

Week Ending Friday, October 13, 2000

**Remarks on the Situation in
Yugoslavia and the Legislative
Agenda and an Exchange With
Reporters**

October 6, 2000

The President. Good afternoon. I'd like to say a few words about the historic developments in Serbia.

First and foremost, this is an extraordinary victory for the people of the former Yugoslavia, who endured oppression and deprivation, who saw through the propaganda, who took their country back with nothing but courage, principle, and patriotism. They will now define the shape of their future. They have said they want to live in a normal country, at peace with its neighbors, and a part of the world. The rest of us will welcome them.

This is a victory for newly elected President Kostunica, for his integrity and leadership in bringing this new day. As Yugoslavia's new leaders work to build a truly democratic society, we will move with our European allies to lift sanctions and bring them out of isolation.

This is a victory for all southeast Europe. As long as Mr. Milosevic was in power, the danger of more violence in Bosnia, Kosovo, Montenegro, Macedonia remained high. A dark cloud has lifted. And though tensions and challenges clearly remain, prospects for enduring stability in the Balkans have greatly improved.

Finally, this day is also a victory for the steady, persistent position of the international community. Think where we were less than a decade ago. Mr. Milosevic was trying to build a Greater Serbia, through conquest and ethnic cleansing. His forces attacked Slovenia, then Croatia, then Bosnia, unleashing violence that killed hundreds of thousands of innocent people in the heart of Europe, at the dawn of what was supposed

to be a new era of peace. And he was winning.

Had the world allowed him to win then, the people of Yugoslavia could not have won today. But America and our allies, took a stand, rejecting the idea that the Balkan tragedies were too hard to solve and too distant to matter. Together, we ended the war in Bosnia, reversed ethnic cleansing in Kosovo, supported forces of democracy and tolerance in Croatia and Montenegro, blocking Milosevic's efforts to prolong his rule by provoking new conflict, until the only remaining outpost of repression was Serbia itself, where it all began.

Now history has come full circle. It is not just the end of dictatorship in Belgrade. In a real sense, it is the end of the war Mr. Milosevic started in the former Yugoslavia 10 years ago. Democracy has reclaimed every piece of ground he took. The greatest remaining obstacle to the long-held dream of a peaceful, undivided, democratic Europe for the first time in history has now been removed.

So now is not the time for the United States or our allies to retreat from the Balkans in complacency. Now is the time to stay the course and stick with people who have won their freedom, the time to build the economic and civil institutions that will allow democracy to endure, reconciliation and cooperation to develop, and the economy to grow.

Now, before I take your questions, I'd just like to mention a couple of domestic issues. First, this morning, we received the good news that unemployment last month dropped again to 3.9 percent, a 30-year low, with the lowest African-American and Hispanic unemployment rates ever recorded. Our economic strategy is working, and we need to keep it on course.

That leads to the second point. I just signed yet another short-term funding measure to keep the Government running and

meet its responsibilities to the American people. We're now a week into the new fiscal year and Congress still has not acted on pressing budget priorities from education to safer streets to health care. At the same time, I am profoundly troubled by some of the things they have found the time to do.

Yesterday the Republican leadership thwarted the will of a bipartisan majority in both Houses and the overwhelming majority of the American people by stripping away legislation to outlaw deadly hate crimes. It was plain wrong. And on behalf of the families of people like James Byrd and Matthew Shepard, I pledge to keep fighting for hate crimes legislation this year.

I am also deeply disappointed by their decision to water down the prescription drug import legislation. We had an agreement to work in a bipartisan fashion, which they rejected in favor of writing a bill on their own, which is more acceptable to the drug companies, all right, but as a consequence will clearly provide less help to seniors and others who need but can't afford drugs and, indeed, could provide no help at all.

So once again I urge Congress to focus on the Nation's priorities and to work in a genuine spirit of bipartisanship, not to weaken, water down, or walk away from what we need to do but, instead, to finish the job of a fiscally responsible budget that builds on our progress, invests in our people, and produces real results.

Thank you.

Situation in Yugoslavia

Q. Mr. President, does your statement mean that the United States would object if Slobodan Milosevic were to try to remain active in Yugoslavia or if he were to try to go away quietly into asylum in some other nation?

The President. Well, first of all, I don't want to get into all the hypotheticals. The most important thing is to make sure that this moment is consummated; that is the President who has been elected should be authoritatively sworn in. That's the most important thing.

