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TEXT  
TAGS: OPRC  
SUBJECT: DEPARTMENT DAILY PRESS BRIEFING - MARCH 18, 1992  
INFORM CONSULS ALSO FOR USEC/USOEC

THE FOLLOWING SUBJECTS WERE COVERED IN TODAY'S DAILY  
BRIEFING WEDNESDAY, MARCH 18, 1992:

SOUTH AFRICA: SOUTH AFRICAN VOTE BACKS RACIAL REFORMS, US  
SANCTIONS LIFTED/REMAINING

TERRORISM: ISRAELI EMBASSY IN ARGENTINA DESTROYED BY

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCES METHODS EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
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TERRORIST BOMB/TWO ISRAELIS STABBED IN ISRAEL, ASSISTANCE OFFERED BY US/OTHERS, US TRAVEL ADVISORY/POSSIBLE ADVANCE WARNING, US CONTACTS WITH OTHER GOVERNMENTS, INCREASED SECURITY MEASURES

IRAN: US CONTACTS RE: SUSPECTED MISSILE SHIPMENT FROM NORTH KOREA

MIDDLE EAST PEACE PROCESS: SUCCESS/USEFULNESS OF PEACE PROCESS

LIBYA: UN DISCUSSIONS ON POSSIBLE SANCTIONS

SUDAN: REPORTED SUDANESE AMBASSADOR'S MEETING WITH DEPUTY SECRETARY EAGLEBURGER

HAITI: PRESIDENT ARISTIDE'S MEETING WITH THE SECRETARY, US SUPPORT FOR ARISTIDE'S RESTORATION, PRESIDENT'S STATEMENT ON REMOVAL OF MILITARY, LEADER OF COUP

PAKISTAN: REPORTED CONCEALED US DOCUMENT ON CAPABILITY OF PRODUCING NUCLEAR MATERIAL/ARMS

THE FORMER SOVIET UNION: SECRETARY'S MEETING WITH BYELARUSSIAN FOREIGN MINISTER

ISRAEL: US HOUSING LOAN GUARANTEES, PRESIDENT'S COMPROMISE PROPOSAL/LEAHY PLAN, POSSIBLE RELEASE OF DOCUMENT, US CONTACTS WITH ISRAELI OFFICIALS, REPORTED TRANSFER OF US PATRIOT TECHNOLOGY, US EXPERTS' VISIT

DEPARTMENT OF STATE  
DAILY PRESS BRIEFING

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WEDNESDAY, MARCH 18, 1992, 12:23 P. M.  
(ON THE RECORD UNLESS OTHERWISE NOTED)

MS. TUTWILER: I HAVE TWO STATEMENTS. THE FIRST I'D LIKE TO MAKE IS CONCERNING SOUTH AFRICA.

YESTERDAY, WHITE SOUTH AFRICANS VOTED OVERWHELMINGLY FOR A JUST AND DEMOCRATIC FUTURE AND EXPRESSED CONFIDENCE IN THEIR PLACE IN THAT FUTURE. THEY SAID NO TO APARTHEID AND YES TO RECONCILIATION. WE WELCOME THEIR DECISION.

IN VOTING YES, WHITE VOTERS AFFIRMED THAT NEGOTIATIONS OFFER THE ONLY PATH TO A SECURE FUTURE FOR ALL SOUTH AFRICANS. SOUTH AFRICANS HAVE ALREADY BEGUN TO ENJOY THE BENEFITS OF THIS PATH. INTERNATIONALLY, THEY HAVE SEEN THE LIFTING OF SANCTIONS, AN END TO CULTURAL AND ATHLETIC ISOLATION AND SOUTH AFRICA'S ONGOING REINTEGRATION INTO THE WORLD COMMUNITY.

THIS VOTE SENDS A MESSAGE OF RECONCILIATION TO BLACK SOUTH

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AFRICANS WHO HAVE DEMONSTRATED A REMARKABLE WILLINGNESS TO PUT THE PAST BEHIND THEM.

YESTERDAY, WHITE SOUTH AFRICANS MADE THEIR PREFERENCE CRYSTAL CLEAR. THEY REJECTED A "NO" OPTION THAT WOULD HAVE LED TO A RETURN OF INTERNATIONAL ISOLATION AND DOMESTIC DISCORD. ALL SOUTH AFRICANS HAVE A STAKE IN THEIR COUNTRY'S FUTURE AND A RIGHT TO MAKE THEIR VIEWS KNOWN. THE WAY FORWARD TO A NEGOTIATED SETTLEMENT IS NOW MORE OPEN THAN EVER.

WE URGE THOSE WHO SO FAR HAVE CHOSEN TO REMAIN OUTSIDE THE NEGOTIATING PROCESS TO JOIN THE VAST MAJORITY OF THEIR COUNTRYMEN AND BRING THEIR ASPIRATIONS INTO THE CONVENTION FOR A DEMOCRATIC SOUTH AFRICAN FORUM.

PERHAPS THE BEST WAY TO SUMMARIZE THE IMPORTANCE OF THIS EVENT IS WHAT IS BEING SAID TODAY IN SOUTH AFRICA ITSELF. PRESIDENT DEKLERK HAS SAID THAT, "TODAY WE HAVE CLOSED THE BOOK ON APARTHEID." NELSON MANDELA SAID THAT, "AN OVERWHELMING 'YES' VOTE MEANS THE PROCESS OF DEMOCRACY IS DEFINITELY ON COURSE."

