES was able to expose the horrendous labor abuses, the Salvadoran powers-that-be recognized the formidable opposition they were up against.

They reacted viciously.

For a full week, slanderous articles appeared in Salvadoran dailies La Prensa Grafica and the long-time mouthpiece of the oligarchy El Diario de Hoy (known to many as El Diablo de Hoy).

Then, in a televised press conference on December 4, President Calderon Sol denounced Ana Maria and Wilmer for their testimony. "I can do no less than consider them traitors, inhuman, for attacking the people and the Salvadoran family. With this [testimony and CISPES's campaign], they are taking bread off the table and taking away wages and jobs from thousands [of fellow Salvadorans]."

The condemnation by the right wing deputies followed on December 12.

#### THE NON-EXISTENT BOYCOTT

All ARENA's denunciations invent the lie that CISPES is promoting a boycott of Salvadoran clothing.

The Salvadoran press reported the falsehood based on a spurious "confirmation" by an ARENA deputy. A Reuters story simply repeated the charges: "the boycott campaign is being run by the Committee In Solidarity with the people of El Salvador (CISPES), an old nemesis of Calderon's ruling party."

By supposedly promoting a boycott, Vice-Minister of Commerce and Industry Rolando Alvarenga claimed that "[CISPES] is a committee that wants to hurt the country and destroy everything that we've built since the signing of the Peace Accords."

These allegations persisted despite the press release CISPES sent to every Salvadoran media outlet, clarifying that:

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"There is no boycott.

"What does exist is a campaign by CISPES and Salvadoran labor organizations to urge the Salvadoran government to enforce its own labor code and abide by internationally recognized standards for human and labor rights, and to urge corporations to responsibly abide by these laws -- so that Salvadorans are paid a decent wage, are not abused, are not forced to work overtime, are not fired by bosses who don't want to pay the legally-required Christmas bonuses, and are free to organize.

"We have seen poverty and massive unemployment first hand during our trips to El Salvador. We are well aware that Salvadorans need jobs and that the maquilas are a large source of employment in El Salvador. However, we, as well as the workers and the labor movement in El Salvador, want these to be jobs with dignity."

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#### COUNTERING THE THREATS

Calderon Sol's denunciations came just days before Ana Maria and Wilmer were scheduled to fly back to El Salvador, prompting immediate fear for their safety.

Given El Salvador's history of official persecution of the labor movement, such defamation by the country's president certainly constitute a threat.

Quickly, CISPES generated hundreds of phone calls and faxes to US and Salvadoran officials, calling upon President Calderon Sol to retract his inflammatory statement, and holding him personally accountable for their safety.

Ron Carey, newly re-elected president of the Teamsters, expressed his "grave concern" to Calderon Sol: "As the largest trade union in the United States, the International Brotherhood of Teamsters is deeply concerned that persons who are our invited guests, and who give testimony about human rights and labor rights conditions should be subjected to such treatment."

Reps. John Porter (R-IL) and Tom Lantos (D-CA), who chair the Human Rights Caucus, advised Secretary of State Warren Christopher they were "deeply disturbed" by ARENA's threats. "Should this type of heavy-handed intimidation go unremarked," they wrote, "it would have a serious chilling effect on those brave individuals who monitor human rights in El Salvador, the Latin American region and around the world. As we mark International Human Rights Day this week, it is most appropriate that we stand up for those who are brave enough to stand up for human rights."

The response generated was sufficiently strong to convince ARENA that their attempt at intimidation had back-fired. They had stepped over the line with their outrageous threats and had only served to further tarnish their image.

A SCAPEGOAT FOR ARENA'S FAILURE

The vehemence of ARENA's reaction can be attributed to their fear and vulnerability. They know they are vulnerable in the upcoming assembly and mayoral elections, and the polls show it.

As the Jesuit publication Proceso noted on the day of Calderon Sol's accusations: "Disillusionment and frustration provoked by the second ARENA administration, due to its inconsistency, its unconditional surrender to international and domestic big business, its insensitivity and incompetence in addressing the spread of poverty, its arrogance and tolerance of corruption and organized crime, make a significant loss of votes a foreseeable prospect."

ARENA's neoliberal policies may have generated macro-economic growth (i.e. numbers to boast about to the IMF and World Bank), but they have only increased poverty and worsened conditions for the vast majority by doing what they were designed to do: concentrate wealth into fewer and fewer hands.

Even ANEP, the National Association of Private Enterprise acknowledges that while economic growth has averaged 5% over the past five years, poverty has soared by 60-80% in the same period.

Worse for ARENA, economic indicators fell considerably in 1996. The Central Reserve Bank issued a glum year-end report, showing the economy had slowed to 3% growth overall. Growth in the export assembly (maquiladora) sector plummeted from 46% to 16%.

President Calderon Sol felt the need to use his New Year's address to the nation to urge Salvadorans "don't listen to pessimism." He admitted that it had been a difficult year due to suffering what he described as "a period of deceleration."

And he would rather blame someone else for this economic downturn.

In a ploy that is clearly an attempt to discredit its main electoral foe, ARENA's propoganda campaign also resurrected the old canard that CISPES is a front group for the FMLN.

By accusing CISPES and the FMLN of economic sabotage, ARENA hopes to avoid the electoral repercussions of the economic nightmare it is responsible for.

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"SWEATGEAR" WINS FAME (AND NOTORIETY)

The "SweatGear" catalog -- the CISPES spoof that exposes the conditions under which fashionable clothes are sewn, while also poking fun at corporate-created consumer culture -- has struck a chord and is drawing widespread attention.

Items or full-fledged articles have appeared in the Business Week, the Wall Street Journal, San Francisco Examiner, Boston Globe, and the Miami Herald, as well as newspapers in Aspen, Wichita, Memphis, and San Salvador. The Nation, Z Magazine, and The Progressive also publicized the catalog, as did featured segments on NPR and Pacifica Radio.

The coverage has generated an enthusiastic response, with an International Herald-Tribune article producing calls from all over Europe. At the request of an aide there, we've sent a supply of catalogs to ILO (International Labor Organization) headquarters in Geneva.

Stephanie Salter's excellent syndicated column, originally printed in the San Francisco Examiner on December 5, also appeared in a number of other newspapers:

"With perfect holiday timing and biting parody, the SweatGear catalog really comes from folks at a 15-year-old, U.S.-based civil rights organization, CISPES. It's their way of reminding consumers that 'behind every \$25 T-shirt in the catalog or the mail is a worker who probably earned about 16 cents for her labor.'

"Thanks to such organizations... the last several years have been rich in ugly revelations about our country's offshore and domestic apparel industry...

"Despite most companies' pledges to provide fair wages and humane working conditions, reality is far different. Aided and abetted by host country governments, legal minimum wages are kept immorally low, children work full days, labor organizers are harassed, fired or terrorized, and working conditions give new meaning to the old term 'sweatshop.'"

Meanwhile in El Salvador, "SweatGear" gained notoriety when La Prensa Grafica reprinted several pages which it downloaded from the catalog's web site. "They're Using the Internet to Attack Textiles!" it hyberbolized.

CISPES has mailed out virtually all of the 25,000 copies of the catalog printed.

A version is also viewable at the web site [www.blank.org/sweatgear/](http://www.blank.org/sweatgear/) and soon at CISPES's new home page [www.cispes.org](http://www.cispes.org).

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TURMOIL IN ARENA, PDC

Heading into the electoral season, two of El Salvador's three main political forces continue to be plagued by internal upheaval.

On November 12, ARENA suffered the defection of founding member Victor Antonio Cornejo Arango, to the National Conciliation Party

(PCN), the traditional party of the military whose generals ruled El Salvador through the 1970's.

Though ARENA's rival for El Salvador's right wing ideologues and cashiered army officers, it more often than not has functioned simply as an appendage of the ruling party, offering ARENA just enough votes to produce a majority in the assembly.

Cornejo Arango has led a bitter breakaway faction for a number of months [See October issue of ESW]. Several mayors were among the ARENA officials who joined Cornejo Arango in his resignation.

Meanwhile, the Christian Democratic Party (PDC) is in the midst of an existential crisis. A November 24 convention reached an impasse when neither Carlos Claramount nor Ronal Umaña could muster the necessary two-thirds support to win party leadership. After this deadlock, the competing factions then held two separate conventions, which elected two secretaries-general and two different political commissions.

A POLITICAL TRAGI-COMEDY

The Jesuit publication Proceso ridiculed the party: "The continual wrangling between two opposition factions" has reached "the point of hilarity." At its conventions, it "has shown itself up as one of the most cutting burlesque parodies of political life."

It was left for El Salvador's Supreme Electoral Tribunal (TSE) to step in and referee the wrangling.

Coincidentally, a deputy from Umaña's camp had just orchestrated the removal of Claramount supporter Eduardo Colindres from his seat on the TSE. Melida Villatoro's motion to oust the magistrate passed on November 22 with the support of ARENA, whom Claramount promptly accused of intervening in his party's internal affairs.

The TSE then decided on December 17 to officially recognize Umaña's faction as the Christian Democratic Party and to certify its candidates for the elections.

The next act of this burlesque could well be fraud in elections this March. Political observers speculate that the PDC's maneuvering included a promise of "cooperation" during the March 16 vote count, to strengthen ARENA's vote totals and undercut opposition parties.

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ASSEMBLY APPROVES PRIVATIZATION OF ANTEL

On Thanksgiving Day, ARENA and its allies sped legislation through the assembly permitting the sale of ANTEL, the National Telecommunications Agency.

Majority control will be offered to international telecommunications companies who will actually operate the phone system, 10% will be offered to the workers, and the remainder will be sold on the stock market. "Modernization" Commissioner Alfredo Mena Lagos will oversee the sale.

ANEP, the National Association of Private Enterprise, expressed its

satisfaction, as did the Salvadoran Chamber of Commerce.

In a strong show of protest, the unions of ANTEL called a nationwide work stoppage and held a march and vigil in the capital on the same day.

The FMLN and ASTTEL have filed two separate appeals to the Supreme Court to challenge the law's constitutionality.

Organized workers had long tried to prevent the sale, on the grounds that:

- \* ) ANTEL is profitable. It produces revenue currently invested in rural health and education. Why should those profits be put in the pockets of wealthy investors?
- \* ) Communication is a vital public service. Privatizing the industry will jeopardize people's access, especially in rural areas where ANTEL does not turn a profit. Already, in a preliminary move back in September, residents of the town of Conchalio had telephone and telegram services cut off. ANTEL officials justified the suspension of service: "we need to begin to think like private businesses."
- \* ) The privatization is an attempt to bust the country's strongest labor unions.

Significantly, ARENA won't actually enact the privatization until April. ARENA fears electoral fall-out if the sale is finalized before March 16. On the other hand, ARENA also fears it may lose its de facto majority, and that an opposition Assembly led by the FMLN would amend the law if the sale is still pending when the new Assembly takes office on May 1.

Deputy Roberto Viera of the opposition Social Christian Renovation Party speculated that ARENA is wagering that it can overcome the resulting pre-election unpopularity with added campaign contributions from the powerful economic groups who will benefit from the sale.

#### DAMAGE CONTROL

Because 55% of Salvadorans oppose the privatization of basic public services (according to an University of Central America poll in September), ARENA knew it had to accompany its move with a major public relations campaign.

It purchased advertisements trumpeting the deal, promising full labor and human rights and to guarantee the jobs and wages of all ANTEL workers with the new company, as well as stock in the company at discount prices and new opportunities for promotion and training. All this adds up to "Good news for the worker!... Merry Christmas!" Ads also promised benefits for consumers: to double the number of phone lines, and to lower the price of calling relatives abroad (one-quarter of all Salvadorans live outside the country).

Only the strength of ASTTEL's pressure has compelled ARENA to make the above promises. Whether the government follows through, of course, is another story.

With the sale now seeming inevitable, the ANTEL unions are pushing

for the best possible terms. Their counter-proposal includes a five-year job guarantee, putting the 10% of the stock within workers' reach with full financing, and guarantees that the sale will not be used to destroy the ANTEL unions.

In mid-December, the four unions at ANTEL issued an open letter to President Calderon Sol and Mena Lagos urging the creation of a high-level commission to consider job security, severance pay, financing for workers to buy shares, and fixing the price of the shares.

ACTION ALERT

Call or fax the following officials to insist that the input of the workers be accepted in order to mitigate the damaging impact of privatizing ANTEL:

- In the US,
- \* ) John Feeley, State Department El Salvador Desk Officer.  
Fax: 202-647-2597 / Phone: 202-647-3681
- \* ) Ronald Scheman, US Executive Director to the Inter-American Development Bank. Fax: 202-623-3612. Phone: 202-623-1031.

- In El Salvador,
- \* ) Alfredo Mena Lagos, Modernization Commissioner.  
Fax: 011-503-271-4461.

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UN DEPARTS

After five years in El Salvador to monitor the implementation of the Peace Accords, the United Nations closed the doors of its verification office on December 31 and left the country.

Its presence had dwindled to some half-dozen officials, though UN personnel numbered in the thousands at the height of its mission in El Salvador.

Now, a special representative to be designated by newly-elected UN chief Kofi Annan will visit the country periodically to keep the Secretary-General updated on the still incomplete peace process.

It is not known whether the UN will send a team to monitor El Salvador's elections on March 16. In 1994, some 1200 UN observers oversaw the country's first post-war elections.

CISPES is organizing a delegation of observers. International scrutiny is crucial to prevent fraud in the upcoming vote. Join our electoral team in El Salvador from March 8 - 19 !

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Sources this month include: Proceso, La Prensa Grafica, El Diario de Hoy, Women's Wear Daily, San Francisco Examiner, InterPress Service, ASTTEL, and the San Salvador-based International Solidarity Center (CIS).

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ATT CREATION TIME/DATE: 7-JAN-1997 22:48:00.00

ATT BODYPART TYPE:D

TEXT:

RFC-822-headers:

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by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IDY5BG44F400678V@PMDF.EOP.GOV> for  
orr\_r@a1.eop.gov; Tue, 07 Jan 1997 22:48:20 -0400 (EDT)

Received: from Princeton.EDU by STORM.EOP.GOV (PMDF V5.0-7 #6879)  
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07 Jan 1997 22:48:18 -0700 (MST)

Received: from igc7.igc.apc.org by Princeton.EDU (5.65b/2.125/princeton)  
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Received: from igc3.igc.apc.org (igc3.igc.apc.org [192.82.108.33])  
by igc7.igc.org (8.7.6/8.7.3) id SAA24426; Tue,  
07 Jan 1997 18:59:25 -0800 (PST)

Received: from [198.94.6.49] (cispesnatl@ppp49.igc.org [198.94.6.49])  
by igc3.igc.apc.org (8.8.4/8.8.4) with SMTP id SAA11154 for  
<es-solidarity@igc.org>; Tue, 07 Jan 1997 18:53:52 -0800 (PST)

X-Sender: cispesnatl@pop.igc.org (Unverified)

Precedence: bulk

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X-Authentication-warning: igc7.igc.org: Processed from queue  
/var/spool/mqueue-maj

===== END ATTACHMENT 1 =====

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CREATOR: owner-es-solidarity@igc.apc.org@INET@EOPMRX

CREATION DATE/TIME: 6-FEB-1997 23:18:00.00

SUBJECT: February El Salvador Watch

TO: es-solidarity ( es-solidarity@igc.org@INET@EOPMRX )  
READ:NOT READ

TO: mawwhite ( mawwhite@andrew.cmu.edu@INET@EOPMRX )  
READ:NOT READ

IND\_TO: Robert C. Orr ( ORR\_R ) (NSC)  
READ:21-FEB-1997 15:21:25.11

TEXT:  
EL SALVADOR WATCH  
February 1997  
Number 56

Produced By CISPES,  
the Committee in Solidarity with  
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CAMPAIGN HEATS UP  
ASSEMBLY UP FOR GRABS

January 16 marked the fifth anniversary of the signing of the historic Peace Accords that moved the struggle from the battlefield to the political arena.