Now, I think it would be a terrible mistake for him to remain active in the political life of the country. That is not what the people

voted for. And I believe that we cannot ignore the action of the War Crimes Tribunal. I think we have to continue to support it. We'll have to deal with all the possible permutations that develop in the days ahead, and we'll work with our allies as closely as we can to see what the right thing to do is.

But let's not, even in the rain, water down the impact of this day. The people there have done an astonishing thing. This is just as big a blow for freedom as we saw when the Berlin Wall was torn down, when Lech Walesa led the shipyard workers in Poland, when the transformations occurred in all these other former communist countries. And it reverses a 10-year effort. It is an extraordinary day.

Q. Mr. President is it your understanding that the Russians are brokering a deal or trying to broker a deal with Milosevic or that they're delivering a blunt message for him just to step aside?

The President. Well, there have been two different reports, and so it's not clear. Let me say that we have always said, all of us, that the Russians could play a constructive role here and that we hope that they would, as soon as they felt they could do so, make it clear that Mr. Milosevic should respect the results of the elections.

Today even the Constitutional Court, which just a few days ago had invalidated the first election, even the Constitutional Court said, "Hey, this guy won, fair and square, and he's the President." So when I heard the report that Mr. Ivanov had delivered a congratulatory letter to President Putin and was clearly looking forward to a new Yugoslavia, I thought that was consistent with the policy that all the Europeans had held and that the United States had held and that we would be working together again, as we have worked together in Bosnia and Kosovo. Then we were later given reports that I think are on the news, that instead maybe what he said was he was congratulating him on a strong showing in the election, but leaving open the prospect of when he should become President.

So I will say again, I don't think there should be a deal brokered here. I think the only issue—should the will of the people of Serbia be honored, should the integrity of an election that has even been recognized

by a court, that just a couple of days ago tried to thwart it, be upheld? If the Russians will take that position as soon as they feel that they can, that can make a big, positive difference.

Effectiveness of Peacekeeping Forces

Q. You said a short time ago, Mr. President, that now is not the time to retreat from the Balkans in complacency. Is that a response to Governor Bush in the debate the other night, when he expressed doubts about the value of using American troops for peacekeeping?

The President. Well, he wasn't the only one. If you go back, there are a lot of people who didn't agree with what we did in Bosnia. There are a lot of people who didn't agree with what we did in Kosovo.

I felt very strongly that we did have profound national interests in stabilizing Europe and permitting it to be united, not divided; all democratic, not partly so; and free of ethnic cleansing and slaughter. I felt very strongly about that. I still believe we were right, and I think that subsequent events have ratified the direction that we've taken from the beginning here.

And I'm very proud of the fact that—it took us about 2 years after I became President to get strong consensus among our European allies, but I'm very proud of what they've done in their own backyard and the leadership they've taken and the stands that they've taken.

But that's not what I meant. I don't mean to get into a discussion of the current political campaign. What I was referring to is that, if you remember, we had a big conference after Kosovo on the need to give the Balkans something positive to look forward to, not just to say, "Stop all these bad things you've been doing, but here's a way to build a united economic bloc; here is a way to work together; here is a way to rebuild all these countries; and that there ought to be a Balkan stability pact."

And I said at the time that the only difficulty with this concept was that Serbia, which has always been a big anchor of the Balkans, could not be a part of it because of Mr. Milosevic's policies and actions. So the reason I said what I said today was to

make it clear that I think Serbia, once democracy has clearly and unambiguously been restored, should definitely be a part of the Balkan stability pact and that the United States should play its role there.

The Europeans are carrying the lion's share of the financial burden, which was the agreement we made when we carried the lion's share of the burden during the conflict in Kosovo. But we have responsibilities there. And I was referring to the imperative of our meeting our responsibilities there, not trying to go back and revisit the history for any political purpose.

I think what I want everybody to do is get beyond the politics and look at the enormous potential now. But the United States and our European allies, having done so much in Bosnia and Kosovo, having supported the institutions of a free election in this last process in Serbia, we owe it to those people now to reward the decision they have made as well as to reward and redeem the sacrifice that has been made in those other countries.

Upcoming Meeting With President Kim Chong-il of North Korea

Q. Mr. President, what are you going to talk about with the North Korean leader next week? Are you looking for a major breakthrough in improving the relations with that country?

The President. Well, first, I'm going to listen, and I'm going to tell them that I am encouraged by the work done by President Kim in South Korea and by Kim Chong-il in North Korea, and I want to encourage that development.

