

is over, and because we have a lot of things to discuss and a limited amount of time to discuss them, I would prefer if we would defer all questions until the press conference. I will give you an extended opportunity to ask questions related to this, and I know you have some other questions on other things, but I'd rather answer them at the press conference.

**Q.** And I'll obey you for a change. [*Laughter*]

**Q.** Sir, I like your tie.

**The President.** Thank you. Pamela Hariman gave me that the last time I was in Paris. That's why I wore it today. Her last gift to me was this tie. That's why I wore it today.

[*At this point, one group of reporters left the room, and another group entered.*]

**The President.** Let me make a brief statement, if I might. First of all, I am very, very pleased that the Prime Minister is back in Washington. I'm looking forward to our meeting. I want, once again, to congratulate him for the agreement that was made with Chairman Arafat over Hebron. It was a brave and wise thing to do. Obviously, the United States wants to make whatever contribution we can to the continuation of a peace process.

The second thing I would like to say is that we have a lot of things to discuss here, as you might imagine, and a limited time in which to discuss them. I will be happy to take your questions, but I would like to defer it until our press conference. And at least I and I think the Prime Minister will be willing to stay for a reasonable period of time to get virtually all the questions out. But we need to get on with our meeting now.

**Q.** Mr. President, are you willing to take—[*inaudible*—the Hamas member, to Israel—

**The President.** I'll answer the questions at the press conference.

**Prime Minister Netanyahu.** This is the Israeli press, Mr. President.

**The President.** No, it's okay.

**Q.** What's wrong with the Israeli press?

**Prime Minister Netanyahu.** A very good press.

**The President.** Nothing. [*Laughter*] Wait, wait, wait. The Prime Minister wants to make a statement.

**Prime Minister Netanyahu.** It's a very brief statement, but I think it says a lot. I'm very, very happy to be here with President Clinton again. We have seen him personally and his staff make a tremendous contribution for peace. I think their contribution for the Hebron agreement was decisive, and it reflects and reaffirms the leadership for peace that President Clinton has shown throughout his term of office.

I think we've taken bold steps for peace. It's time that we see such steps from our partners as well. And if we have this mutual-ity, we will have, I think, a great future, a different future and hope for our children and our grandchildren.

**Q.** Mr. President, can you take one question?

**The President.** At the press conference. I will answer at the press conference. And I promise, if he doesn't call on you, I will.

NOTE: The President spoke at 1:12 p.m. in the Oval Office at the White House. In his remarks, he referred to Chairman Yasser Arafat of the Palestinian Authority. A tape was not available for verification of the content of these remarks.

### **The President's News Conference With Prime Minister Netanyahu of Israel**

*February 13, 1997*

**The President.** Good afternoon. Please be seated. I'm pleased to welcome Prime Minister Netanyahu back to the White House for his fourth visit since taking office. He comes at a time of great sadness in Israel, following the terrible helicopter accident of 9 days ago. We know that in Israel every death is in the family. And on behalf of the American people, Mr. Prime Minister, once again I would like to extend our deepest sympathies to the loved ones of the victims and to all the people of Israel.

Since our meeting in October, we have traveled a very long way. Then we met in a time of crisis; now there is a renewed sense of promise in the Middle East. I want to congratulate the Prime Minister for concluding

the Hebron agreement last month with Chairman Arafat. They have reached a milestone on the way to a secure and lasting peace. The agreement solved the immediate issue of redeployment and laid out a roadmap for the next steps that must be taken to fulfill existing agreements and to move ahead to the pivotal questions of the future.

Beyond the specific commitments made, the Hebron accord is important because it renewed the partnership between Israelis and Palestinians, a partnership that is essential to the success of the peace process. The United States is proud to have helped in this effort.

Today the Prime Minister and I discussed what Israelis and Palestinians need to do next to strengthen this relationship that is so central to all our hopes for the Middle East. We have an opportunity to build on the new momentum coming out of last month's agreement. It must not be wasted.

The release of Palestinian prisoners earlier this week was an important sign of Israel's respect for past agreements and its willingness to take into account Palestinian needs. Both sides must show the same kind of determination as they seek to resolve on the basis of reciprocity the issues that remain. The challenges will be great, but the Prime Minister and Chairman Arafat have shown that the will is there. Just as America has been by Israel's side each step of the way, in the journey that lies ahead we will help Israel and its partners move forward.

The achievement of Hebron is a call to action, and it must be heeded. The United States and Israel share a goal of a comprehensive settlement and a powerful belief that peace and security are indivisible.