The day before, campaigns for the 84 seats in El Salvador's National Assembly formally opened.

Campaigning for the 262 mayors and municipal councils gets under way in February.

Elections will be held March 16.

The race is on between those who would further concentrate economic and political power, and those who would democratize it.

At stake is the balance of power leading up to the next presidential election in 1999, and the battle is being fiercely contested.

Propaganda Wars

Each party launched their campaign with all the traditional hoopla: car caravans, festive murals, and kick-off rallies (ARENA's sometimes to the ubiquitous beat of the Macarena).

Naturally, ARENA and the FMLN are at odds over everything from their platforms to their slogans.

Last fall, the FMLN adopted as its slogan "Somos el Cambio" (meaning "We represent change," or "We are the Alternative"). In a brazen act of political plagiarism, ARENA has hijacked that slogan, adding "Juntos Somos el Cambio." ("Together...")

Their "together" excludes the FMLN, however.

ARENA is attempting to marginalize its main competitor by emphasizing the FMLN's origin as a guerrilla army.

The Supreme Electoral Tribunal (TSE) recently ordered ARENA to suspend two of its television advertisements portraying current FMLN deputies as war-time terrorists.

For its part, ARENA accused the FMLN of playing unfairly by showing ARENA deputies voting in favor of the 30% increase of the IVA (Value Added Tax) two years ago. The FMLN's campaign platform includes a reduction of the IVA.

It also calls for an end to official corruption. The press caught ARENA violating the Electoral Code by using government vehicles during its nominating convention. According to Facundo Guardado, who heads up the FMLN's campaign: "Utilizing government resources is one of ARENA's constant practices during electoral periods. It takes advantage of its status as the governing party."

Corruption has plagued ARENA's administration, both within the central government and at the municipal level. Sixty ARENA mayors -- nearly one-third of the total -- stand accused of corruption. Some have been jailed, while others face judicial proceedings.

Disunity has also dogged ARENA in the last months: several dozen others mayors have officially resigned from the party to join the PCN, its right-wing rival and sometime ally.

#### The Contenders

Thirteen political parties will compete, including the top four finishers in 1994: ARENA, the FMLN, the Christian Democratic Party (PDC), and the Party of National Conciliation (PCN). Six new parties are among those who have entered the political fray.

The recent proliferation of political parties, however, has led to new regulations that raise the minimum threshold to maintain legal standing from 1% to 3% of the vote. The days of the Democratic Convergence (CD) and the Unity Movement (MU), which each hold one seat in the Assembly, may be numbered. The Democratic Party (PD) -- whose seven deputies were elected on the FMLN's ticket in 1994 -- and other newcomers also face extinction after March.

This and other measures passed by the Assembly in December concentrate electoral oversight in the hands of the top four parties, in addition to making it more difficult for smaller political parties to survive.

To legally constitute a party now requires 25,000 signatures, rather than 3,000. And first time contenders will no longer be able to debt-finance their campaigns, based on matching government funds they receive after the election.

The FMLN opposed the legislation on the grounds that it narrows people's

political options.

While shutting out smaller parties, the ARENA-dominated Assembly again failed to approve long-promised reforms aimed at democratizing the system [See "Technical Fraud Again?" below.]

#### Money, Money, Money

The campaign is a confrontation between an obscenely wealthy political force and one whose nearly empty pockets reflect the poverty of its political base.

The FMLN's campaign budget is dwarfed by that of ARENA, which plans to spend in excess of \$10 million dollars. ARENA is funded by a tiny but immensely wealthy business elite that knows it governs on its behalf.

The fundamental issue in the campaign is: whom should the state and economy benefit?

#### It's A Rich Man's World

According to any honest analysis, the majority has suffered under eight years of ARENA's harsh economic regimen. The poor have grown poorer, especially as the party has accelerated its drive to adopt structural adjustment policies to please international financial institutions and investors.

The government has no coherent plan to develop El Salvador's true productive capacity. Its human resources, its domestic industry, and its agriculture have been largely neglected.

Instead, it has relied on an illusory growth rates driven by paper shuffling. Outside inputs from family remittances, foreign aid, and drug money help prop up an artificial economy.

ARENA is zeroing out import tariffs, which will damage local industry and agriculture. It is promoting low-wage garment exports, which do little to develop the skills of its workforce. It is abolishing the government's responsibility to provide for people's basic human needs.

This is the price ARENA is willing to pay to become a player in the global economy. They are willing because the price is borne by the poor majority, and pocketed by a class of wealthy international investors, including El Salvador's own finance capitalists.

A good example is ARENA's privatization program, which has become a highly-charged campaign issue.

#### Selling Out the People

Privatization -- in El Salvador as in the United States -- has become a favorite mechanism of converting state agencies that provide vital services to the public into private corporations that turn a profit for a few wealthy investors.

ARENA's upcoming sale of the national telecommunications system (ANTEL), in particular, has become intertwined with electoral politicking.

According to the commissioner charged with selling off the public's assets, ANTEL will be privatized in April. ARENA has deferred the privatization

until after the elections because it is opposed by 57% of Salvadorans and fiercely fought by the agency's unions. It is attempting to minimize the damage to its campaign.

The sale will be finalized, though, before a new opposition Assembly -- which is seated on May 1 -- can prevent it.

Privatization is also hitting other services. At the end of 1996, the National Assembly approved the privatization of the distribution of electricity, and of the pension system. [See "Social Security Under Assault, below.]

Transferring public assets to the private control of a very few wealthy families is a perfect example of El Salvador's future under ARENA.

Fighting to stop it is one of the key planks of the FMLN's platform.

This illustrates well what the election on March 16 is all about.

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SOCIAL SECURITY UNDER ATTACK  
IN EL SALVADOR AND THE UNITED STATES

After midnight in its final session of 1996, the Salvadoran National Assembly passed a new law allowing the privatization of social security.

It affects not the Salvadoran Institute for Social Security (ISSS), which provides health care to the work force that pays into its fund, but the National Public Pension Institute (INPEP), the equivalent of the US Social Security Administration.

Currently INPEP administers the pension funds of nearly half a million Salvadoran workers: 350,000 in the private sector and 120,000 in the public sector. It invests a portion of these funds in construction projects, some in banks which guarantee a certain rate of return, while some remains available as a loan fund to the workers.

In the future, any new worker who wants to join the pension system will have to join a new private system. With some bank or investment firm in charge, their earnings will likely all go into the investment market (stocks, commercial paper...).

This may put the funds at greater risk, and will make them unavailable for lending to workers for home improvements, education, or other purposes.

SITINPEP, the public pension workers' union, is joined by its ally ANDES, the teachers' union, in opposing this pension "reform."

Soaring Costs, Fatal Costs

The new system will also raise the cost of pensions to both workers and employers.

Now, private workers' total contribution is 3% of gross wages, while public workers pay 9% (half each from workers and employers). The plan is to raise these totals to 13.5%, split down the middle, as in the US.

Since employers' contributions will more than triple (in the case of private employers), the unions expect there will be a lot more evasion,

with owners simply not paying into the fund.

[This is an all too common practice with payments into the national health care system. Employers pocket the payroll deductions and workers are cheated out of coverage. This type of evasion claimed at least two maquila workers lives in the last two years.]

3.5% of the 13.5% will automatically be deducted for administration, which is an outrageous giveaway to whatever oligarch gets the contract to administer the public pension fund -- and a robbery from the workers.

This resembles a recent proposal to privatize US social security and increase management fees.

A Disturbing US Parallel

In the US, 130 million workers are now enrolled in the Social Security system.

One progressive analyst describes proposals currently being floated to privatize Social Security as "an attempted heist, robbing Americans of a perfectly good social insurance program for the sake of ideology and profit." (See Trudy Lieberman's "Social Insecurity" in The Nation, January 27, 1997.)

The profit is being pursued zealously by free market ideologues and their benefactors on Wall Street. Investment firms and mutual fund companies are greedily eyeing the millions of new accounts they would manage.

A Mind-Boggling Windfall

At stake is an enormous jackpot for these middlemen. They'll "earn" custodial fees and percentages skimmed off the top of the nearly \$1,000,000,000,000 (one trillion dollars) that Social Security currently handles on behalf of US workers.

In the widely-touted Chilean model, private investment managers siphon off 13%; in El Salvador it may be twice that.

US Social Security now costs less than 1% to administer. But inflated administrative fees for private account managers are included in plans favored by members of a Social Security Administration Advisory Council, which recommended investing its funds in the stock market in a January 6 report.

The Wall Street Good Government Seal of Approval?

There is of course an inherent risk in playing the market with the future life savings of millions of workers.

On the other hand, there is also the danger that the government will minimize that risk by further subjugating government policy to the market's whimsy.

Already, US domestic and foreign policy decisions reverberate on Wall Street. Will policy-makers decide crucial questions of the day based on the need to safeguard those futures, and govern according to how favorably the market responds?

\* \* \* \* \*

CAMPAIGN FOR JOB SECURITY AND A FAIR CHRISTMAS BONUS

In December, hundreds of CISPES supporters in the US were clogging Salvadoran consulates with phone calls to prevent the annual Christmas firings in the maquilas. Meanwhile, Salvadoran labor and women's organizations -- accompanied by CISPES activists in San Salvador -- had begun their own campaign. The following report is from Manuel Villanueva, CISPES's representative in El Salvador.

The member organizations of COSDEMA, the Coalition for Maquila Workers' Dignity, evaluated its education campaign for job security and a fair Christmas bonus as a success.

During November and December, COSDEMA activists went to all the free trade zones of the country and two industrial parks to raise workers' consciousness about fair treatment.

The campaign also sought to protest the traditional "Christmas firings", to which many maquila workers are annually subjected. According to maquila workers and labor activists, massive firings in the assembly plants are customary during the holiday season.

By firing employees just before the end of the year, factory owners skirt their legal obligation under the national labor code to provide workers with seniority pay and Christmas bonus.

COSDEMA's campaign called on the Salvadoran government and legal officials to oversee compliance with the labor code and secure a Christmas with fair working conditions. It sent letters raising concern about labor conditions in the maquilas to the Salvadoran Labor Ministry, the Labor Commission of the National Assembly, the President and maquila owners.

The campaign also opposed year-round labor rights abuses. According to maquila worker testimony, laborers work 12 - 17 hour shifts, six days a week, for 40 - 57 US cents an hour. They are subjected to verbal and physical abuse from plant owners, to poor ventilation and unsanitary conditions, exposure to hazardous materials, and the lack of protective wear such as masks and gloves.

By year's end, the Christmas campaign reached fully a third of all maquila workers in person, COSDEMA estimates. Its members distributed about 14,000 flyers to workers with information about their basic rights under the Labor Code.

Thousands more Salvadorans learned about the conditions in the maquilas from two press conferences and two paid ads by COSDEMA.

COSDEMA recognized CISPES's valuable support for the Christmas campaign. Ana Maria Romero's powerful testimony during her tour of the US, and CISPES's "education and agitation" about maquila conditions, helped achieve the information goal of the Christmas campaign.

With it, COSDEMA ended the year on a strong note and with renewed determination for the struggles to come in 1997.

\* \* \* \* \*

"TECHNICAL FRAUD" AGAIN?

The first post-war vote three years ago was eagerly anticipated as "the

elections of the century." Instead, they were summed up as "the fiasco of the century" (Proceso, publication of the Jesuit University of Central America, 1994).

Due to a willfully inept bureaucracy, thousands of Salvadorans were disenfranchised at every step of a complex registration system. The United Nations calculated that as many as 150,000 Salvadorans who did manage to register never received their voting cards. Altogether, twice that number were prevented from voting, the FMLN estimates (while tens of thousands of dead people were left on the electoral rolls).

In the aftermath, every political party agreed that certain reforms needed to be enacted in order to make the electoral system creditably democratic.

In 1994, now-President Calderon Sol promised to enact such reforms. Those proposed would:

- \* clean up the voter registry and create a new and simpler voting card;
- \* set up "precinct voting" so people can vote where they now live, instead of where they were born;
- \* end the winner-take-all city council system, which allows local governments to rule with no opposition voice; and
- \* make the Supreme Electoral Tribunal non-partisan.

But the only reforms the ARENA-dominated Assembly has approved just exacerbate the underlying exclusionary nature of the current system. (See "Campaign Heats Up: The Contenders" above.) Consequently, the fiasco of 1994 threatens to repeat itself on March 16 of this year.

As one of the main backers of the Peace Accords signed five years ago, the United States has a prime responsibility to ensure that the Salvadoran political system really becomes democratic.

What is going on is a mockery of all the State Department's lofty pronouncements proclaiming El Salvador a 'model democracy' and a 'success story.'

Action Alert

Urge Congress to contact the State Department, and ask if they are pressuring the Salvadoran government to enact electoral reforms promptly. (If not for this year, the above reforms must be in place for the next Presidential election in 1999!) Ask for a copy of any reports the State Department sends.

Call your Senators or Representative at 202-224-3121. Write them c/o US Senate, Washington, DC 20510 or US House of Representatives, Washington, DC 20515.

\* \* \* \* \*

SALVADORAN ARMY MAJOR ARRESTED, AS ...  
CONTRA/COCAINE STORY UNFOLDS

US foreign policy has long depended on covert action. Unaccountable officials, protected by plausible deniability, order or fund unpopular and illegal actions. They back death squads or overthrow democracies that protect their citizens and environment from multinationals. For fifty years, covert operators have been carrying out such policy with information, guns, pilots and money from drug cartels (see \_The Politics of

Heroin\_, Alfred McCoy). In return the CIA, Defense, State and Justice Departments provide planes, airports, and protection from prosecution.

Drugs vs Democracy

The resulting flood of drugs and guns into the US drives down prices, destroys inner cities, and channels disadvantaged youth from political action into gang war. Police and US-backed armies wage drug wars on political targets, reinforcing the original policy.