You know, the United States has had—when I became President in 1993, everybody thought the most serious problem we faced in terms of world security was the potentially imminent development of nuclear weapons by North Korea, because they were so good at building missiles which could deliver them, a development which would have been very ominous, not only because of what it might have meant on the Korean Peninsula and to Japan but also what it might have meant should North Korea have sold both missiles and warheads to others.

So we worked very hard, with the support of the South Koreans, to establish a direct

relationship with North Korea to try to stop the nuclear program. And you know about all the consequences there: building a lightwater reactor, getting the financing, giving crude oil—giving oil for the North Koreans to meet their energy needs.

Beyond that, however, we refused with great discipline to go beyond that until there was some movement at reconciliation between South Korea and North Korea. We didn't want to get separated from South Korea. We wanted to stick with them. And now, the President of South Korea, who deserves the lion's share of credit for all that has happened here—although he had to have a response from Kim Chong-il, and he deserves credit for what he has done—has encouraged me to have whatever contact the North Koreans deem appropriate at this time.

So what I want to do is just explore the possibilities. We're very concerned about a reconciliation between our two countries. That would be a good thing. But it also has to be good for South Korea, and I might add, the interests of Japan are quite important here, and the Japanese have interests that are not quite identical to the South Koreans, but they are very legitimate. Our relationship with Japan is profoundly important to us over the long run.

So I'm working through this. I believe the Chinese strongly support this meeting and what we're trying to do, and we've tried to coordinate with them. So, on balance, this is a big plus. I will explore what the possibilities are and consider what actions they're willing to take, what actions we should take, consistent not only with our own interests but with those of South Korea and our other friends in the region.

Situation in Yugoslavia

Q. Returning to Yugoslavia for a minute, do you recognize Kostunica as the President of Serbia, not just the President-elect? And will you still lift sanctions even if Kostunica sticks by his campaign promise not to turn Milosevic over to the Hague?

The President. Well, let me answer the second question first. I think that we have to make an aggressive effort to reward the courage and heroism of the people there in

restoring democracy. We have to do something immediately, because they're under great distress. They're under great economic distress. They've suffered a lot because of these sanctions.

Now, there are a lot of sanctions and a lot of layers of them, almost, and we should make an opening move here, I think—the Europeans and United States, all the countries that have supported this, the U.N.—that makes it clear that we support what has happened and we intend to help them. Then what happens after that will have to be determined based on events within Serbia and also events—and also in consultation with our allies.

Now, the second question that you asked, or the first one you asked is I do consider him the President, but I think, they have a Constitution, and I think he has to be ratified by their Parliament. So I'm hoping—I was hoping it would happen today, and what I've been told is they're literally having trouble physically getting the people who are in the Parliament to come in so enough of them can be there so he can get the two-thirds required.

But I think the people have taken care of the transfer of power, but it needs—so I consider him the duly elected President of Serbia and the former Yugoslavia, in its present form, but I think probably he would say, if he were here answering this question, that he considers himself the President, but that he still needs to be formally ratified.

Legislation To Lift Embargo on Cuba

Q. Mr. President, the Congress of the United States has come to an agreement on wording to ease the embargo on Cuba on food and medicines. Do you agree with the way it's being worked out that puts certain restrictions on travel, on American banks, what they can and cannot do?

The President. Well, let me tell you what I understand it to do, and all I can say is I hope I'm wrong. I will posit this. I have not read what they have finally voted for. But what I have been told is that it looks like it eases the embargo on food and medicine, but it probably doesn't very much, because it doesn't provide any financing credits, which we give to other poor countries,

whereas it definitely restricts the ability of the executive branch to increase people-to-people contacts between Americans and Cubans, thus further punishing and restricting the possibilities of the Cuban people.

So I think this is one of those things where somebody can go home and say, "I made a good deal for the farmers," and it's so close to the election nobody will know whether it's real or not. But it certainly restricts in, I think, a completely unwarranted way the ability of the United States to make travel decisions on policy that I do not believe should be made, written in law in stone by the Congress. I think it's wrong.

So I hope I'm wrong about it. I hope at least that the food and medicine provisions are real. But that's not what I've been told. So I think a lot of people voted for it because they probably couldn't think of a way to say they voted against food and medicine, knowing it wasn't real, so they got a lot of votes for a travel restriction that I can't believe a majority of the Congress really believes in. And I think it was a big mistake, if it's what I think it is. But I don't want to—I want to reserve some room for judgment when we have a chance to review the actual language.