The Prime Minister and I exchanged ideas on how to revive negotiations between Syria and Israel. I believe both nations want to conclude a peace agreement, and the United States will work with them to achieve that goal. We also believe it is important that Israel and Lebanon achieve an agreement to complete the circle of peace.

We agreed on the need for increased contact and better ties between Arab States and Israel. This will be a priority in my meetings with other Middle East leaders over the next month. It's time to reinvigorate talks that

bring together Israelis, Arabs, and the international community to address regional issues such as water resources and environmental protection and to clear the way to more trade between Israel and Arab nations.

To make peace meaningful, reconciliation must deepen. And Arabs and Israelis must both harvest more of the fruits of peace. The pursuit of peace and the practice of terror are incompatible. For negotiations to succeed, there must be a climate of stability and tranquility. For peace to endure, Arabs and Israelis must know the calm of a normal life.

Prime Minister Netanyahu and I reviewed our shared efforts to combat terror, including the 2-year, \$100 million program I announced last year. Those funds have allowed Israel to invest in research and development for new technologies, to procure state-of-the-art security equipment, to streamline the passage of goods and people from the West Bank and Gaza. That way Israel has more security, and Palestinians have more economic opportunity.

Finally, I reaffirmed to the Prime Minister America's unshakable determination to continue helping Israel to meet its security needs. The delivery of F-15-I fighters beginning this year will strengthen Israel's air defenses against any attack. And our cooperation on theater missile defenses through early warning systems and defensive programs like the Arrow is reducing the chance that Israelis again will fear missile attacks from distant enemies.

When Binyamin Netanyahu first visited the White House as Prime Minister, I pledged that we would preserve and strengthen the bonds between our two nations. With this meeting we have taken another step to fulfill that promise, to deepen the partnership that has made it possible for so many extraordinary changes to occur in the Middle East since 1993—through the agreements last month and through other things that will now be done to sustain us as we move forward toward our common dream of a comprehensive peace.

Thank you, Mr. Prime Minister. The floor is yours.

**Prime Minister Netanyahu.** Thank you. Mr. President, I want to thank you first for the very moving words that you expressed,

your sharing of our grief, the sharing of the American people of the great sorrow of the people of Israel in our recent tragedy. I think you've shown yourself to be a great champion of peace and an exceptional friend of Israel. And I must say that both of these attitudes were in evidence today in our discussions, discussions between friends who wish to achieve peace and security.

We discussed the progress and the various tracks of peace, both with the Palestinians and as we hope with the Syrians. And I found, as always in my discussions with you, Mr. President, your unshakable commitment to Israel's security and understanding of how security is intertwined with peace and a desire to assist us with our Arab partners to walk on that road of peace and security.

I think that the strength of the American-Israel relationship is a fundamental factor in the pursuit of peace, of a secure peace in the Middle East. And I come out of these meetings with renewed confidence in our ability to progress on that road.

Thank you, Mr. President.

**The President.** Now, we'll start with Terry [Terence Hunt, Associated Press], and we'll alternate between American and Israeli journalists. And the Prime Minister will call on the journalists from Israel.

### **Syria**

**Q.** Mr. President, you mentioned Syria. What are the prospects for restarting peace talks with Syria? And the Prime Minister was said to be bringing a territorial compromise on the Golan Heights. Did you discuss that, and what can you tell us about it? Do you think it might work?

**The President.** I would very much like to see the talks resume. And I think it's an important part of continuing the process, keeping it alive, keeping the momentum going. We had an extensive discussion about the whole issue of every aspect of the peace process. But I think the only way the United States has been able to be a constructive force in this process for the last several years is not to say anything which will undermine the prospects of its success. So if I—I'm going to follow the rule I've followed since I first came to this job: Until we have some-

thing to say publicly, anything I comment on will only undermine the chances of peace.

I do feel encouraged by the discussions we've had, that there are things worth working on, working through. I'm hopeful that we can get the Syrian track going again. But I have nothing specific to say at this time.

### **Middle East Peace Process**

**Q.** Mr. President, I believe that you had a very lengthy private talk with Prime Minister Netanyahu. In your private conversation today, did he outline to you how does he see the future Middle East or the permanent settlements—peace settlements in the Middle East between Israel and Syria, between Israel and the Palestinians or the Palestinian Authority? Privately, did he say anything to you about it?