Gary Webb's August 1996 "Dark Alliance" series in the San Jose Mercury News (see <http://www.sjmercury.com/drugs/>) convincingly linked the CIA's contras to the start of the crack epidemic, using court and FBI documents. The resulting uproar led to several investigations and weak rebuttals in major papers (claiming the contras brought in "only" 5 tons of cocaine).

The Salvadoran Connection

Celerino Castillo, a former agent of the US Drug Enforcement Agency (DEA), has divulged that over a dozen pilots who flew for the contras were listed in his agency's database as suspected drug traffickers. These pilots used the Ilopango Air Force Base outside San Salvador as their base of operations.

According to his account as reported by the Dallas Morning News on November 30, and the original Mercury News story, they would supply the contras with weapons and then smuggle planeloads of cocaine and marijuana into the US via Air Force bases in Florida and Texas.

The corrupting effect of the military's involvement in drug trafficking through El Salvador continues to this day.

Most recently on January 8, Alfredo Deleon Lopez, a Salvadoran army major, was arrested for possession of 75 kilos of cocaine. Lopez is suspected of heading a distribution network with ties to the Colombian drug cartels.

Demanding Justice

On February 22, Los Angeles and Seattle will hold marches to keep up the public pressure for the truth. In both cities, CISPES chapters are involved in coalition efforts demanding an end to the government's crimes and seeking justice for its victims. Seattle plans a city initiative to demand reparations for the damages US-backed drugs have done to the city's institutions and individuals.

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El Salvador Watch contributed to the above article, which was written by Frank Zucker of Citizens for Overt Action and CIA Crack Reparations, PO Box 95482, Seattle, WA, 98145, (206) 547-7735.

For details on the February 22 marches, call CISPES at (213) 660-4587 or (206) 325-5494.

\* \* \* \* \*

"EL SALVADOR: NOT FOR SALE!"

The New Video  
produced by CISPES's Campaign for Working People's Rights,

in collaboration with documentary videographer Victoria Maldonado.

- \* A portrait of a country under assault from Washington and the World Bank
- \* Shows the impact of structural adjustment, privatization and the global sweatshop economy
- \* Introduces you to the people who are building an alternative: the women's movement, labor leaders and the FMLN
- \* Historical footage takes you from the start of the civil war in 1980 to the economic war of the nineties, including new and inspiring images of strikers inside a Free Trade Zone
- \* Concludes with a call for global justice
- \* High quality 30 minute tape: Designed for local TV channels, house-meetings, labor and religious groups
- \* Also available as "El Salvador: No Se Vende" in Spanish.

To order, send a \$25 contribution (to help us cover production costs and shipping) to:  
 CISPES Education Fund, 19 West 21st Street, Suite 502, New York, NY 10010.

\* \* \* \* \*

Sources this month include: Proceso, La Prensa Grafica, The Nation, the Dallas Morning News, and the San Salvador-based International Solidarity Center (CIS).

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RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

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CREATION DATE/TIME: 3-MAR-1997 11:45:48.47

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TO: Erika A. Hovland ( HOVLAND\_E ) Autoforward to: Remote Address  
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TO: James A. Dorskind ( DORSKIND\_J ) Autoforward to: Remote Address  
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TO: Shana E. Tesler ( TESLER\_S )  
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TO: Sara M. Latham ( Sara M. Latham@eop@LNGTWY@EOPMRX )  
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TO: Jessica B. Vogelsson ( VOGELSON\_J ) Autoforward to: Remote Address  
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TO: David M. Luna ( David M. Luna@eop@LNGTWY@EOPMRX )  
READ:NOT READ

TEXT:

PRINTER FONT 12\_POINT\_COURIER  
THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 3, 1997

WOMEN'S HISTORY MONTH, 1997

- - - - -

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Throughout the history of our Nation, women have played a pivotal role in bringing about positive change to every aspect of American life, and their achievements continue to touch the lives of every single citizen. Women's History Month honors the women who made these accomplishments possible, securing their rightful place in history among those who have made our country great. This month, we celebrate these women's lives -- and renew our commitment to breaking down the gender barriers that still exist.

Through their courage, foresight, and community spirit over the years, American women have created a world of opportunity for today's heroines and role models -- women such as Secretary of State Madeleine Albright, the highest ranking woman to serve in any presidential administration; Dr. Shannon W. Lucid, who has performed five historic and complex Space Shuttle missions during 18 years with NASA and recently broke the American and women's world record for continuous time in space; Oseola

McCarty, who in 1995 donated the life savings she had earned as a maid to fund scholarships at the University of Mississippi; and Julie Su, the young attorney who first came to prominence through her efforts to expose illegal exploitation of Thai immigrants in a California sweatshop and who continues to help immigrants to secure proper medical care, employment, and the dignity they deserve. The pioneers in women's history would be proud of today's women pioneers.

As we approach the 21st century, we have reached another significant milestone in our Nation's history: Women have approached an almost equal share in the labor force. Thus, it is more important than ever that we enable women and men to meet their responsibilities at work and at home.

Women continue to break the glass ceiling, changing their status from employee to employer. Today, women

□

-owned businesses

are creating one out of every four jobs in the United States. From the classroom to the board room, women now occupy every part of the work force, building the kinds of lives for themselves and their families that are the heart of the American Dream.

Women's History Month provides Americans with an opportunity to celebrate the contributions of all the women who have enriched our Nation, to honor their legacy, and to reflect upon what we can all do to end discrimination against women. I encourage all Americans to learn from, and share information about, women's history in their workplaces, classrooms, and family rooms. As every family has its own heroes, so does our country. Only by studying the history of America's women can we fully understand the history of America.  
more

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NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States of America, do hereby proclaim March 1997, as Women's History Month. I ask educators, Government officials, and all citizens to observe this month with appropriate programs, ceremonies, and activities, remembering not only this month but also every month the many different contributions that women make every day.

IN WITNESS WHEREOF, I have hereunto set my hand this third day of March, 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

□

-first.

WILLIAM J. CLINTON

# # #

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: slateprint-owner@microsoft.nwnet.com@INET@EOPMRX

CREATION DATE/TIME:21-MAR-1997 16:11:00.00

SUBJECT: Slate Delivery -March 21, 1997

TO: slateprint ( slateprint@microsoft.nwnet.com@INET@EOPMR  
READ:NOT READ

IND\_TO: Steven J. Naplan ( NAPLAN\_S ) (NSC)  
READ:21-MAR-1997 16:22:36.90

TEXT:

"Slate Delivery" is a brief recap of this week's edition of Slate. URL addresses are included and, depending on your e-mail provider, will or will not be linked to the Web site. The printable version of Slate on Paper is at the end of this message.

Dear Reader,

Critics of economic globalization are outraged that Indonesian sweatshop workers earn a paltry 60 cents a day. They should be delighted. In this issue of SLATE, Paul Krugman ("The Dismal Scientist") argues that horrible, low-wage manufacturing is one of the best things that ever happened to the Third World.  
<http://www.slate.com/Dismal/97-03-20/Dismal.asp>

Also in this issue of SLATE:

"Cracking God's Code":  
Has a statistics experiment proved the existence of God? Benjamin Wittes explains why this question is much less crazy than it sounds.  
<http://www.slate.com/Features/codes/codes.asp>

Strange Bedfellow:  
Their parents battered them, abused them, threatened them, ignored them. Who are these childhood victims? Republican politicians, and they want you to feel their pain. Jacob Weisberg on America's newest crybabies.  
<http://www.slate.com/StrangeBedfellow/97-03-22/StrangeBedfellow.asp>

"Cycles, Waves, and Endings in History":  
The Committee of Correspondence debates whether the future must be just like the past. Francis Fukuyama, Neil Howe, George Modelski, Arthur Schlesinger Jr., and William Strauss lock horns. Herbert Stein moderates. <http://www.slate.com/Code/CoC/CoC.asp>

Clothes Sense:  
Anne Hollander celebrates the return of the bra. "Emphasizing breasts," she writes, "is too great a pleasure to abandon."  
<http://www.slate.com/ClothesSense/97-03-19/ClothesSense.asp>

Plus, Clinton's foreign policy, revealed;  
<http://www.slate.com/Features/acheson/acheson.asp>

the Staples/Office Depot merger, condemned;

<http://www.slate.com/Features/stapled/stapled.asp>

"The Kiss," panned;

<http://www.slate.com/BookReview/97-03-18/BookReview.asp>

and much more.

You can link from here directly to SLATE's Table of Contents  
and all the SLATE stories and departments not mentioned above:  
<http://www.slate.com>

The Week/The Spin;

<http://www.slate.com/Spin/97-03-22/Spin.asp>

Summary Judgment;

<http://www.slate.com/SummaryJudgment/97-03-19/SummaryJudgment.asp>

In Other Magazines;

<http://www.slate.com/OtherMags/97-03-22/Mags.asp>

Readme;

<http://www.slate.com/Readme/97-03-22/Readme.asp>

Dispatches & Dialogues;

<http://www.slate.com/DandD/Current/DandD.asp>

Capital-Gains Tax

Divorce

Gay Marriage

Global Capitalism

Libertarianism

The Gist on Zaire;

<http://www.slate.com/Gist/97-03-22/Gist.asp>

Varnish Remover on the Texas congressional race;

<http://www.slate.com/Ad/97-03-19/Ad.asp>

the Diary of Larry Doyle;

<http://www.slate.com/Diary/Current/Diary.asp?file=Doyle>

Doodlennium;

<http://www.slate.com/Doodlennium/97-03-22/Doodlennium.asp>

a review of the book, "The First \$20 Million is Always the Hardest";

<http://www.slate.com/BookReview2/97-03-18/BookReview2.asp>

a review of the movie, "Crash";

<http://www.slate.com/MovieReview/97-03-19/MovieReview.asp>

Poems by Lloyd Schwartz;

<http://www.slate.com/Poem/97-03-19/Poem.asp>

E-Mail to the Editors;

<http://www.slate.com/Email/97-03-20/Email.asp>

and The Fray.

<http://www.slate.com/Signup/login.asp?urlpath=/The/Fray/Main.asp>

Sincerely,

David Plotz  
Assistant Editor

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SLATE is at <http://www.slate.com>

You can send technical questions and comments to our tech guy at [slatetech@msn.com](mailto:slatetech@msn.com), and anything else to [slate@msn.com](mailto:slate@msn.com).

If you were unable to access the Word document attached to this message: Send e-mail to [slate-owner@microsoft.nwnet.com](mailto:slate-owner@microsoft.nwnet.com) and in the message type the name of your e-mail software and a description of the problem. Meanwhile, you can connect to <http://www.slate.com> and choose "Print SLATE" from the Table of Contents.

=====  
ATTACHMENT 1  
ATT CREATION TIME/DATE:21-MAR-1997 16:13:00.00

ATT BODYPART TYPE:p

TEXT:

=====  
END ATTACHMENT 1  
=====

=====  
ATTACHMENT 2  
ATT CREATION TIME/DATE:21-MAR-1997 16:13:00.00

ATT BODYPART TYPE:D

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)  
id <01IGRQP47F0000LLDD@PMDF.EOP.GOV>; Fri, 21 Mar 1997 16:10:29 -0500 (EST)  
Received: from storm.eop.gov (storm.eop.gov)  
by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IGRQOJFWBK008Y2F@PMDF.EOP.GOV>; Fri,  
21 Mar 1997 16:10:05 -0500 (EST)  
Received: from mail7.nwnet.net (mail7.nwnet.net)  
by STORM.EOP.GOV (PMDF V5.0-7 #6879) id <01IGRQNP8Y5E00004H@STORM.EOP.GOV>;  
Fri, 21 Mar 1997 16:09:37 -0500 (EST)  
Received: (from majordom@localhost) by nwnet.com (970228885)  
id NAA25527 for xdz-out; Fri, 21 Mar 1997 13:06:46 -0800 (PST)

Received: (from majordom@localhost) by nwnet.com (970228885)  
id NAA25518 for xdz; Fri, 21 Mar 1997 13:06:38 -0800 (PST)  
Content-id: <21253.858974842.0@microsoft>  
Precedence: bulk  
===== END ATTACHMENT 2 =====

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: Jessica B. Vogelson@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:25-MAR-1997 04:29:00.00

SUBJECT: T.V. News Analysis, 3/24/97

TO: ABERNATHY\_P ( ABERNATHY\_P@A1@CD ) (OPD)  
READ:NOT READ

TO: ANDERSON\_L ( ANDERSON\_L@A1@CD ) (WHO)  
READ:NOT READ

TO: BERNAL\_D ( BERNAL\_D@A1@CD )  
READ:NOT READ

TO: BLICKSTEIN\_J ( BLICKSTEIN\_J@A1@CD ) (OMB)  
READ:NOT READ

TO: COHEN\_SA ( COHEN\_SA@A1@CD ) (WHO)  
READ:NOT READ

TO: CRISCI\_M ( CRISCI\_M@A1@CD ) (WHO)  
READ:NOT READ

TO: EDWARDS\_A ( EDWARDS\_A@A1@CD ) (WHO)  
READ:NOT READ

TO: EMANUEL\_R ( EMANUEL\_R@A1@CD ) (WHO)  
READ:NOT READ

TO: ENGSKOV\_K ( ENGSKOV\_K@A1@CD ) (WHO)  
READ:NOT READ

TO: FINNEY\_K ( FINNEY\_K@A1@CD ) (WHO)  
READ:NOT READ

TO: GAINES\_J ( GAINES\_J@A1@CD ) (WHO)  
READ:NOT READ

TO: GIBBONS\_J ( GIBBONS\_J@A1@CD ) (STP)  
READ:NOT READ

TO: GLYNN\_M ( GLYNN\_M@A1@CD ) (WHO)  
READ:NOT READ

TO: GOLDBERG\_JS ( GOLDBERG\_JS@A1@CD ) (WHO)  
READ:NOT READ

TO: GREEN\_J ( GREEN\_J@A1@CD ) (WHO)  
READ:NOT READ

TO: GUNIA\_D ( GUNIA\_D@A1@CD ) (OA)  
READ:NOT READ

TO: HILLIARD\_B ( HILLIARD\_B@A1@CD ) (NSC)  
READ:25-MAR-1997 07:41:29.66

TO: HOLSTEIN\_E ( HOLSTEIN\_E@A1@CD ) (OPD)

READ:NOT READ

TO: HORWITZ\_R  
READ:NOT READ

( HORWITZ\_R@A1@CD ) (WHO)

TO: KING\_A  
READ:NOT READ

( KING\_A@A1@CD ) (WHO)

TO: KUKIS\_H  
READ:NOT READ

( KUKIS\_H@A1@CD ) (VPO)

TO: LATTIMORE\_G  
READ:NOT READ

( LATTIMORE\_G@A1@CD ) (WHO)

TO: LEWIS\_P  
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( LEWIS\_P@A1@CD ) (WHO)

TO: LEWIS\_PF  
READ:NOT READ

( LEWIS\_PF@A1@CD ) (WHO)

TO: LI\_G  
READ:NOT READ

( LI\_G@A1@CD ) (WHO)

