

I think balancing the budget is an important part of it. I think bringing the benefits of education and technology to all the members of the work force who are stuck in stagnant wages now is a very important part of it. I think creating incentives to invest in the areas where there aren't enough jobs of any kind, in the inner cities and the rural areas, is an important part of it. That's what our empowerment zone meeting today is about. And I think paying some special attention to all those people who have been downsized and trying to devise ways that will speed their reentry into the job market at appropriate levels is an important part of it.

So no one can do this job alone, but I think that the truth is that we're entering a new economy, and it's a subject that ought to be open to honest debate. I was encouraged by the comments that Chairman Greenspan made in his two appearances before the Congress in the last couple of days. And I feel good about this group of distinguished Americans being in the positions for which I have nominated them.

Q. Thank you, Mr. President.

The President. Thank you.

Q. Can we ask Dr. Rivlin a question?

The President. Sure.

Q. What level of growth would you like to see, Dr. Rivlin? [Laughter] And Dr. Meyer as well if you could.

Alice Rivlin. A sustainable level consistent with low inflation. [Laughter]

Q. Dr. Rivlin, could we ask, have you had a change of heart? Didn't you indicate just recently that you weren't really interested in this job?

Dr. Rivlin. Yes, I did. [Laughter]

Q. Is the President persuasive or—

The President. I haven't lost all my powers of persuasion. [Laughter] Battered and bloody though I may be, I can still, once in a while, make a good argument. [Laughter] Thank you.

NOTE: The President spoke at 4:47 p.m. in the Oval Office at the White House.

Letter to Congressional Leaders on Drug Producing and Drug Transit Countries

February 22, 1996

Dear Mr. Chairman: (Dear Ranking Member:)

In accordance with the provisions of section 490(h) of the Foreign Assistance Act of 1961 (FAA), as amended, I have determined that the following countries are major illicit drug producing or drug transit countries: Afghanistan, The Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Lebanon, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Syria, Taiwan, Thailand, Venezuela, and Vietnam. These countries have been selected on the basis of information from the March 1, 1995, International Narcotics Control Strategy Report and from other United States Government sources.

No countries on the 1995 list have been removed from the list this year. I have added Belize and Cambodia to the list for the following reasons:

Belize. In my letter of February 2, 1995, which removed Belize from last year's list of major drug-producing countries, I stated, "We will be watching to determine whether it becomes a major transit point for drugs moving to the United States." I did so because Belize's geographical location south of Mexico's Yucatan peninsula makes it an ideal strategic drug transshipment point for U.S.-bound cocaine shipments. The country's long, unprotected coastline, large tracts of rain forest, many inland waterways and large unpopulated areas make Belize an inviting feeder site for moving drugs into the mainstream Mexican trafficking routes that carry the bulk of South American cocaine to U.S. markets. Despite a demonstrated commitment to cut off access to these routes, the Government of Belize lacks the human and material resources to

control its borders adequately. In earlier years, the British Defense Forces stationed in Belize were a partial deterrent to drug traffic, though cocaine transited the country even then. Their withdrawal in late 1994 cleared the way for new trafficking opportunities.

There is little doubt that traffickers are exploiting Belize's vulnerable anti-drug infrastructure, particularly as other countries have strengthened their counternarcotics efforts. The very factors that make Belize attractive as a backdoor to the Mexican cocaine route to the United States preclude a precise estimate of the volume of drugs transiting Belize. But it is clear from a number of airdrops off Belize's coast and important seizures that the trafficking organizations view it as a valuable transit point. Mexico's disruption of the large jets carrying multi-ton loads of cocaine ("cargas") has made Belize even more attractive as a feed-in point for U.S.-bound cocaine.

While shipments transiting Belize are smaller than those entering Mexico directly, they can still be sizable. For example, in a single operation in 1995, Belizean authorities seized more than half a ton (636 kilograms) of U.S.-bound cocaine and arrested two Colombians and a Belizean believed to be connected to the Cali cartel. In all of 1995, Belizean authorities seized a total of 840 kilograms of cocaine, which probably represents only a small fraction of the cocaine actually finding its way to the Mexican conduit to the United States. Moreover, this route is not new, since Belizean authorities reported seizing 850 kilograms of cocaine in 1993, and 650 kilograms in 1990. Consequently, I am now adding Belize to the list as a major drug transit country.