**The President.** You mean you want me to make the private talk not private anymore? [Laughter] No, the answer—yes, the answer is, I believe he has thought through a way consistent with the security of the people of Israel that a comprehensive peace might be achieved. We all know that there are a lot of things out there that still have to be resolved. But I was impressed that it's obvious that he has been thinking very hard about this and thinking about it from a security point of view and from a point of view of peace and long-term harmony and prosperity of peoples in the region. I was encouraged by that.

Helen [Helen Thomas, United Press International].

### **Lebanon**

**Q.** Mr. President, assuming that Ambassador Indyk was correctly quoted on our policy in Lebanon and assuming that we still have a tradition of supporting territorial integrity, why are you against the withdrawal of Israeli troops from Lebanon at this time?

**The President.** I believe it is imperative that Israel maintain the security of its northern border, and therefore, I have believed that the United States should be somewhat deferential under these circumstances, which are quite unusual, as we've seen repeatedly over the last few years, in the decisions that Israel would make. So it's up to the Prime

Minister to announce the policy of his country, not me, on this issue.

**Q.** Even to the point of occupying someone else's country?

**The President.** Do you want to make a comment about it?

**Prime Minister Netanyahu.** Thanks. [Laughter]

**The President.** Get me off the hot seat. [Laughter]

**Prime Minister Netanyahu.** Well, we have no desire, Helen, to be in Lebanon. We're there simply because there's a desire of some people in Lebanon to be in Israel, specifically, to launch attacks against Israel. They've been doing that over the years. I'm talking about Hezbollah at this stage. And we have said that we would withdraw from Lebanon if we could secure our northern border. Our concern is that if we simply walked away to the border, the Hezbollah and other terrorists would just come to the fence and attack our towns and villages and our citizens from that improved position.

My view is that we can achieve an ultimate withdrawal from Lebanon if we could have somebody dismantle the Hezbollah military capacity in the south of the country and take up the slack—preferably it should be the Lebanese army. That is something that we're prepared to negotiate with the Government of Lebanon, and it's no secret with Syria, that has more than a minor influence in Lebanon. That is our position. It hasn't changed.

### ***Iran and Saudi Arabia***

**Q.** Mr. President, Mr. Prime Minister, Iran is developing long-range missiles with Russian know-how. Is that a clear and present danger to Israel? On another—friends of the United States, the Saudis, will get the latest technology from United States. Will that be a danger to Israel's qualitative edge? Thank you.

**The President.** Let me answer the second question first, and then I'll answer them both. First of all, with regard to Saudi Arabia, we have had a long and very important defense partnership which persists to this day and which has contributed, I believe, to the security of Israel. We have not been asked by the Saudi Government for F-16's, which I take it is the import of your question, so

I will get to the specifics. Obviously, any request they would make of us we would have to seriously consider. But any decision that I make about that has to be made in a way that is consistent with our first commitment which is to do nothing that will undermine the qualitative edge of Israeli security forces in the Middle East.

Now, with regard to the second question, we are obviously concerned about Iran from many perspectives, not only from the build-up of its conventional military forces but also from the continued determination of the government to support terrorists in the region and beyond. And we are doing what we can to stem the tide of terrorism. And I will say again, we will do what we can to make sure that no development in any other country that is beyond our control or influence will be permitted to erode Israel's qualitative security edge. That is our responsibility, and we'll do our best to fulfill it.

Bill [Bill Plante, CBS News].

### ***China and Campaign Financing***

**Q.** Mr. President, your Press Secretary said earlier today that you were surprised and concerned by reports that there may have been plans made in the Chinese Embassy to funnel foreign contributions to the Democratic National Committee this year. Does this give you concern that there could be industrial or economic espionage as a target of this? And do you think this tips the scales in favor of having an independent counsel on the campaign finance question?

**The President.** Well, first of all, the—let me answer—the second question has and should be answered entirely by the Justice Department. The statute about that depends not on the gravity of the subject but on what the targets are. And it's fairly well covered. The Justice Department has spoken to that and will continue to speak to that and will make the decisions. I don't want to have any comment about it.

On the first, let me say that, first of all, this is a serious set of questions raised here. And the first I knew about any of it was last evening. They obviously have to be thoroughly investigated. And I do not want to speculate or accuse anyone of anything. I do

not—I know nothing about it other than what I heard last night, which is reflected entirely in the article this morning in the Post. But obviously, it would be a very serious matter for the United States if any country were to attempt to funnel funds to one of our political parties for any reason whatever.

So I think we just have to let the investigation proceed, and we should all support it in every way we can. It has to be vigorous, and it has to be thorough.

### **Lebanon and Syria**

**Q.** Mr. President, it is the American view that it's possible to reach a settlement in Lebanon without first reaching an overall settlement with Syria? And if so, will the American Government do something to seek such a solution?