Estate Tax Legislation

Q. Mr. President, some Republicans have advanced a new version of an estate tax relief proposal that is more scaled back than their original one in the last few days. Would that be acceptable to you, if it reaches your desk?

The President. I'm sorry, because of the background music, I didn't hear. I don't hear very well in my dotage. Just ask it again.

Q. In the last few days, some Republicans have advanced a new estate tax relief proposal that is more scaled back than their original one. If that were to reach your desk, would it be acceptable to you?

The President. I'd like to see what it does. I have said repeatedly that I thought that we ought to have some modification of the estate tax law, because it's like everything else. It has to be changed, in my judgment, with the growth and the changes in the economy. And I think that we had a proposal in the Senate that would have taken two-thirds of the estates out from under the estate tax law but would not have repealed it, wouldn't have

cost whatever the huge amount of money it cost, up to—I think it would be up to \$100 billion a year or something, a massive amount—in the next decade—not this one but the next one.

So I would like to look at that, and I would be open to it. Let me just say this. While I agree that some of that is warranted, I would like to see some more comprehensive approach in which we also did something to help average people, either with the marriage penalty or saving for retirement, and we provided the tax credit for long-term care and for college tax deduction, for child care, things that working people need. At some level, we could work it out together.

And we ought to raise the minimum wage. If we're going to give estate tax relief, surely we can raise the minimum wage. There's 10 million people out there depending on that, and they need it. And all it would do is bring us back to the real value of the minimum wage in 1982.

Middle East question?

Middle East Peace Process

Q. The cease-fire doesn't seem to be holding. Can you comment on that and also give us some insights on how you have been balancing these two extreme situations in the Middle East and in Yugoslavia this week?

The President. Well, it's been kind of an emotional and intellectual roller coaster, so much good news in one place and so much trouble in another, where we've done our best to do what was right by the people. Let me say, it's been a difficult day in the Middle East. I had actually feared it could be worse, and I'll tell you why. Chairman Arafat and Prime Minister Barak, when they met in Paris, reached some understandings on the security steps they would take.

And I think they plainly tried to implement them, particularly today. You saw a removal of Israeli forces off the Temple Mount or the Haram, as the Muslims say. And you saw an early attempt, after the prayer service, by the Palestinian forces to restrain activities by some of the Palestinians, some of the rock throwing. What happened was I think because it's a very sensitive day, because some had called for it to be a day of rage. Because

it was the holy day of the week for the Muslims, I'm not sure that they could stop everything that happened today.

So I would say to all of you, I don't believe that we have enough evidence that the two sides aren't trying to keep the agreement they made. And I think we need to give this another day or two, to see if we can calm it down. I was very afraid that this could have been the worse day of all, because of the other circumstances. So even though it was a very tough day, we do believe that both sides tried to take some steps to defuse the violence.

And let me just say again, I know there are all kind of other questions being asked, but by far, the most important thing is to put an end to the violence and to see this as a sober reminder of the imperative of getting on with this peace process.

Situation in Yugoslavia

Q. Is Putin taking your phone calls, Mr. President? Are you trying to reach him? It seems like they're stonewalling. We don't seem to know what they're up to.

The President. What who's up to?

Q. The Russians. Are you talking to Putin?

The President. Well, I've talked to President Putin, and Madeleine Albright has been in virtually constant contact with Foreign Minister Ivanov. I do think that we—but I think what happened is—they might not have done anything inconsistent, but when we first heard they were going to Belgrade—which originally we thought they wouldn't—we had been urging them all along not to try to mediate, because we don't think that's a good idea, but just to take a clear and unambiguous stand for what was an evident result of the election. That's what we've urged them to do, because we know that they could have a positive impact if they do that, not mediate but take a clear stand for the will of the Serbian people.

And so the only thing I was commenting to you today on is there had been two different reports coming out about what, in fact, the message was. So we're, at this moment, trying to determine exactly what their position is and where we go from here. But I will just say again, if the Russians are prepared to deliver a clear and unambiguous

message at the earliest possible time, that will be a plus.