TO: MARSHA\_T  
READ:NOT READ

( MARSHA\_T@A1@CD ) (VPO)

TO: MASON\_J  
READ:NOT READ

( MASON\_J@A1@CD ) (WHO)

TO: MCHUGH\_L  
READ:25-MAR-1997 07:54:05.65

( MCHUGH\_L@A1@CD ) (WHO)

TO: MCKIERNAN\_K  
READ:NOT READ

( MCKIERNAN\_K@A1@CD ) (WHO)

TO: MELLODY\_A  
READ:NOT READ

( MELLODY\_A@A1@CD ) (WHO)

TO: MOFFETT\_J  
READ:NOT READ

( MOFFETT\_J@A1@CD ) (WHO)

TO: MORAN\_K1  
READ:NOT READ

( MORAN\_K1@A1@CD ) (WHO)

TO: MUSCATINE\_A  
READ:NOT READ

( MUSCATINE\_A@A1@CD ) (WHO)

TO: NAPLAN\_S  
READ:26-MAR-1997 09:02:25.99

( NAPLAN\_S@A1@CD ) (NSC)

TO: ODONNELL\_T  
READ:NOT READ

( ODONNELL\_T@A1@CD )

TO: ROBINSON\_C  
READ:NOT READ

( ROBINSON\_C@A1@CD ) (OPD)

TO: SALAZAR\_R  
READ:NOT READ

( SALAZAR\_R@A1@CD )

TO: SCHAEFER\_V

( SCHAEFER\_V@A1@CD ) (OMB)

READ:25-MAR-1997 08:15:56.31

TO: SCHEAR_S READ:NOT READ	( SCHEAR_S@A1@CD ) (WHO)
TO: SCHWARTZ_L READ:NOT READ	( SCHWARTZ_L@A1@CD ) (WHO)
TO: SENAN_J READ:NOT READ	( SENAN_J@A1@CD )
TO: SILVERMAN_J READ:NOT READ	( SILVERMAN_J@A1@CD ) (WHO)
TO: SPERLING_G READ:NOT READ	( SPERLING_G@A1@CD ) (OPD)
TO: STEPHANOPO_G READ:NOT READ	( STEPHANOPO_G@A1@CD )
TO: STOTT_D READ:NOT READ	( STOTT_D@A1@CD ) (WHO)
TO: AMAN_S READ:NOT READ	( AMAN_S@A1@CD ) (VPO)
TO: TABERSKI_D READ:NOT READ	( TABERSKI_D@A1@CD )
TO: TERZAN_V READ:NOT READ	( TERZAN_V@A1@CD ) (VPO)
TO: TOIV_B READ:NOT READ	( TOIV_B@A1@CD ) (WHO)
TO: VOLES_L READ:NOT READ	( VOLES_L@A1@CD ) (VPO)
TO: WALDMAN_M READ:NOT READ	( WALDMAN_M@A1@CD ) (WHO)
TO: Brenda M. Anders READ:NOT READ	( Brenda M. Anders@EOP@LNGTWY@EOPMRX )
TO: Karin Kullman READ:NOT READ	( Karin Kullman@EOP@LNGTWY@EOPMRX )
TO: Megan C. Moloney READ:NOT READ	( Megan C. Moloney@EOP@LNGTWY@EOPMRX )
TO: Jonathan Murchinson READ:NOT READ	( Jonathan Murchinson@EOP@LNGTWY@EOPMRX )
TO: Joseph P. Lockhart READ:NOT READ	( Joseph P. Lockhart@EOP@LNGTWY@EOPMRX )
TO: Jake Siewert READ:NOT READ	( Jake Siewert@EOP@LNGTWY@EOPMRX )
TO: Jordan Tamagni	( Jordan Tamagni@EOP@LNGTWY@EOPMRX )

READ:NOT READ

TO: John O. Sutton ( John O. Sutton@EOP@LNGTWY@EOPMRX )  
 READ:NOT READ

TO: Beverly J. Barnes ( Beverly J. Barnes@EOP@LNGTWY@EOPMRX )  
 READ:NOT READ

TEXT:

Message Creation Date was at 25-MAR-1997 04:26:00

TV News Analysis

Tuesday, March 25, 1997

Broadcast Date: Monday, March 24, 1997

ABC WORLD NEWS TONIGHT

1. Violence Breaks Out On West Bank; Mideast Peace Hangs By Thread.
2. US Prepares To Rescue Americans From Zaire If Violence Worsens.
3. Vice President Arrives In China For Meetings.
4. Courts Order Liggett Documents To Be Turned Over.
5. New Drug Limits Chemotherapy's Bad Side Effects.
6. Illegal Immigrants Race To Get Married But It's No Guarantee.
7. Freeman Remain Defiant In Jail.
8. FBI Florida Sighting Of 2 Kidnapped MI Girls.
9. FEMA Provided Grant For Art Village That Many Called "Junk."
10. Most "Independent" Movie Studios Are Beholden To Big Studios.

CBS EVENING NEWS

1. Fed Will Raise Interest Rates To Dampen Inflation.
2. New Documents Show President Clinton's Fundraising Was Highly Calculated.
3. Vice President Gore Arrives In China, Highest-Ranking US Official Since Tienanmen.
4. Man Under Arrest In Canada For Saudi Truck Bomb Attack.
5. Rebel Leaders Refusing Cease-Fire In Zaire.
6. Israeli Troops Fight Protesters On West Bank.
7. Manhunt Underway For Kidnapper Of Two Young Michigan Girls.
8. New Guidelines Recommend Regular Mammograms In 40s.
9. French MDs Report 3-4 Daily Glasses Of Wine Cuts Alzheimers Risk.
10. Ex-Leader Of Right-Wing Group Tells Of 1980s Okla. Bombing Plot.
11. Fans Gather For Tonight's Academy Awards.
12. Film "Fargo" Sets Off Debate In North Dakota Over Dialect.

NBC NIGHTLY NEWS

1. High Courts Hears "No Knock" Search Case.
2. Innocent Woman Discusses How Police Broke Into Her House.
3. High Court Rules Government Can Enforce Adult TV Scrambling Law.
4. Government Cracks Down On Low-Income Landlords Who Rip Off Government.
5. Town Builds Dike To Protect Itself From Expected Floods.
6. Medical Community Says Women Over 40 Should Have Annual Mammogram.
7. Farm Owner Breaks Laws, Causes Suffering To Make Millions.
8. Settlement Construction Leads To Violence On West Bank.
9. Vice President In China For Human Rights, Trade Meetings.
10. Vatican Prepares To Unveil Its New Web Site.
11. The Oscars: How The Stars And Movie Industry Angle To Win.

ABC:

Not available.

CBS:

New Documents Show President Clinton's Fundraising Was Highly Calculated. (2nd Story)

Anchor Dan Rather said there are "new questions about the roles of President Clinton and Vice President Gore" in the Democratic fundraising controversy. Rather reported a recently released memo from DNC Chairman Don Fowler to former Deputy Chief of Staff Harold Ickes refers to 18 to 20 telephone calls that may have been placed by the President for fundraising purposes and 10 such calls placed by the Vice President. Rather said that the President has said he "doesn't remember making any such calls," while the Vice President has acknowledged placing fundraising calls.

Correspondent Rita Braver reported that the documents reveal that coffees hosted by the President had specific fundraising target amounts, and that the "White House kept careful details" concerning the amounts. Braver said the disclosures "absolutely shatter the illusion" of how casual a gathering these events were.

Vice President Gore Arrives In China, Highest-Ranking US Official Since Tiananmen. (3rd Story)

Anchor Dan Rather reported that the Vice President is visiting China amidst questions about China's involvement in Democratic fundraising. (VISUAL 1) Rather also said that Vice President Gore is the highest ranking US official to visit China since the Tiananmen Square massacre. (VISUAL 2) Rather said the Vice President plans on trying to secure Chinese contracts for US corporations General Motors and Boeing in addition to working to set up a Summit.

VISUALS:

1. Clip of the Vice President and Mrs. Gore deplaning in China. (No sound bytes were presented with this visual.)
2. Clip of the Vice President being greeted by Chinese officials. (No sound bytes were presented with this visual.)

NBC:

High Courts Hears "No Knock" Search Case. (1st Story)

Anchor Tom Brokaw said that law enforcement officials, backed by the Clinton administration, asked the Supreme Court for help to uphold the "no knock" rule permitting police to enter for searches without knocking, a policy which police groups urged saves lives.

Government Cracks Down On Low-Income Landlords Who Rip Off Government. (4th Story)

Correspondent Robert Hager reported that a federal crackdown announced today will go after landlords who misuse government subsidies and refuse to repair buildings. (VISUALS 1&2) Hager said that only a few landlords give the program a bad name, and the government says this fleecing must stop.

VISUALS:

1. Clip of HUD Secretary Andrew Cuomo: "Our message today is very simple: If you misuse federal resources, we will find out, we will track you down, and we will make you pay."
2. Clip of Attorney General Janet Reno: "Owning a HUD insured or subsidized building is not a licence to unfairly profit at tax payers expense."

Farm Owner Breaks Laws, Causes Suffering To Make Millions. (7th Story)

Anchor Tom Brokaw said that the Jack Decoster farm received over \$17 million in government subsidies while also being hit with government fines. Correspondent Fred Francis said that Decoster was reluctant to admit that he violated labor, environmental, and safety laws. "Last year, the Secretary of Labor said

Decoster ran as dangerous a sweatshop as we have seen, Francis reported. Francis concluded that the truth about Decoster's farming practices was coming out after he was banned from farming in South Dakota on Friday.

Vice President In China For Human Rights, Trade Meetings. (9th Story)  
Anchor Tom Brokaw reported that Vice President Gore arrived in China with an agenda of human rights and trade. However, Brokaw said, there is no doubt the Vice President's trip will be dogged by recent allegations of China's government trying to buy influence in the United States. (VISUAL 1)

VISUAL:

1. Clip of the Vice President and Mrs. Gore deplaning in China, greeting Chinese officials, and getting into the car.

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: MFarrell@comdt.uscg.mil@INET@EOPMRX

CREATION DATE/TIME: 8-APR-1997 15:20:00.00

SUBJECT: Why smuggling aliens into America is a boom business

TO: 'Boynton, Peter J.' ( BOYNTON\_P@A1@CD ) (NSC)  
READ:17-APR-1997 15:48:54.54

TO: 'Byrd, CDR Jon T.' ( byrdj@ndu.edu@INET@EOPMRX )  
READ:NOT READ

TO: 'Conroy, CAPT J' ( J.Conroy/dos-cglo@mailgatehq.comdt.uscg.m  
READ:NOT READ

TO: 'D7 LEDO' ( ledod/d711@mailgatehq.comdt.uscg.mil@INET@  
READ:NOT READ

TO: 'Danis, Aaron' ( admin/icc@mailgatehq.comdt.uscg.mil@INET@  
READ:NOT READ

TO: 'Doolin, R' ( RDoolin@awod.com@INET@EOPMRX )  
READ:NOT READ

TO: 'Henning, LT Jeff' ( admin/icc@mailgatehq.comdt.uscg.mil@INET@  
READ:NOT READ

TO: 'ICC' ( admin/icc@mailgatehq.comdt.uscg.mil@INET@  
READ:NOT READ

TO: 'Kjonnerod, L.Erik' ( kjonnerode@ndu.edu@INET@EOPMRX )  
READ:NOT READ

TO: 'Joyner, Prof Chris' ( joynerc@gunet.georgetown.edu@INET@EOPMRX  
READ:NOT READ

TO: 'Kogut, David' ( DavidK7967@aol.com@INET@EOPMRX )  
READ:NOT READ

TO: Stacey, Wayne LT ( WStacey@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Canty, Rachel LT ( RCanty@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: 'MacDonald, LTC Bill (JWFC)' ( macdonab@jwfc.army.mil@INET@EOPMRX )  
READ:NOT READ

TO: Karonis, Jeff CDR ( JKaronis@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Maes, James CDR ( JMaes@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Bracken, Gary LT ( GBracken@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Jones, James CPO ( JJones@comdt.uscg.mil@INET@EOPMRX )

READ:NOT READ

TO: Lober, James CDR ( JLober@lantd5.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Bryant, Ross LCDR ( RBryant@lantd5.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Ogden, Jeff LCDR ( JOgden@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: 'Mcintyre, Bobbi (JWFC)' ( mcintyrb@jwfc.army.mil@INET@EOPMRX )  
READ:NOT READ

TO: 'Mclean, Dennis R., CAPT, JCS' ( dennis.mclean@js.pentagon.mil@INET@EOPMRX )  
READ:NOT READ

TO: 'Meznar, Marc (DOS/PRM)' ( marc.meznar@dos.us-state.gov@INET@EOPMRX )  
READ:NOT READ

TO: 'MSK' ( msk@us.net@INET@EOPMRX )  
READ:NOT READ

TO: 'Neis, CDR T' ( cdr\_t\_neis/dlole@mailgatehq.comdt.uscg.mi )  
READ:NOT READ

TO: 'Newman, CAPT Frederick' ( newmanf@transcom.safb.af.mil@INET@EOPMRX )  
READ:NOT READ

TO: 'Quigley, LCDR W' ( lcdr\_w\_quigley/g-o@mailgatehq.comdt.uscg. )  
READ:NOT READ

TO: 'Ratliff, Gerri' ( ratliffg@justice.usdoj.gov@INET@EOPMRX )  
READ:NOT READ

TO: 'Sands, Prof Jeffrey (NWC)' ( sandsj@usnwc.edu@INET@EOPMRX )  
READ:NOT READ

TO: 'SDO/D7' ( sdo/d711@cgsmt.p.comdt.uscg.mil@INET@EOPMR )  
READ:NOT READ

TO: 'Smith, Paul J.' ( Paul.Smith@lexis-nexis.com@INET@EOPMRX )  
READ:NOT READ

TO: 'Torres, Agustin J., Lt Col, JCS' ( agustin.torres@js.pentagon.mil@INET@EOPMR )  
READ:NOT READ

TO: Pluta, Paul ( Paul.Pluta@ost.dot.gov@INET@EOPMRX )  
READ:NOT READ

TO: Tangeman, Anthony CAPT ( ATangeman@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Orsini, Louis CDR ( LOrsini@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Haskovec, Warren LCDR ( WHaskovec@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Philbin, John LCDR ( JPhilbin@comdt.uscg.mil@INET@EOPMRX )

READ:NOT READ

TO: Grantham, Carla LT ( CGrantham@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Adams, Charles CDR ( CAdams@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Gentilella, Anthony LT ( AGentilella@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Giese, Eric LT ( EGiese@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TO: Brisco, Simone LTJG ( SBrisco@comdt.uscg.mil@INET@EOPMRX )  
READ:NOT READ

TEXT:

<http://www.usnews.com/usnews/issue/970414/14smug.htm>

The above address is for the US News and World article on alien smuggling

One way, \$28,000

Why smuggling aliens into America is a boom business

BY GORDON WITKIN

It endures as the standard image of illegal immigration: impoverished migrants wading one by one across the Rio Grande, often with the help of a small-time "coyote" navigator. But alien smuggling is rapidly becoming much more complex--and lucrative--as evidenced in the case of Gladys Board, a 51-year-old naturalized U.S. citizen from Honduras.