**The President.** Well, let me say I would support any reasonable efforts to reach a comprehensive settlement with Lebanon that the Government of Israel thought was feasible and was willing to undertake. I think that we all know what the facts are there, and we all understand. You just heard the Prime Minister talk about the problems along the border. I think we all understand it would be at least certainly a lot easier to do if there were also an agreement with Syria.

You know, we have a special feeling in this country for Lebanon, and we have a lot of the sons and daughters of Lebanon who are American citizens now. And it is a particularly grievous thing for us to see the relationships between Israel and Lebanon in the position they're in. But we have to look at this over the long run. I think that—we have talked about this frankly; we've had several conversations about this. We have to do what we think is possible, and Israel has to do what we think is possible. If it became possible to have a real and meaningful agreement, would I be for that? You bet I would. Is it now? I'm not sure.

And you may want to——

**Prime Minister Netanyahu.** I think you said it very well.

### **American Airlines Labor Dispute**

**Q.** Mr. President?

**The President.** Yes, John [John Palmer, NBC News]?

**Q.** Mr. President, I wondered if you could give us your assessment of the impact of a possible American Airlines strike at midnight tomorrow night? Have you received the Department of Transportation report on that impact and how serious would it be? And would you plan to invoke any special powers and keep them on the job through an emergency decree?

**The President.** Today I want to say no more than I did yesterday, except to reemphasize that it should be obvious to everyone looking at this that it cannot be a good thing for American Airlines, but more importantly, it cannot be a good thing for the people of the United States and indeed people coming to the United States from other parts of the world for a significant interruption to occur in the operations of this airline.

We've had so many problems with our airlines for several years. And now they've been doing quite well for the last couple of years. Our administration has worked very hard on that. This is an important part of America being seen as a vibrant, reliable, successful nation. And it would be quite disruptive if it occurs.

So I want to say today, I want to reiterate my call to the parties to use the mediator and think about how they can reach out to one another in the best interest of the Nation, as well of American and its employees, all of its employees.

### **Israel-Syria Peace Talks**

**Q.** Mr. President, do you really think that Israel and Syria can resume the peace talks in an atmosphere like we have today, where Hezbollah keeps its terror activity and the Syrian and Iranian support? And what are you going to do about it, if anything—if you are going to do anything about it?

**The President.** Well, actually, we spend quite a lot of time trying to do something about terrorists everywhere. We invest a lot of our resources and our efforts in working with our friends in Israel and throughout the world trying to prevent terrorists from conducting successful operations and trying to track them down and punish them and extra-

dite them and do what needs to be done when they do.

So I think our—I think the United States has a clearer, more unambiguous position on terrorism, whether it affects our people directly or not, than virtually any other large industrial country in the world. And I will continue to do that.

However, it has been obvious for some time to the overwhelming majority of people in Israel—which is why the Prime Minister has done what he's done and why his predecessors did what they did—that in the long run, there had to be a comprehensive peace in the region to end all the violence. And I applaud him for doing that.

When we seek to make peace, we obviously are dealing with people with whom we have been angry, angry enough to take up arms, people with whom we have not had a relationship of trust. And that is what makes every step along the way so difficult. But I think to renounce the possibility of peace is not the right course. To stand up to terrorism in every way we can is the right course.

### **National Economy**

**Q.** In your economic report of the President, which was released this week, you said that the economy's health was the strongest it had been in decades. Today the stock market closed at about 7,000 for the first time. Are you concerned about the speed of that rise? Do you think it may well be justified, given what you see as a pretty strong fundamental economy?

**The President.** I think it was 3,200 when I took office. [Laughter] And I got a call from a little town in the mountains of north Arkansas, from a friend of mine who was talking to his Republican stockbroker, who said, "If it ever hits 4000, even I will vote for him." [Laughter]

Let me say, my own view is that anything we say about this is likely to either have no effect or an adverse one. The market has produced a remarkable growth, but the economy is growing. Obviously, the concern is, you know, are the returns to stocks, returns to investment greater than can be justified based on the productivity and profit prospects of the companies that are being traded. But if you look at the stability and the growth

that we've enjoyed and the prospects we have for stable growth with no inflation, it's hard to say that it's completely out of the question.

More and more—keep in mind, one of the reasons this market has gone up is that just a few years ago only about a third of the American people owned stocks, either directly or indirectly through their retirement investments and mutual funds; today over 40 percent of the American people do.