I think trying to split hairs here, after all that's happened in the streets and after what clearly happened in the election, is not a good idea. But again I want to say, we ought to take a little time to appreciate where we are. Ten years ago we could not have even had this conversation about Russia. Now they've had the first peaceful transfer of power in a legitimate election in their own country in a thousand years. So now, we look to the President of Russia to do what we looked to the Prime Minister of France or the Prime Minister of Great Britain or the German Chancellor to do, or the American President, for that matter.

I know this is a—believe me, this is a difficult waiting period for me because of the belief that I have always had that we should stand against ethnic cleansing in the Balkans and stand up for freedom and because—let me just say one other thing. The estrangement of the United States and Serbia has been painful because we have so many Americans of Serbian origin, something I meant to say in my opening statement. Everywhere from Ohio to Texas, this country is full of Serbian-Americans who have made terrific contributions to our country.

So I hope we can get this worked out. But to go back to your question, we've been in very close contact with the Russians. They've been up front with us. They haven't misled us about where they are, and we certainly have not misled them about where we are. And we're trying to get to a common position, just like we had to work to get to a common position in Bosnia, in Kosovo, on all these other issues involving the Balkans. I think they'll get there, but sooner is better than later.

Q. Mr. President, how much credit do you think your administration deserves for what is happening in Yugoslavia?

The President. Well, I think I'll just let my statement stand for itself. You can't apportion percentages when something like this happens. The lion's share of the credit belongs to the people. Finally, after enduring so much, they, first, showed up to vote, with 75 percent turnout. And when the government tried to take their vote away, they came

and got it back. And it's an awesome thing to see.

And second, you've got to give a lot of credit to Mr. Kostunica. I'm learning to pronounce his name; it's the second syllable, Kostunica. And I think that he never hesitates to disagree with Europe and the United States when he disagrees with us. He's clearly a Serbian nationalist. He's a patriot. But he appears to be profoundly devoted to the rule of law and to constitutional procedures.

That's all we ever asked for. We don't ask people to go around and agree with us on everything. All we want to do is deal with a country where they believe in the rule of law and they don't believe in killing their opponents and killing people who are of different religious or ethnic backgrounds and where they want to argue their positions out in an appropriate way. So I think you have to give them a lot of credit.

I think the people who stood for freedom and against ethnic cleansing in Bosnia and Kosovo and Croatia and Montenegro, they deserve a lot of credit for this. But I think it is unlikely that this day would have happened if we hadn't—not we, the United States; we, all of our allies, all of us together—had not prevented Mr. Milosevic from having his way in Bosnia and Kosovo and encouraged the forces of tolerance and freedom in Croatia and Montenegro, tried to help little Macedonia make its way into the future.

So I think you've got a mix here. I don't think it's possible to apportion percentage, and I don't think any of us should worry about that. This is not a day for credit. It's a day for celebration. But as always when freedom triumphs, the number one responsible element are the people, just like in this country.

Thank you.

Vice Presidential Debate

Q. Did you watch any of the Vice Presidential debate, any part of it?

The President. Just a little bit. Unfortunately I was in transit and couldn't watch it. I liked what I saw.

Q. Did you read something about it?

The President. No, I haven't read anything yet about it. I've been working on this today.

Q. Was this your version of the debate?

The President. No. [Laughter] No.

Remember what I said about that, what I said about that, about not withdrawal. We've got to stick with the stability pact. That's my message. This is not about politics. This is about sticking with the stability pact.

NOTE: The President spoke at 3:15 p.m. in the Rose Garden at the White House. In his remarks, he referred to President Vojislav Kostunica, who was sworn in on October 7, and former President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro); Foreign Minister Igor Ivanov and President Vladimir Putin of Russia; President Kim Dae-jung of South Korea; Chairman Yasser Arafat of the Palestinian Authority; and Prime Minister Ehud Barak of Israel. This item was not received in time for publication in the appropriate issue.

Statement on Signing the Intercountry Adoption Act of 2000

October 6, 2000

Today I have signed into law H.R. 2909, the "Intercountry Adoption Act of 2000." This Act will implement the Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. I am pleased that the Senate gave its advice and consent to ratification of the Convention on September 20, 2000.

The United States and 65 other countries came together to negotiate the Convention in response to abuses in the intercountry adoption process, including illegal child trafficking. By setting uniform standards, the Convention better protects the rights and interests of children, birth parents, and adoptive parents involved in intercountry adoption.

In its preamble, the Convention recognizes that children should grow up in a family environment and that properly safeguarded intercountry adoption offers the advantage of a permanent family to children who cannot readily be placed with a suitable family in