With a cellular phone in hand, Board allegedly spent much of this decade in a hotel room near the Rio Grande in Reynosa, Mexico, talking to a vast network of contacts--some just across the river in McAllen, Texas, others as far away as Mexico City, Managua, Moscow, and points all over India and Pakistan. She was running a smuggling ring, the Immigration and Naturalization Service says, that moved at least 50 aliens a month into the United States for fees that ranged up to \$28,000 apiece.

The chain allegedly began with a Russian who helped Pakistanis and Indians reach Moscow. From there, they would go to Managua, where an operative with Nicaraguan government contacts provided entry visas that had been procured for \$1,500 apiece. Then, as bribed police looked the other way, the aliens were escorted through Guatemala and Mexico to Reynosa. At night, they floated on inner tubes across the Rio Grande, then were driven to Houston for final delivery to sites throughout the United States.

Board might still be operating if police in Ganado, Texas, had not stopped a Jeep Cherokee loaded with illegal migrants at 2 o'clock one morning 16 months ago. The driver led the INS to Board. A few weeks later she was sitting in Yuppies Bar in Mexico City hiring Hipolito

Acosta as a driver. She didn't realize that Acosta was an INS undercover agent who would later arrest her in McAllen. Last month, after pleading guilty to one count of conspiracy to smuggle aliens, Board was sentenced to 15 months in prison. And last week, Navtej Sandhu, the alleged connection in Nicaragua, was sentenced to eight months in prison.

It was a terrific case for the INS, but there are plenty more Gladys Boards out there. Over the past decade, migrant trafficking, says the International Organization for Migration (IOM), "has grown from relatively small-scale intraregional movement into a major global business"--worth \$5 billion to \$7 billion annually.

Several factors have combined to make smuggling a growth industry. Exit restrictions have been loosened in former Eastern bloc countries, and at the same time immigration rules have been tightened in the West. (Implementation of a tough new U.S. immigration law last week caused widespread confusion; box, Page 42). Additionally, there are new efforts at border control, like the INS's Operation Gatekeeper buildup around San Diego. That all makes it tougher for immigrants to use the quick and easy routes to meiguó, or "the beautiful country," as some Chinese call the United States.

Leave it to the pros. As a result, immigration officials now estimate that 80 to 90 percent or more of the aliens sneaking into the United States from Central America, China, India, and Pakistan are being aided by a smuggler.

It is impossible to get hard numbers, but the IOM estimates that from 200,000 to 300,000 Central American nationals attempt to enter the United States yearly with the aid of traffickers. Illegal immigration from China is estimated at 10,000 to 50,000 a year. And intelligence reports suggest that up to 40,000 South Asians wait for transport to America in Russia, where a lawless atmosphere has turned Moscow into a veritable bazaar for the alien smuggling trade.

The numbers and the money have drawn organized crime syndicates into alien smuggling: The Amado Carrillo Fuentes drug cartel in Mexico is "deeply involved" in the migrant trade, according to the FBI. These groups are in "the ugly side of smuggling--extortion, prostitution, and torture," says Los Angeles INS agent Jorge Guzman. It's a business with high returns and minimal risk, a U.S. interagency intelligence report concluded, as "trafficking organizations operate with near impunity."

Impunity certainly describes the operations of the two most potent Chinese syndicates. The first group, based in Sao Paulo, is said to move aliens through Central America, over the U.S. border, and on to Phoenix, Houston, and Los Angeles for delivery along the Eastern seaboard. The second organization is allegedly run by about 50 Taiwanese based in Guatemala City and controls smuggling to the West Coast; its two leaders slither in and out of the United States. INS officials say they're investigating these rings. But their leaders are "like shadows," says agent Guzman, "and they keep themselves removed from the dirty work, so it's hard to make cases."

Investigators say ring organizers generally use a network of freelance contractors who perform specific tasks or control smuggling territories along the way to America. Among the players are Chinese recruiters, or "snakeheads"; Taiwanese ship captains and enforcers; Vietnamese fishermen who transport migrants from mother ships to American shores; and Vietnamese or Chinese gangs, euphemistically termed "meeting and

greeting organizations." These gangs hold migrants in safe houses, or keep them in indentured servitude in sweatshops, until the smuggling fees are paid. The fee, tens of thousands of dollars a head, is often put up by extended families and friends in China and the United States, since the cost represents the equivalent of 20 years' salary for average wage earners back home.

In San Francisco, Los Angeles, Boston, and especially New York, the brutal Fuk Ching gang has been heavily involved in harboring aliens and extorting fees, but it has been wounded by a series of federal indictments since 1993. Analysts believe the pressure has forced Fuk Ching to shift operations: A new branch has been set up in Los Angeles, and after a police crackdown on the gang in New York's Chinatown, safe houses began to pop up in Chicago, Maryland, and western Pennsylvania.

The alien smuggling trade was largely invisible to the public until the ink-black, predawn hours of June 6, 1993, when a rust-bucket freighter carrying 286 Chinese migrants--the Golden Venture--ran aground in Rockaway Bay, just 200 yards from a Queens, N.Y., beach. Ten migrants drowned, while the hundreds of others struggled toward shore in a surreal scene one police officer compared to the Normandy landing. "Suddenly, everyone caught up with the fact there was something going on," notes the head of IOM's Washington office, Hans-Petter Boe.

But authorities say at least 43 smuggling ships, most of them crumbling Taiwanese freighters or fishing vessels, have brought Chinese aliens to the Western Hemisphere since 1991. A 1996 Coast Guard report pegs the number of Chinese migrants crossing the Pacific by boat at 400 to 600 people a month.

The majority have come from the southern coastal province of Fujian, where many poorly educated Chinese felt left behind in the nation's economic boom and were seduced by the promise of riches in America. In some Fujian villages almost everyone who wants to leave already has, and the smugglers' business has dried up; as a result, the operators are shifting their base to the coastal city of Wenzhou, which some investigators fear could be the source of a new wave of smuggling to the United States.

The sea voyages take from 40 days to four months, and conditions are horrendous. "Sometimes we had only one meal a day and one cup of water. Fights would break out over food," says a passenger from the Golden Venture. One of the worst ships was the Jung Sheng 8, which was carrying 147 Chinese when it was nabbed by the Coast Guard in July 1995, 800 miles south of Hawaii. Some of the migrants were beaten and sexually abused by enforcers on board, and many suffered from skin and urinary tract infections due to dehydration and unsanitary conditions. "When we pulled the hatch on the hold, we were overwhelmed with a rush of hot steamy air that smelled of urine and fecal matter," says Lt. Shannon Crothers, a Coast Guard boarding officer. "The smell just never went away."

Partly as a result of more vigorous Coast Guard and INS enforcement, experts believe the number of boats headed directly for America has fallen in the past two years. So smugglers have moved south, landing their ships in the Caribbean, Mexico's Baja, and especially Belize and Guatemala, where coastlines are long, port security poor, and "the navies really have no patrol capability," says Robert Perito, a former State Department executive. Swelling numbers of aliens are landing in these same regions via commercial airlines, a less dramatic method that

has become the conveyance of choice. More of the air traffic is coming into Central America, and less of it directly into the United States, as the INS has beefed up inspections and built a new detention facility near New York's Kennedy Airport.

A burgeoning number of undereducated Indians and Pakistanis--up to 150 a month--are moving through similar pipelines, with intermediate stops in Europe or Russia. Like the Chinese smugglers, the South Asian groups link up with brokers. That's where alleged ringleaders like Gladys Board or Gloria Canales enter the picture. Canales, 42, a Peruvian mother of four, is awaiting trial in Honduras on charges of smuggling as many as 10,000 people a year through Central America and Mexico toward the United States. She claims to have done nothing wrong. Ostensibly working in a trinket and travel agency business, Canales allegedly used a global network of airline and hotel officials to net an estimated \$60 million to \$80 million over eight years. Canales was dubbed reina de la muerte, or "queen of death," for her alleged involvement in the drowning of eight Sikh immigrants in the Gulf of Fonseca between Honduras and El Salvador during an aborted smuggling trip. She denies responsibility.

The search for the path of least resistance has led many smugglers to the treacherous Mona Passage, 60 miles wide, between Puerto Rico and the Dominican Republic. It has become a battleground between the smugglers and the Coast Guard. The small wooden boats called yolas that traverse the pass are now likely to be carrying not just Dominicans or Haitians but Chinese and Indians as well. "The Dominican Republic is very poor and itself a source of illegal immigration," says Perito. "Into those established smuggling operations came the Chinese." The beauty of the Mona Passage route is that Puerto Rico is a U.S. commonwealth; once there, aliens can move to the mainland without further immigration checks.

The obstacles to combating this smuggling are formidable. Alien smuggling is not a crime in many nations. Taiwan has ignored U.S. pleas to pass an anti-smuggling law; in many Central American nations, alien smugglers operate openly. "People don't condemn it socially," says Honduran immigration director Angelina Ulloa, whose country until recently was the only Central American nation with an anti-smuggling law. "All of us dream about going to the United States for a better life."

Immigration services overseas are poorly funded and plagued by "staggering levels of corruption," according to the interagency report. "This is a multimillion-dollar business, and you're talking about people working at the borders making \$30 a month," says the IOM's Boe. Recent corruption scandals have led to the arrest of the immigration director and deputy director in Belize and the dismissal of the immigration chiefs in Guatemala and the Dominican Republic.

Passports, anyone? Nor is the United States immune to corruption. In July, Honduras-based INS agent Jerry Wolf Stuchiner was arrested at Hong Kong's Kai Tak airport carrying five fraudulent Honduran passports believed to be destined for smugglers. Stuchiner pleaded guilty in August to one count of possession of forged documents and was sentenced to 40 months in jail in Hong Kong. He is seeking transfer to a U.S. prison.

Stuchiner helped make the case against Canales and was at the time the only U.S. immigration investigator in Central America. INS insiders have long complained of a lack of resources for smuggling investigations; the

INS smuggling branch in Los Angeles, for instance, has just hired its first Asian agent.

Last year's immigration and antiterrorism bills combined to hike penalties for alien smuggling and broaden INS powers to conduct undercover operations. INS is opening offices in high-traffic cities abroad, while funding 30 new overseas personnel to target smuggling. The agency is also expanding training for overseas immigration and airline personnel.

But the only way to make a real difference is to attack the smuggling syndicates at their source--which most experts say is as unlikely as eliminating the lure of America that keeps illegal immigrants coming.

With Dana Hawkins and Brian Palmer

v/r

CDR Michael Farrell

Chief, Migrant Interdiction Division, Office of Law Enforcement

Internet/SWIII e-mail address: mfarrell@comdt.uscg.mil

SWII e-mail address mfarrell@comdt.uscg.mil/mailgatehq

Voice: 202-267-1178 Fax: 202-267-4082

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 8-APR-1997 15:20:00.00

ATT BODYPART TYPE:D

TEXT:

RFC-822-headers:

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Received: from storm.eop.gov (storm.eop.gov) by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IHGU6R4934000473@PMDF.EOP.GOV> for BOYNTON\_P@a1.eop.gov; Tue, 08 Apr 1997 15:19:50 -0500 (EST)

Received: from hqns2.comdt.uscg.mil ([199.211.149.22]) by STORM.EOP.GOV (PMDF V5.1-7 #6879) with SMTP id <01IHGU667W2G000NK2@STORM.EOP.GOV> for BOYNTON\_P@a1.eop.gov; Tue, 08 Apr 1997 15:19:30 -0400 (EDT)

Received: from [10.98.120.8] by hqns2.comdt.uscg.mil (SMTPD32-3.03) id AA3334E0122; Tue, 08 Apr 1997 15:19:15 -0400

Received: by hqex.comdt.uscg.mil with SMTP (Microsoft Exchange Server Internet Mail Connector Version 4.0.994.63) id <01BC4430.35489740@hqex.comdt.uscg.mil>; Tue, 08 Apr 1997 15:19:10 -0400

X-Mailer: Microsoft Exchange Server Internet Mail Connector Version 4.0.994.63

===== END ATTACHMENT 1 =====

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Margaret M. Suntum ( SUNTUM\_M ) (WHO)

CREATION DATE/TIME:14-APR-1997 13:40:39.38

SUBJECT: 1997-04-14 Remarks by President during Apparel Industry Event

TO: Mary Ellen Glynn ( GLYNN\_M ) Autoforward to: Remote Addressee  
READ:NOT READ

TO: Julie E. Mason ( MASON\_J ) Autoforward to: Remote Addressee  
READ:NOT READ

TO: APRIL K. MELLODY ( MELLODY\_A ) Autoforward to: Remote Addressee  
READ:NOT READ

TO: Darby Stott ( STOTT\_D ) Autoforward to: Remote Addressee  
READ:NOT READ

TO: Margaret M. Suntum ( SUNTUM\_M ) (WHO)  
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TO: Remote Addressee ( backup@wilson.ai.mit.edu@INET )  
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TO: Remote Addressee ( wh-outbox-distr@clinton.ai.mit.edu@INET )  
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TO: Pauline M. Abernathy ( ABERNATHY\_P ) Autoforward to: Remote Addressee  
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TO: Lori E. Abrams ( ABRAMS\_L ) Autoforward to: Remote Addressee  
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TO: Lori L. Anderson ( ANDERSON\_L ) Autoforward to: Remote Addressee  
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TO: Brenda M. Anders ( ANDERS\_B ) Autoforward to: Remote Addressee  
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TO: Karen L. Barbuschak ( BARBUSCHAK\_K ) (OA)  
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TO: Marsha E. Berry ( BERRY\_ME ) Autoforward to: Remote Address  
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TO: Michelle Crisci ( CRISCI\_M ) (WHO)  
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TO: Carolyn Curiel ( CURIEL\_C ) Autoforward to: Remote Address  
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TO: Cutler, Lynn ( CUTLER\_L ) ( )  
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TO: Suzanne E. Dale ( DALE\_S ) Autoforward to: Remote Addressee  
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TO: Lanny Davis ( DAVIS\_L ) Autoforward to: Remote Adresse  
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TO: Marilyn DiGiacobbe ( DIGIACOBBE\_M ) Autoforward to: Remote Add  
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TO: James A. Dorskind ( DORSKIND\_J ) (WHO)  
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TO: Jennifer D. Dudley ( DUDLEY\_J ) Autoforward to: Remote Address  
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TO: Christopher A. Dwan ( DWAN\_C ) Autoforward to: Remote Addressee  
READ:NOT READ

TO: Dorinda A. Salcido ( Dorinda A. Salcido@eop@LNGTWY@EOPMRX )