Cambodia. Over the past year we have seen numerous indicators that the heroin trafficking problem in Cambodia is severe. Newly formed and under-trained drug enforcement units have made large seizures of heroin. Cambodian police and customs sources have uncovered narcotics cases that involve

the Cambodian military and police. Narcotics-related corruption also seems to be a problem in government and business circles. Cambodia shares borders with Thailand, Laos, and Vietnam—all countries on the list of major drug producing and drug transit countries.

The Cambodian government formally acknowledged that drug transshipment was a significant problem in a royal decree establishing an interministerial committee against narcotics signed by the King on September 7. The head of the Phnom Penh Municipal Counternarcotics Bureau has stated to the press that as much as 600 kilograms of heroin is smuggled through Cambodia each week. While we have no evidence to corroborate this figure, which seems high, seizures in Cambodia give us reason to believe there is a significant volume of heroin transiting the country. On August 11, the Cambodian Customs Service seized 71 kilograms of heroin hidden in a speedboat in Koh Kong province. This is the largest seizure ever made in Cambodia and one of the largest made in Southeast Asia this year. Two west African traffickers apprehended by the Cambodian authorities in July have admitted smuggling heroin to the United States and other destinations.

The extent of narcotics-related corruption suggests that the overall drug transshipment problem in Cambodia may be even greater than recent seizures suggest. There have been investigations and arrests involving both police and military suspects. Local police were arrested in the 71-kilogram heroin seizure in Koh Kong province. In August, Thai police arrested several Cambodians including members of the Cambodian military for attempting marijuana smuggling. For all the reasons listed above, I believe it is appropriate for Cambodia to be added to the list as a transit country.

Major Cannabis Producers. While Kazakhstan, Kyrgyzstan, Morocco, the Philippines, and South Africa are impor-

tant cannabis producers, they do not appear on this list since I have determined that in all cases the illicit cannabis is either consumed locally or exported to countries other than the United States, and thus such illicit cannabis production does not significantly affect the United States. (FAA 481(e)(2) states that a country that cultivates and harvests more than 5,000 hectares per year of illicit cannabis falls within the definition of a “major illicit drug producing country,” unless I determine that such illicit cannabis production does not significantly affect the United States.)

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

Cuba. We still do not have sufficient evidence that Cuba plays an active role in the drug trade affecting the United States to add it to the list at this time. However, Cuba’s geographic location and evidence of some movement of drugs around the island indicate it could become a target for greater trafficking activity in the future.

Central Asia. During 1995, we conducted probe efforts in Tajikistan and Uzbekistan, traditional opium poppy growing areas of the former Soviet Union. These probes did not show significant opium poppy cultivation. If on-going analysis reveals cultivation of

1,000 hectares or more of poppy, I will add the relevant countries to the list.

Sincerely,

William J. Clinton

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

Remarks to Employees of McDonnell Douglas in Long Beach, California

February 23, 1996

Senator Boxer, Congressman Horn, Mayor O’Neill, Mr. Stonecipher, Mr. Kozlowski, Betty Cavanagh—I’m glad she cleared up how old she was when she came to work here. I thought I’d have to charge McDonnell Douglas with violating the child labor laws. [*Laughter*]

I also thank you, Betty, for the ribbon and for the hug. That’s the most fun I ever had hugging a Republican. [*Laughter*] I want to thank you—seriously—all of you for being here and for the work you’ve done. Before I go forward I think we should all give a hand to the Lakewood High School band who played for us today and did such a fine job. Thank you very much.

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

The C-17 is the finest military transport plane in the world, or as I said in non-jargon, the best moving van in the world. It was forged with an extraordinary partnership between the Department of Defense and the workers and management here at McDonnell Douglas to cut costs, to increase effi-