So, on balance, this has been a positive thing. Obviously, you know—some people say, "Well, gosh, we don't want another 1987 here." But even after 1987 we had a rather rapid rebound. So I think what I need to do is to try to work on keeping the economy healthy. Let's go on and balance the budget. Let's invest in our future, and let's try to create a better worldwide trading system. Let's follow our strategy, and then let the market take care of itself, as long as there is no destructive element in it. That's what I think we should do.

Want to take one more?

### **Abu Marzook**

**Q.** Mr. President and Mr. Prime Minister, are you considering once again the question of bringing Mr. Abu Marzook to trial in Israel?

**The President.** The answer to that question is, we did not discuss it because it's a matter within the American courts. And there is nothing I can do about, nothing the Prime Minister can do about it. It's in our courts, and we can't discuss it until it's resolved in the courts.

**Prime Minister Netanyahu.** I can only reaffirm that. But I can also tell you that, Mr. President, like you, I have a habit of not dealing—not commenting on our stock market, which has been going up. [Laughter] But I will say that when the Israeli stock market reaches 7,000 I will comment on it. [Laughter]

### **Second Term Cabinet Nominees**

**The President.** Before I go I have to—since I didn't get a question on it, I have—there is one thing I want to say something about, just because I've heard it suggested that maybe I don't have a great interest in

this. I've just literally not been asked about it.

I have been very well-pleased with the treatment that my nominees for the Cabinet have received who have gotten their hearings and been taken to a vote. There are still some who have not gotten a hearing yet, and let me mention in particular Tony Lake. We've now answered all the questions that we've been asked. We've sent it up to the committee. And I think he ought to be given a hearing and a vote.

And I'd like to remind everybody involved in this that it was Tony Lake who came up with the strategy that we implemented to end the bloodiest war in Europe since World War II. He was a terrific success as the National Security Adviser to the President. He has worked in these fields for 30 years. He fully understands the intelligence operations. He is superbly qualified. If someone has some reason to oppose him, let them oppose him in a hearing and then in a vote on the floor. But in view of his service, not to me but to this country, and the positive consequences of that service, whether it's Bosnia, Haiti, the agreements with Russia, you name it, he deserves—his service to this country deserved a hearing and a vote on the floor of the Senate. And I hope he will get it.

Thank you very much.

*Q.* [Inaudible.]

**The President.** Well, I obviously feel that way about that, but you know, you've got this on the record about that. I think she'll sail through if we ever get her to a vote. The same thing about Secretary Peña. But I wanted to—I'm on the record, I think, with Alexis. I just wanted to be on the record with Tony.

NOTE: The President's 135th news conference began at 4:34 p.m. in the East Room at the White House. In his remarks, he referred to Martin S. Indyk, U.S. Ambassador to Israel, and Abu Marzook, alleged HAMAS terrorist.

### **Statement on the Killing of a British Soldier in Northern Ireland**

*February 13, 1997*

I am grieved and outraged by the callous killing of a British soldier in Northern Ireland yesterday. The First Lady and I extend our

deepest sympathy to the soldier's family and to the British Government and people on the loss of this young man. We wish the authorities success in bringing the murderers swiftly to justice.

All those who care about the future of Northern Ireland must join me in condemning this cowardly crime. I remain convinced that the people of both of Northern Ireland's traditions want to take the path of peace and reconciliation, not hatred and violence.

The Belfast talks chaired by Senator Mitchell continue to have my full support. I urge all those taking part, who share a commitment to democratic values, to move as rapidly as possible into substantive negotiation about the future of Northern Ireland.

The loyalists and their leaders have shown great courage and restraint in not allowing themselves to be drawn into an escalating spiral of violence. I urge them to remain steadfast.

### **Remarks on Receiving the "Adoption 2002" Report and an Exchange with Reporters**

*February 14, 1997*

**The President.** Thank you very much, Olivia. Ladies and gentlemen and boys and girls, thank you all for being here. I also want to say a special word of thanks to some Members of Congress who are not here today but who have done an enormous amount of work on this issue, including Senators Rockefeller, Chafee, and DeWine, and Congresswoman Kennelly and Congressman Camp.

Let me begin by also saying Happy Valentine's Day. All the kids look wonderful. The rest of us look all right, too—[laughter]—but the kids look especially wonderful.

I want to thank you, Olivia, for the work you've done. And I want to thank the First Lady for the work she has done on this issue over more than 20 years now. I'll never forget the first conversation we had, shortly after we were married, about a case that she had involving a child in foster care who wanted to become an adopted child. I didn't know very much about it before then, and ever since then this issue has been of consuming