READ:NOT READ

TO: James T. Edmonds ( EDMONDS\_J ) Autoforward to: Remote Address  
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TO: Anne M. Edwards ( EDWARDS\_A ) Autoforward to: Remote Address  
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TO: Rahm Emanuel ( EMANUEL\_R ) Autoforward to: Remote Address  
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TO: James L. Fetig ( FETIG\_J )  
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TO: Karen E. Finney ( FINNEY\_K ) Autoforward to: Remote Address  
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TO: Jay K. Footlik ( FOOTLIK\_J ) Autoforward to: Remote Address  
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TO: Ben Freeland ( FREELAND\_B ) Autoforward to: Remote Address  
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TO: Wayne Fuller ( FULLER\_W ) (OA)  
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TO: Jeremy M. Gaines ( GAINES\_J ) Autoforward to: Remote Address  
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TO: Craig Gardenswartz ( GARDENSWAR\_C ) Autoforward to: Remote Address  
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TO: Michael A. Gill ( GILL\_M ) Autoforward to: Remote Addressee  
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TO: Adam W. Goldberg ( GOLDBERG\_A ) Autoforward to: Remote Address  
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TO: Jason S. Goldberg ( GOLDBERG\_JS ) Autoforward to: Remote Address  
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TO: Ricardo M. Gonzales ( GONZALES\_R ) Autoforward to: Remote Address  
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( HOVLAND\_E ) (WHO)

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( JOLIN\_M ) (WHO)

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( James M. Teague@EOP@LNGTWY@EOPMRX )

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TO: William R. Kincaid  
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( KINCAID\_W ) Autoforward to: Remote Address

TO: Angus S. King  
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( KING\_A ) Autoforward to: Remote Addressee

TO: Joshua A. King  
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( KING\_J ) Autoforward to: Remote Addressee

TO: Nick B. Kirkhorn  
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( KIRKHORN\_N ) Autoforward to: Remote Address

TO: Catherine T. Kitchen  
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( KITCHEN\_C ) Autoforward to: Remote Address

TO: James Kohlenberger  
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( KOHLEN\_J ) Autoforward to: Remote Address

TO: Heidi Kukis  
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( KUKIS\_H ) Autoforward to: Remote Addressee

TO: Sara Latham  
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( LATHAM\_S ) Autoforward to: Remote Address

TO: G. N. Lattimore  
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( LATTIMORE\_G ) Autoforward to: Remote Address

TO: Patricia F. Lewis  
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( LEWIS\_PF ) Autoforward to: Remote Address

TO: Cynthia J. Lizik  
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TO: Gordon Li

( LI\_G ) Autoforward to: Remote Addressee

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TO: Laura S. Marcus ( MARCUS\_LS ) Autoforward to: Remote Address  
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TO: Doris O. Matsui ( MATSUI\_D ) Autoforward to: Remote Address  
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TO: Andrew Mayock ( MAYOCK\_A ) Autoforward to: Remote Address  
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TO: Anne E. McGuire ( MCGUIRE\_A ) Autoforward to: Remote Address  
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TO: Cheryl D. Mills ( MILLS\_C ) Autoforward to: Remote Adresse  
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TO: Julia Moffett ( MOFFETT\_J ) (WHO)  
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TO: Elizabeth A. Montoya ( MONTOYA\_E ) Autoforward to: Remote Address  
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TO: Kevin Moran ( MORAN\_K1 ) Autoforward to: Remote Address  
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TO: Sally P. Paxton ( PAXTON\_S ) Autoforward to: Remote Address  
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TO: Jonathan M. Prince ( PRINCE\_J ) Autoforward to: Remote Address  
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TO: Peter O'Keefe ( Peter O'Keefe@EOP@LNGTWY@EOPMRX )  
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TO: Renee C. Riley ( RILEY\_R ) (OA)  
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TO: Evan Ryan ( RYAN\_E ) Autoforward to: Remote Addressee  
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TO: Jill A. Schuker ( SCHUKER\_J ) Autoforward to: Steven J. Nap  
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TO: Brian D. Smith ( SMITH\_BD ) (OMB)  
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TO: Craig T. Smith ( SMITH\_CT ) Autoforward to: Remote Address  
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TO: Richard Socarides ( SOCARIDES\_R ) Autoforward to: Remote Addr  
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TO: Douglas B. Sosnik ( SOSNIK\_D ) Autoforward to: Remote Address  
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TO: Todd Stern ( STERN\_T ) Autoforward to: Remote Addresse  
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TO: Mike Sullivan ( SULLIVAN\_M ) (WHO)  
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TO: Sylvia M. Mathews ( Sylvia M. Mathews@eop@LNGTWY@EOPMRX )  
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TO: Lisa Jordan Tamagni ( TAMAGNI\_L ) Autoforward to: Remote Address  
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TO: Virginia M. Terzano ( TERZAN\_V ) Autoforward to: Remote Address

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TO: Terri I. Tingen (TINGEN\_T) Autoforward to: Remote Address  
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TO: Barry J. Toiv (TOIV\_B) Autoforward to: Remote Addressee  
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TO: Jodie R. Torkelson (TORKELESON\_J) Autoforward to: Remote Addr  
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TO: June G. Turner (TURNER\_J) Autoforward to: Remote Address  
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TO: Dag Vega (VEGA\_D) (WHO)  
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TO: Michael Waldman (WALDMAN\_M) Autoforward to: Remote Address  
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TO: Angelina Walker (WALKER\_L) Autoforward to: Remote Address  
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TO: Robert S. Weiner (WEINER\_R) (DON)  
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TO: Teresa Wildman (WILDMAN\_T) Autoforward to: Remote Address  
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TO: Natalie S. Wozniak (WOZNIAK\_N) (NSC)  
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TO: Remote Addressee (62955104@eln.attmail.com@INET )  
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TO: Remote Addressee (73030.21@compuserve.com@INET )  
READ:NOT READ

TO: Manager Infomgt (INFOMGT) (SYS)  
READ:NOT READ

TO: Remote Addressee (newsdesk@usnewswire.com@INET )  
READ:NOT READ

TO: Remote Addressee (usnwire@access.digex.com@INET )  
READ:NOT READ

TEXT:  
PRINTER FONT 10\_POINT\_COURIER  
BOTTOM ODD  
MORE

PRINTER FONT 12\_POINT\_COURIER  
THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release  
REMARKS BY THE PRESIDENT  
AT APPAREL INDUSTRY PARTNERSHIP EVENT

April 14, 1997

The East Room

1:05 P.M. EDT

THE PRESIDENT: Thank you very much. I would like to begin, first of all, by thanking all of the members of this partnership -- the cochairs, Paul Charron of Liz Claiborne and Linda Golodner of The National Consumers League; Jay Mazur of UNITE. I thank Kathie Lee Gifford, who has done so much to bring public attention to this issue. I thank the members of Congress who are here: Congressman George Miller, Congressman Bernie Sanders, Congressman Lane Evans, Congressman Marty Martinez, and especially I thank my good friend, Senator Tom Harkin, who first brought this issue to my attention a long time ago. Thank you very much, sir, and thank all of you for your passionate concern. (Applause.)

I thank the former Secretary of Labor, Bob Reich, and acting Secretary, Cynthia Metzler and Secretary

□  
-designate, Alexis

Herman who is here. And I thank Maria Echaveste and Gene Sperling for their work.

The announcement we make today will improve the lives of millions of garment workers around the world. As has now been painfully well documented, some of the clothes and shoes we buy here in America are manufactured under working conditions which are deplorable and unacceptable. Mostly overseas, but unbelievably, sometimes here at home as well.

In our system of enterprise, which I have done my best to promote and advance, we support the proposition that businesses are in business to make a profit. But in our society, which we believe to be good and want to be better, we know that human rights and labor rights must be a part of the basic framework within which all businesses honorably compete.

As important as the fabric apparel workers make for us is the fabric of their lives, which is a part of the fabric of our lives -- here at home and around the world. Their health and their safety, their ability to make a decent wage, their ability to bring children into this world and raise them with dignity and have their children see their parents working with dignity, that's an important part of the quality of our lives and will have a lot to do with the quality of our children's future.

Last August, when the Vice President and I brought together the leaders of some of our nations largest apparel and footwear companies, and representatives of labor, consumers, human

rights and religious groups I was genuinely moved at the shared outrage at sweatshop abuses and the shared determination to do something about it. That led to this apparel industry partnership. This partnership has reached an agreement -- as already has been said -- that will significantly reduce the use of sweatshop labor over the long run. It will give American consumers greater confidence in the BOTTOM EVEN MORE products they buy.

And, again, I say they have done a remarkable thing. Paul Charron said it was just the beginning because even though there

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are some very impressive and big companies represented on this stage, there are some which are not. But I would like to ask all the members of the partnership here to stand and I think we ought to express our appreciation to them for what they have done. (Applause.)

Now, here's what they agreed to do: first, a workplace code of conduct that companies will voluntarily adopt, and require their contractors to adopt, to dramatically improve the conditions under which goods are made. The code will establish a maximum work week, a cap of 12 hours on the amount of overtime a company can require, require that employers pay at least the minimum or prevailing wage, respect basic labor rights. It will require safe and healthy working conditions and freedom from abuse and harassment. Most important, it will crack down on child labor -- prohibiting the employment of those under 15 years of age in most countries.

It will also take steps to ensure that this code is enforced and that American consumers will know that the tenets of the agreement are being honored. The apparel industry has developed new standards for internal and external monitoring to make sure companies and contractors live up to that code of conduct. It will also form an independent association to help implement the agreement and to develop an effective way to share this information with consumers, such as labels on clothing, seals of approval in advertising or signs in stores to guarantee that no sweatshop labor was used on a given product line.

Of course, the agreement is just the beginning. We know sweatshop labor will not vanish overnight. We know that while this agreement is an historic step, our real measure of progress must be in the changed and improved lives and livelihoods of apparel workers here at home and around the world. That is why we need more companies to join this crusade and follow its strict rules of conduct.

One of the association's most important tasks will be to expand participation to as many large and small companies as possible. And I urge all of America's apparel companies to become part of this effort. If these people are willing to put their names, their necks, their reputations and their bottom lines on the bottom line of America, every other company in America in their line of work

ought to be willing to do the very same thing. (Applause.)

We have spent a lot of time trying to find jobs for everybody in America who wants to work, and we have spent a lot of time saying that people who are able

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-bodied, who can work, should be required to work. Now, we are also reminding ourselves that no one, anywhere, should have to put their safety or their dignity on the line to support themselves or their children. This is a great day for America, a great day for the cause of human rights, and I believe a great day for free enterprise. And I thank all of those who are here who made it possible.

I'm proud that this agreement was industry

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-led and wholly voluntary. Like the TV industry's decision to rate its programming, like the new private sector effort to help move people from welfare to work, like the high

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-tech industry's efforts to wire our schools and our classrooms to the Internet, all of them, by the year 2000, which we will continue this Saturday.

This is further evidence that we can solve our problems by working together in new and creative ways. The apparel industry understands that we all share a stake in preparing our country for the 21st century and preparing the world to be a good partner. Reaching across lines that have too often divided us in the past, this new partnership will create more opportunity for working families. It will demand more responsibility for working conditions. TOP ODD  
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It will build a stronger community here in America and bind us to the community of people all around the world who believe in the value of work, but who also believe in the importance of its dignity and sanctity.

Thank you and God bless you all. (Applause.)

END

1:14 P.M. EDT

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Margaret M. Suntum ( SUNTUM\_M ) (WHO)

CREATION DATE/TIME:14-APR-1997 15:16:42.29

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TO: Julie E. Mason ( MASON\_J ) Autoforward to: Remote Adresse  
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TO: APRIL K. MELLODY ( MELLODY\_A ) Autoforward to: Remote Address  
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TO: Darby Stott ( STOTT\_D ) Autoforward to: Remote Adresse  
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TO: Christopher A. Dwan ( DWAN\_C ) Autoforward to: Remote Addressee  
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TO: Dorinda A. Salcido ( Dorinda A. Salcido@eop@LNGTWY@EOPMRX )

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( JOHNSON\_WC ) (OA)

TO: Michele Jolin  
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( JOLIN\_M ) (WHO)

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( James M. Teague@EOP@LNGTWY@EOPMRX )

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( KALBAUGH\_D ) Autoforward to: Remote Address

TO: William R. Kincaid  
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TO: Angus S. King  
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( KING\_A ) Autoforward to: Remote Addressee

TO: Joshua A. King  
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TO: Nick B. Kirkhorn  
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TO: Sara Latham  
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TO: G. N. Lattimore  
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( LATTIMORE\_G ) Autoforward to: Remote Address

TO: Patricia F. Lewis  
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TO: Jonathan M. Prince ( PRINCE\_J ) Autoforward to: Remote Address  
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TO: Peter O'Keefe ( Peter O'Keefe@EOP@LNGTWY@EOPMRX )  
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TO: Virginia M. Terzano ( TERZAN\_V ) Autoforward to: Remote Address

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TO: June G. Turner ( TURNER\_J ) Autoforward to: Remote Address  
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READ:NOT READ

TO: Remote Addressee ( 62955104@eln.attmail.com@INET )  
READ:NOT READ

TO: Remote Addressee ( 73030.21@compuserve.com@INET )  
READ:NOT READ

TO: Manager Infomgt ( INFOMGT ) (SYS)  
READ:NOT READ

TO: Remote Addressee ( newsdesk@usnewswire.com@INET )  
READ:NOT READ

TO: Remote Addressee ( usnwire@access.digex.com@INET )  
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TEXT:  
PRINTER FONT 10\_POINT\_COURIER  
BOTTOM ODD  
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PRINTER FONT 12\_POINT\_COURIER  
THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release

April 14, 1997

PRESS BRIEFING  
BY  
GENE SPERLING, NATIONAL ECONOMIC ADVISOR

The Briefing Room

2:05 P.M. EDT

MS. GLYNN: Hi, everyone. First, we have Gene Sperling, the National Economic Advisor, to talk to you about the Sweatshop Initiative. Mike will be out shortly after that, and he'll have a briefing on the President and Mrs. Clinton's taxes.

MR. SPERLING: I just wanted to be able to be here to take a few questions if anybody needed to before I have to go up to the Hill. We are actually going to give out -- we're right now making copies of the actual agreement so that you can actually have it explicitly.

The main thing I think is important in understanding the context of this is that last year, last summer, this was something where, after Secretary Reich really brought this to national attention, and particularly with Kathie Lee Gifford's help, there was an effort at first to have a legislative solution, which I think would have had the very parties you saw here today in kind of a pitched battle against each other.

Our idea last August and August 2nd was that before we got into what would have been a confrontational posture, was it possible to bring together a very diverse group -- industry, the garment unions, the human rights groups, religious groups, and whether they could work something out that would come to be a code to end sweatshops.

I think what came out of this is a very historic first step. I think it is rightly -- it is a breakthrough agreement. It is historic, it is unique, but I think it's right to think of this as the challenge going forward. The agreement in itself does not end sweatshops, it is the actions that will take place from here.

But it is striking to know what was agreed to. First of all, there was a pretty strong workplace code of conduct that was voluntarily agreed to, which is very significant in many ways. Probably nothing is more important than the agreement that there will be no child labor, and that reads that, "No person shall be employed at an age younger than 15, or 14 where the law of the country of manufacturer allows, or younger than the age for completing compulsory education in the country of manufacturer where age is higher than 15."

There are currently 240 million children under 15 who work in the world in some industry, half of them work full time. As many as 80 million work in very exploitative and hazardous BOTTOM EVEN MORE situations. A large chunk of them, or a significant chunk is in the garment industry. And this -- to the degree that this locks in a code of conduct where everybody signs or agrees that they will not allow a contractor to have child labor, it is extremely significant.

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It is worth reading through, the agreement as we will give out, in terms of its agreement on harassment, on nondiscrimination, on health and safety, on the freedom of association and collective bargaining -- which is especially important since there are many countries where those rights are not protected -- that the employer shall pay, and I want to read this, "Employer shall pay employees as a floor at least the minimum wage required by local law or the prevailing industry age, whichever is higher; and shall provide legally mandated benefits."

On the hours of work, even in the United States, there is no legal limit on the mandatory work week. There is a 40

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work week, and if you are required to work over the 40

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you are required to get time

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-half, but there is not a limit on

what the mandatory work week is. So this is an agreement that not just in the United States, but that in every country across the world that these companies are dealing with, they will not have a mandatory work week that goes beyond 48 hours plus 12 hours of mandatory overtime. So a 60

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-hour limit in a mandatory work week with at least

one day off in every seven day period. That is a pretty historic agreement.

If it was just this code of conduct, that would be significant. But I think one could then raise the question, how do we know. And that is why I think the next two components are so important. The second is on the principles of monitoring, that the companies signed on not only to internal monitoring, but to a very explicit principles of external and independent monitoring.

And under the obligations of an independent external monitors -- and I will read -- "that the independent external monitors be given independent access to and conduct independent audit of employee records; be given independent access to all production

records and practices and wage hour, payroll and other employee records and practices of company factories and contractors and suppliers." And then finally that this same group is forming an association that will hold accountable the independent external monitors and the company that are part of this agreement.

So you have a very significant work place code of conduct. You have independent external monitors. And you have an association that will ensure that these independent external monitors are accountable and that the companies are kept in good standing. I think these three parts lead to something that will be very significant in giving the public confidence that when they're buying a product from one of the companies that is part of this agreement, that that would not be a product that was made with child labor or in a sweatshop. This is -- this group will report back in six months with an explicit understanding that they will come forward with the means for the association. I stress that this association will have representatives -- be governed by a board whose members would be nominated by not only companies, but labor unions, consumer, human rights and religious groups.

So I think that -- the way that I look at this is that what is historic about this is that you're creating an ongoing structure and a framework for dealing with a really worldwide, monumental issue, and that you are bringing together groups that are usually in adversarial positions and having them work together and put in place this code of conduct. It is truly significant, and we will work as hard as we can to make sure that the code of conduct is held to, that more companies come on board, and that the association is the type that gives confidence to the public that the products are not being made in sweatshops or child labor.

Q Gene, I assume that you all have thought this all the way through in that sweatshop conditions and child labor are deplorable. But there are situations in some cultures where their TOP ODD  
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income is a significant portion of the family's income, what there is. And that eliminating this is going to have an economic impact on families in some areas. Have you all thought about what happens to those people and how you replace that income within those families?

MR. SPERLING: Well, I think far greater is the problem of young children who have not even reached adolescence or maturity, who lose their abilities to function, suffer enormous abuse, I think that you're not taking away the ability of children, younger people, 15, 16, 17, and 18. But again, 240 million children are in child labor, 80 million full

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-time in exploitative conditions. I think this -- I think that the people here felt that this would be a positive step forward in creating a significant loophole in that area and would not serve this clause.

Q Gene, about Indonesia, Jeffrey Dowger (phonetic), who runs a group called Press For Change, says that this is primarily a public relations effort. If you were serious about cracking down on Nike contractors in Indonesia you would begin reviewing the trade

preferences under GSP and then Indonesia would get serious about this. Is the administration planning again on renewing the trade preferences for Indonesia?

MR. SPERLING: Well, first of all, let me get to the first point. As I have said before, earlier this week, you can always argue about whether the glass is half empty or half full, but there was no glass here at all before this was done. And the notion that people like the National Consumers League, the Lawyers Committee for Human Rights, the Robert F. Kennedy Memorial Center for Human Rights, the Interface Center on Corporate Responsibility, that they would all work and sign their names and their reputations to something that they did not think is a step forward just doesn't make sense.

Clearly, nobody who signed onto this thing thought it was perfect. Every single part of the people here compromised in some way. But the reason they signed on was because they realized they were making historic, significant progress.

Now, there are realities that are out there that are very complicated in terms of economic development in third world -- or developing countries. Some people might feel that even making the minimum wage -- or even the prevailing wage -- because of how that sounds to us in terms of being, perhaps, 30, 40, 50 cents an hour in some places, is not what we would like or maybe not enough for a liveable wage in some countries.

But it is -- a sweatshop is by definition a place where people work less than the minimum wage, when they have no regard for the hours and the mandatory hours or the health and safety. And when you move to a situation where you're eliminating child labor and making sure that everybody is at least paid what they are owed by law, you are making a significant step forward. You may not be solving all the world's problems, but you're making a significant step forward. And for those people and those workers to get at least what they are owed can sometimes mean 20, 30, 40 percent more in their paycheck.

So I think this is serious. I am -- I'm not prepared at this point to answer on the GSP for Indonesia.

Q A question, are you going to -- is this a make or break week for the budget talks? And are you going to reach an agreement this week?

MR. SPERLING: I think that as Chairman Kasich said yesterday, I think there is a sense of good will and good faith in the room, and probably far better than we had in '95 and '96. And I think there is an explicit understanding of all of us that we -- all of us are going to have to give a little, but give in a way that still protects our values. And so I think that there's an atmosphere and an attitude that is very positive. I think that it is very possible to get an agreement. And I, as Frank Raines said, would be cautiously optimistic.

I don't want to -- I understand that Chairman Domenici said it was a make

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-it week, because he's trying -- he's been a very, very constructive force in this process, and he's been trying to make all sides move forward expeditiously, and I think it's right for him to keep that pressure up. But whether it is exactly this week or next week, I think his main point is that we need to move quickly, that we have an opportunity right now over the next couple of weeks to have at least a chance, or a significant chance, of getting an early deal, and that would be a pretty significant thing, and I think we should do everything we can to make sure we don't waste that opportunity.

Q What has to happen before the President invites the leadership up here?

MR. SPERLING: Well, I think all sides have to have a comfort level that we're at a position where something constructive can happen, and I don't want to say more than that at this time.

Q But you're not there yet?

MR. SPERLING: We're not there at this moment, but that doesn't mean that I don't think that we are on a path to getting there. I actually think things have gone pretty well.

Q Gene, Wal

□  
-Mart is the company that markets Kathie Lee Gifford's line of clothing. They're a retailing giant, and they're also from the President's home state. How big of a disappointment is it that they weren't here today, and are you making any efforts to get them involved in this program?

MR. SPERLING: I think our overall reaction was last August that when we were able to get companies like Nike and Liz Claiborne and Philip Van Heusen to embark on this novel path, that that was a very strong showing from the industry. We clearly hope that now that this breakthrough agreement has taken place, that will give impetus for more and more companies to come on board, and it's our hope that there will be a certain amount of pressure for those who don't.

But our feeling is that this was a very good representation and that we have now had some momentum and there's going to be some cautiousness in this from some of the companies, certainly.

As we've said, this is a pretty unique thing for companies to get together with unions and human rights group and make this kind of a pact. But I don't think on August 2nd, when we had, this many people thought we would be at this point -- and we are, and that's pretty significant. So I'm going to remain optimistic that our momentum will continue.

Q On the budget, do you think it's possible that when OMB re

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-estimates the deficit this summer that you could see a deficit for this year that's under \$100 billion; and does that give you some hope that you've got some extra wiggle room with the Republicans?

MR. SPERLING: I personally think we should probably, you know, wait at least another month before knowing. This next month is the critical month. The CBO number that you saw, the \$91.7 billion is not a projection, it's an extrapolation just taken what the numbers are. So I think that there are a number of people, a number of Wall Street analysts who, based on the stronger growth we've had this year are speculating that the deficit could be far lower. But I think we'll have to wait and see.

I will take this moment to say that the deficit has been lower four years in a row than we've projected. And if this were the case, this would be the fifth year in a row that the OMB projections on the deficit proved to be too conservative. And I think that's very significant as we go forward in deciding on the economic projections to use in the budget.

Q Gene, how's the funding divvied up amongst the -- the funding divvied up to bankroll the independent external monitors, and what incentive do the independent monitors have if, for example, the industry people want to take away their share if they don't think things are going right?

MR. SPERLING: Well, I think that that was why we -- that's why from the administration's perspective when we stepped up our involvement in the last week, what was so important to us was the creation of this independent -- of this association that would have a board represented by labor and human rights groups and consumers as well as industry. In other words, we understood that if it was simply a case of a company hiring an independent external monitor, there would continue to be doubts as to whether that independent -- that external monitor was truly independent.

But in this case, you now have an association that holds the independent external monitors accountable, has to make sure that they have followed the right procedures and are still in good standing. So I think that provides an extra layer of protection to the public. You not only have an independent external monitor, you have an association represented by unions and human rights groups overseeing essentially independent monitors.

Q Where is the money coming from -- for the monitors?

MR. SPERLING: Well, the companies will -- the companies will, I imagine, be primarily picking up that cost. But I have to say that the -- probably the best answer is that that is -- that will be among the issues that will be discussed over the next six months as they create the association.

MR. MCCURRY: Last question.

Q Is an adjustment to Consumer Price Index being considered in the budget discussions? Is that still a live option? We haven't heard about it for a while.

MR. SPERLING: Well, our feeling is that -- as you know, I don't have much new to say. It's been the opinion of this administration, and I think most experts, that the Consumer Price Index does somewhat overstate the cost of living, the question has always been by how much and what is the best way to do that. We want to ensure that in any context, whatever context it's done, it's done on the basis of technical accuracy. We're not ruling out what context it will be dealt with, just that when it is dealt with, it will be dealt with in terms of where there is broad  
□  
-based agreement  
on technical accuracy.

Thank you.

THE PRESS: Thank you.

END

2:20 P.M. EDT

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THE WHITE HOUSE

Office of the Press Secretary  
(The Hague, Netherlands)

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For Immediate Release

May 28, 1997

PRESS BRIEFING  
BY  
DEPUTY NATIONAL SECURITY ADVISOR JAMES STEINBERG  
AND ASSISTANT TO THE PRESIDENT FOR INTERNATIONAL  
ECONOMIC AFFAIRS AT THE NATIONAL ECONOMIC COUNCIL DAN TARULLO,  
AND PRESS SECRETARY MIKE MCCURRY

The Carlton Hotel  
The Netherlands

1:13 P.M. (L)

MR. MCCURRY: We'd like to get started with this briefing, which is on the record, except for those portions that one senior administration official will put ON BACKGROUND AT HIS OWN DISCRETION. So our two briefers on the record, James Steinberg, the Deputy National Security Advisor to the President; Dan Tarullo, Assistant to the President for International Economic Affairs at the National Economic Council .

Jim wants to do a little overview and go through some of the aspects of the U.S.-EU Summit that occurred today, and then Dan wants to talk specifically about the Mutual Recognition Agreements, understandings reached in the very wee hours of this morning.

Take it away, James.

MR. STEINBERG: Thank you, sir. Well, we've just concluded another very successful U.S.-EU Summit. The effort that this represents sort of comes out of the agreements that the President reached with the EU in Madrid about a year and a half ago to try to strengthen the range of our cooperation with the EU, and it really is a parallel to a number of the other efforts that are taking place as a part of both strengthening the U.S. link to Europe and also building the structures for cooperation  
□,  
for the 21st century.

The tradition in these summits since Madrid has been to divide the discussions into four broad baskets: foreign policy issues, the first; global and transnational challenges; the economic issues and the new transatlantic marketplace; and  
□,

finally, cultural, social, educational contacts and ties. And today there was a lot of discussion in each of these four areas.

I think the most important thing coming out of today's summit was the sense that the cooperation and the interaction that takes place in these summits now is not limited to or even necessarily focused solely on bilateral issues between the United States and the EU, but rather on how the United States and the European Union and the European Union countries can cooperate on broader global and international issues. And that was really reflected in the two agreements that were signed today -- the agreement on chemical precursors and the customs agreement, which really represent an attempt to deal with some of these new security challenges.

Indeed, the President said at the meeting today that one of the things that we were engaged in here at the U.S.-EU Summit, in the NATO-Russia event yesterday, and leading up towards Madrid, is creating the organization and the structure to deal with the real security challenges that were going to be facing in the 21st century.

And so a considerable part of the discussion focused on cooperation on issues like drugs, international crime, terrorism, and the like. In addition to the two agreements that were announced, the President and the EU leaders talked about strengthening ties between Europol and the United States as the Europeans themselves are strengthening the role of Europol in between the member nations.

You heard the President talk about on the international crime front a particular interest in dealing with the problem of traffic in women. They had a long discussion about -- as a preview to some upcoming events on environmental issues, particularly climate change, looking forward to the Denver summit, the U.N. General Assembly Special Session, and the Kyoto meeting on climate change.

As another example of the kind of international cooperation that comes out of these meetings was the decision by the EU to join the Korean Peninsula Energy Development Organization and to contribute \$100 million over the next five years, really shows again, coming out of this, working on global proliferation issues, not just bilateral issues.

As always is the case in these meetings, there was a discussion of a number of the more important foreign policy issues that we're all facing. The leaders reviewed the results of the NATO-Russia summit and had a brief discussion of the events coming up in Madrid. They had a discussion of the status of the Middle East peace process; in particular the President was able to review for them a little bit about the meetings between Prime Minister Netanyahu and President Mubarak yesterday. They had a discussion about Iran and also about the Aegean; in □,

particular, the President expressing appreciation to the Dutch for their leadership in making sure that the association and the links between Turkey and the EU would remain open.

They discussed in some length a number of issues related to China, including the reversion of Hong Kong on July 1st, and the continued and shared interest that the United States

counterparts the bananas case, which was a subject of discussion during his recent trip to the Caribbean. As you may know, the United States has won a WTO case against the European regime. It gives preferences on imports of certain bananas. The President indicated to his European counterparts that we would like to resolve the case in such a way that protects the interests of the Caribbean exporters while eliminating discrimination against other exporters. And he proposed that our trade authorities get together and over the course of the next month or month and a half before the Denver summit try to resolve the issue amicably.

There was also some talk about China MFN, as Jim mentioned. Here, there is an agreement between the two sides that the admission of China to the WTO is desirable, but that it must take place on terms that are consistent with commercial considerations, which is to say China meeting the normal rules of the game and providing meaningful market access.

The President also indicated in connection with some of the transatlantic bridging activities his interest in moving forward the transatlantic labor dialogue, and in that context perhaps trying to extend the sweatshops initiative that we've begun domestically to Europeans as well. And I think the European side indicated some interest in exploring that and will probably do so over the course -- between now and the next summit.

Finally, the President mentioned our continuing concern with biotechnology items and the hope that decisions on the importation or regulation of biotechnology items will be made in accordance with principles of sound science. This is a matter which, as you may know, has occasioned some dispute between the U.S. and Europe in recent months, with respect to some of our agricultural commodities. Most of those specific problems have been resolved, but it has made clear the need for broader talks to try to determine exactly what the framework for dealing with □,

these problems is.

Q In this labor dialogue, where is or was or has been or continues to be the emphasis? Are you talking about minimum wage standards?

MR. TARULLO: No, here, as you may know, from the outset of the new transatlantic agenda, the businesses on both sides of the Atlantic have been pushing very strongly. They organized themselves before the governments organized. Once the new transatlantic agenda began, the AFL-CIO in the United States indicated some interest in having a similar labor dialogue, and we worked them and with our European counterparts to set that up.

The agenda would be determined, obviously, by what the labor leaders on both sides are interested in. They have shown some interest in discussing changes in labor markets, maybe minimum wages, although I suspect more the ways in which workers need to respond in the more globalized economy to changes in the labor markets.

The President brought this up in connection with our

own initiative domestically. It need not fit specifically into the labor dialogue.

Q That doesn't mix in with the corporations, which, of course, are enjoying the cheap labor they get in various parts of Europe. There is no --

MR. TARULLO: In various parts of Europe? In the European Union?

Q Yes, when you get into Central Europe, if they can get these goods manufactured in Central Europe they don't have to pay living wages, pretty much.

MR. TARULLO: Well, I'm not going to comment --

Q Forget the aside -- are the corporations part of this dialogue?

MR. TARULLO: In the United States, they most certainly are. The sweatshops initiative the President has initiated in the United States involves the companies themselves setting up voluntary methods for monitoring where their goods come from and the labor conditions in the places where they market. And that would be extended to Europe as well.

Q Can you give us a specific example of the MRAs, a real-world example how that could save money to American consumers?

MR. TARULLO: Let me take a hypothetical example. Assume the agreements are in place and assume we have a medical

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device, a diagnostic device, which is manufactured by a European company. The device itself is approved for use in the United States, but of course it has to be tested to be sure that it complies with any health and safety standards and also to make sure that it performs as it's supposed to, obviously. Reliability is extremely important in these cases.

Historically, different countries have developed different ways of testing, different kinds of standards, different approaches. You'd find one approach in Britain, another approach in Germany, another in Sweden, and another in the United States. They're not necessarily more or less rigorous than one another, but in technical terms they're different.

If you as the manufacturer have to comply with each of those four testing approaches, then you need to run your product through four different kinds of laboratory tests and submit four different kinds of results. Under what Europe has already done internally and what, with these agreements in place, we would be doing together, is in essence to say, any one set of testing approaches which indicates that the product is reliable and safe can be accepted on both sides of the Atlantic. And that means that companies don't have to pay the extra money for what should be redundant testing.

I just make the point again in passing, the FDA

would retain the capacity whenever it felt necessary to conduct an on-site inspection on its own. But I think their expectation and our expectation is that in most cases, this will work very smoothly because of understandings between the regulatory authorities on both sides of the Atlantic.

Q You're saying --

Q -- to harmonize the testing --

MR. TARULLO: No, the idea is not harmonize the testing, but the idea is to recognize the testing methods and certification methods in the other country subject always to the domestic statutory duties of the regulatory authorities.

Q You're saying they can use the other testing standards, but they don't necessarily have to?

MR. TARULLO: The expectation is that they will, but if the FDA had a question about whether those were adequate to meet public health and safety standards, then they could, on their own, inspect to make sure that the product was being produced adequately.

Q As a matter of practice, will we expect all of the signatories to then accept one set of standards or any other set of standards?

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MR. TARULLO: That the mutual recognition will evolve over time. And, really, the purpose of this in a lot of ways is confidence-building that the testing procedures in one country meet, achieve the same health and safety and public protection effects that the testing standards in another country do.

Did you have a question ma'am?

Q I'm just wondering if that means they would most likely just undergo one set of tests in whichever country they were manufactured in, or if they would still be tested in the United States.

MR. TARULLO: Remember, the product itself still --if it requires certification like a new drug, it would still have to meet the normal FDA standards. The question of how it's manufactured once it's approved for usage is what this would apply to.

Any other questions?

Q Did you guys discuss Boeing/McDonnell-Douglas?

MR. TARULLO: No. Boeing/McDonnell-Douglas was not discussed in the sessions themselves. I think our position on this is well-known, which is that the United States does not want to politicize an antitrust or competition policy decision-making process. We don't want to see it politicized in the European Union; it certainly won't be politicized in the United States.

We just would hope that the decision will be made on the competition law merits.

Q Was it discussed privately then? Is that what you're trying to --

MR. TARULLO: Privately in this session? No, it wasn't discussed in the small meeting, either. I'm saying there have been numerous contacts between U.S. authorities and EU authorities over the course of the last several weeks in which the concern I just mentioned has been expressed.

Q Do you know when this may be signed? You say it will take a few more days. You've got your breakthrough. You have an event coming up that could provide for a signing --

MR. TARULLO: I don't know of any event specifically in tow, but I assume that we'll go ahead -- we won't wait artificially for something; we'll sign it and get going when we can get going.

Q Can you tell me if Helms-Burton was discussed?

MR. TARULLO: Yes, Helms-Burton was discussed, I

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think, as Jim mentioned earlier, and the President reiterated the need for continued dialogue, continued activities by the European Union as they have said they would do to promote democracy in Cuba.

MR. MCCURRY: We're going to take a break in the transcript at this point. For purposes of transcript we're going to move into a BACKGROUND session. A senior administration official has one or two observations to make ON BACKGROUND. Everyone understand that? Any confusion about the term BACKGROUND by anyone in the room? All right, it's a senior administration official briefing ON BACKGROUND.

SENIOR ADMINISTRATION OFFICIAL: I just wanted to say a couple more things about the process that led to the MRAs, and this is, as Mike said, on BACKGROUND.

This has essentially been stuck for several months now, almost six months -- really, since the last U.S.-EU summit in Washington. And we came to the conclusion that we really needed to push this thing forward, that we couldn't allow either internal EU issues between member states and the Commission or just bureaucratic inertia to get in the way of either completing these things or determine that we weren't going to be able to do it.

And the one additional point I'd make for you ON BACKGROUND is that Secretary Albright last week called President Santer of the European Commission and indicated to him her sense that the time had come to resolve the remaining issues, that she thought it could be done consistent with both the interests of companies in trading and with proper health and safety concerns, and that she very much hoped to see the agreements concluded this week. I don't know what kind of clausal link one can or cannot

draw, but I'll tell you the negotiations on Monday and Tuesday were very productive. We only regret that this wasn't done early enough to be really be able to wrap the whole thing up.

That's all ON BACKGROUND.

Q What were the issues that were opened -- the main issues, sticking points and how they compromised?

SENIOR ADMINISTRATION OFFICIAL: One of them was the capacity of our regulatory agencies always to take action if they thought they needed to in order to protect the health and safety of the American people, and that was preserved.

MR. MCCURRY: All right, we're back on the record. Any other subjects, any other issues? Okay, thanks.

Q The President touched on what could almost be called a Marshall Plan for Eastern and Central Europe. Will we hear more on that today?

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MR. MCCURRY: We're going to have -- Barry's question was about the President's remarks today. He talked a little bit about an idea that originates out of the Dutch government for a discussion about further efforts on their reconstruction and recovery of Central Eastern European countries.

The President will talk generally about that today in remarks that we think we'll have for you in prepared form pretty shortly. We're going to try to put out something of an advanced text on this, although the President reserves the right to deviate, as he usually does. But that should be coming within an hour or so, if we can get it.

Q Can I ask you one basic, general question about his remarks or just a few? Is he speaking in terms of investment or investment and assistance? Because the Marshall Plan was assistance as well.

MR. MCCURRY: Well, we have a combination of both investment and assistance programs. We have pursued multilateral lending through the multilateral lending banks that are available. We also have some direct assistance programs that grew out of the old Support for Eastern European Democracy Act programs, the so-called SEED act programs. I don't -- maybe Jim or David can get you some of the specific assistance levels that we've expended. But the President's rough calculation on the amounts that have been expended and then the comparison to what in real dollars would be the Marshall Plan today people told me held up pretty well, that the calculations were roughly correct.

Q That seems kind of a counterintuitive argument to be coming out and saying we need to have another Marshall Plan and then saying, well, it looks like the dollars stack up. Is he planning on any additional aid or additional --

MR. MCCURRY: Well, we're not -- the President is

not -- I mean, he's not calling for a new Marshall Plan today; he's saying that the Marshall Plan created something important, an architecture of a continent at peace and able to resist a threat from the East during the years of the Cold War.

What we need to do today is to expand on the general theory of how you construct an architecture that deals with the challenges and realities of the world we live in -- which are new and different and many of them we've been dealing with during the course of this briefing -- the transnational threats of organized crime, drug trafficking, social pathologies that continue to exist that we need to deal with in a world in which approximate threat is not one that is strategic in nature or military security oriented.

Q -- Europe need to do more or --

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MR. MCCURRY: We'll get you the prepared speech and I think you'll see how he intends to address those remarks.

Q Mike, can you talk a bit about how you would address the concerns of people who say that everything that's being done here in NATO and the EU are, in fact, excluding Russia, and it's Russia which is the real problem?

MR. MCCURRY: Well, I mean, to the contrary; we see an inclusive future for Europe that extends the peaceful, undivided architecture of this continent all the way from the United Kingdom to the Urals. I mean, we see Russia as a part of that future. And, indeed, nothing is exclusive about any of the arrangements that have been under discussion here.

In theory, NATO membership itself is one day open to Russia. Russia is currently a valued participant in the Partnership for Peace program. And as the President noted, they are participating with us in Bosnia, in the S-FOR deployment there. So that is within the realm of the considerable in the structure that we now have for the future adaptation of NATO.

Q Mike, getting back to the Marshall Plan, you said that the former communist countries had received more money than was in Europe during the Marshall Plan. But it seems --

MR. MCCURRY: No, he made very specifically the opposite point. I mean, it's less than the real dollar investment would have been in the Marshall Plan; but I think he was pointing out it was a significant investment .

Q Yes, but he seemed to say that the problem was not the amount invested, but the way to make sure this money reaches the places that it should reach, to make sure that the money was used properly. Is it correct to say that?

MR. MCCURRY: Dan may want to jump on this, too. One feature of our assistance to all of the emerging states coming out of totalitarianism and communism has been an effort to push this money to the place where it does the best -- at the grass roots, to eliminate as much as possible the administrative

diversion of funds or to ensure, as best we can, as methodically as we can, that there's any inappropriate diversion of this funding, and we are pretty scrupulous in the way we administer that.

Q Do you think that the European Bank or the World Bank or the IMF should provide more money for these countries on top of what they have done already?

MR. TARULLO: He was not making reference to that issue. What he was saying in quoting the figures was, I think, an indication that in today's world, development generally,  
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whether in the economies in transition or in the developing countries is much more driven by private capital and private capital flows than was the case 50 years ago.

And as Mike says, our aim both in our bilateral assistance and in our work with the multilateral lending institutions has been to get them to put money in that gives the countries the capacity to run economies efficiently, to give them the institutions that are necessary to operate market economies, but as the President indicated, more private investment both generated domestically and from abroad are going to be necessary.

And I think our view is that if for the economies to function effectively and to grow in a sustained basis, they need to develop savings domestically and be an attractive place for investment in general.

Q Can you give a quick rundown on money comparisons that the President made and how much of that comes from U.S. sources -- the \$88 billion?

MR. TARULLO: You mean the combined official development assistance plus the private capital flows? I don't know, John.

MR. MCCURRY: Eighty-eight billion was the estimated real dollar value of the Marshall Plan.

MR. TARULLO: That was Marshall Plan in today's dollars. Fifty billion in official assistance that's been put in.

Q And \$45 billion in private assistance?

MR. TARULLO: Not private assistance, but private investment, and that gets to the point I just made, that --

Q -- billion in U.S. money?

MR. TARULLO: Well, it depends on how you calculate it. There are several billions that are direct assistance, but in addition to that, we have the fact that we contribute to the multilateral lending institutions. I couldn't divide that and break it down for you precisely; we can have somebody try to do it for you.

Q Can you get more specific on --

MR. TARULLO: I can't offhand and aggregate it to all of the countries; I'm sorry.

Q Can you get it to us later on?

MR. TARULLO: Yes, absolutely.

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MR. MCCURRY: Okay, the toasts are about to begin momentarily.

Q Any reaction to how the Supreme Court decision yesterday is impacting on the President and the fact that it's having in detracting from some of his achievements here back in the United States?

MR. MCCURRY: It's not. The President, aside from just a phone call with his lawyer last night to understand better what the opinion said and a discussion of how to deal with the questions that we inevitably knew would arise today, hasn't spent any time on the issue at all.

Q How long was the phone call?

MR. MCCURRY: Probably about five or 10 minutes.

Q And what was sort of the issue -- I mean, telling about it, or what went on?

MR. MCCURRY: The President heard about the decision just prior to his meeting with President Yeltsin and said, well, what did the decision say. That was his reaction. He wanted to know what the opinion said. We didn't know at that point. We said we would try to get a hold of Mr. Bennett, and the President talked to Mr. Bennett later just to get a better understanding of what was in the opinion. And Mr. Bennett's commented on it, the President's commented on it and that's all we have to say on it.

Q -- The New York Times assessment, at least on the Internet says, "sense of siege deepens," meaning of the White House. Is that a fair assessment?

MR. MCCURRY: I don't see any sense of siege around here. I haven't heard of any back at the White House.

Q What about the 9-0 decision? Was that a surprise that it was unanimous?

MR. MCCURRY: I'd really -- Mr. Bennett commented on all of those questions yesterday.

Q Texas tornadoes --

MR. MCCURRY: We are concerned about the devastating tornadoes in Texas. We have had -- federal emergency officials have been in contact with their state counterparts who are monitoring the situation. We don't have any request as of yet

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from the state for any disaster assistance, but our folks will continue to be in contact with Texas state authorities.

The President was concerned, saw some of the television coverage even here in the Netherlands, about the impacts of the storm.

Q Did he have any comment, Mike?

MR. MCCURRY: He was concerned about it. He said it looked like it had been a very devastating storm, just based on some of the television coverage, and the staff they would get him any updates as we have them later in the day.

Okay, we're starting in with the toast. That's it for today. We don't intend to do any more briefing. Later on, you'll get, as I say, probably an advanced text of the speech to help you out if we can do that in the next half-hour or so.

END

1:47 P.M. (L)