WE CERTAINLY AGREE WITH THEM AND LOOK FORWARD TO FURTHER AND RAPID PROGRESS TOWARDS BUILDING A NEW AND DEMOCRATIC SOUTH AFRICA. THE FINAL FIGURES, AS WE HAVE THEM, ON THE VOTE INDICATE THAT SOME 70 PERCENT OF THE PEOPLE VOTED "YES" TO CONTINUE NEGOTIATIONS, AND OUR UNDERSTANDING, AS OF THIS BRIEFING, IS THAT THE TOTAL VOTER TURNOUT WAS OVER 80 PERCENT.

Q: DO YOU HAVE THE RETURNS FROM ILLINOIS? (LAUGHTER)

MS. TUTWILER: NO, BUT MARLIN JUST WENT THROUGH THEM AT QUITE SOME LENGTH IN HIS BRIEFING.

Q: THE TURNOUT WASN'T AS GOOD.

MS. TUTWILER: I DON'T KNOW. THAT'S AN HONEST STATEMENT. I DON'T KNOW.

Q: ON THE SUBJECT OF SOUTH AFRICA, CAN YOU REFRESH MY MEMORY ABOUT SANCTIONS AND WHICH ONES WE STILL HAVE IN PLACE, IF ANY, AND WHAT THE THINKING IS NOW ABOUT THE TIMING OF LIFTING THEM?

MS. TUTWILER: NO, BUT I'LL BE HAPPY TO REFRESH MY OWN MEMORY AND GET IT FOR YOU AFTER THE BRIEFING. THAT'S SOMETHING I JUST DON'T HAVE.

MY SECOND STATEMENT CONCERNS THE BOMBING YESTERDAY AT THE ISRAELI EMBASSY IN ARGENTINA. I WOULD LIKE TO TAKE THIS OPPORTUNITY TO REAFFIRM PUBLICLY WHAT BOTH THE PRESIDENT AND THE SECRETARY COMMUNICATED PRIVATELY TO ISRAELI LEADERS YESTERDAY ON THE TERRORIST ATTACKS DIRECTED AT THE ISRAELI EMBASSY IN ARGENTINA.

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THE UNITED STATES IS SHOCKED AND OUTRAGED BY THE BOMBING OF THE ISRAELI EMBASSY IN BUENOS AIRES YESTERDAY, WHICH ALSO CLAIMED SOME ARGENTINIAN LIVES. AND WE ARE ALSO SHOCKED AND OUTRAGED BY THE STABBINGS OF TWO ISRAELIS IN ISRAEL YESTERDAY. THESE ARE SAVAGE ACTS OF TERRORISM. THEY ARE TRAGIC REMINDERS OF THE DANGERS THAT THE ISRAELI PEOPLE FACE, AND THE CONSTANT THREATS AGAINST ISRAEL'S VERY RIGHT TO EXIST. WE WILL STAND WITH ISRAEL IN DOING ALL WE CAN TO COUNTER THESE OUTRAGEOUS THREATS.

AS THE DEATHS OF ARGENTINIAN CITIZENS ALSO MAKE CLEAR, TERRORISM KNOWS NO BOUNDARIES AND VICTIMIZES ALL PEOPLE. WE MUST ALL JOIN TOGETHER IN THE COMMON STRUGGLE AGAINST THE FORCES OF VIOLENCE AND EXTREMISM. THIS IS INDEED AN INTERNATIONAL RESPONSIBILITY, AND WE MUST ALL REDOUBLE OUR EFFORTS TO FIGHT TERRORISM WHEREVER WE ENCOUNTER IT.

FINALLY, WE WANT TO EXTEND OUR DEEPEST SYMPATHIES TO THE FAMILIES AND FRIENDS OF ALL THOSE WHO WERE LOST OR INJURED IN YESTERDAY'S TERRORIST ATTACKS, BOTH IN ARGENTINA AND IN ISRAEL. WHAT WE KNOW ABOUT THIS INCIDENT THAT I COULD SHARE WITH YOU IS: ARGENTINE AUTHORITIES HAVE PUT THE DEATH TOLL, AS OF JUST ABOUT, I BELIEVE, AN HOUR AGO AT 11, WITH AS MANY AS 200 WOUNDED. WE DO NOT KNOW THE NATIONALITIES OF THE DEAD OR WOUNDED, ALTHOUGH OUR EMBASSY HAS NO INDICATION OF ANY AMERICAN DEAD OR WOUNDED.

THE CAUSE OF THE EXPLOSION IS STILL BEING INVESTIGATED, BUT LOCAL AUTHORITIES SAY THAT IT APPEARS TO HAVE BEEN A BOMB BLAST OR TWO BOMBS DETONATING SIMULTANEOUSLY. WE DO NOT KNOW WHO WAS RESPONSIBLE. WE ARE AWARE OF A PRESS REPORT OUT OF BEIRUT THIS MORNING SAYING THAT ISLAMIC JIHAD HAS CLAIMED RESPONSIBILITY. WE HAVE NO INFORMATION TO CONFIRM THIS REPORTED CLAIM.

SEVERAL NEWS ORGANIZATIONS REPORT RECEIVING ANONYMOUS PHONE CALLS FROM PERSONS BLAMING VARIOUS GROUPS. NONE OF THOSE CAN WE CONFIRM EITHER.

WE HAVE OFFERED THE ISRAELI AMBASSADOR IN BUENOS AIRES OUR ASSISTANCE, BUT I CANNOT GO INTO THE SPECIFICS OF WHAT TYPE OF ASSISTANCE.

Q: MARGARET, DID THE UNITED STATES GOVERNMENT HAVE ANY INKLING OF A POTENTIAL TERRORIST ATTACK IN ARGENTINA IN DAYS PRECEDING THE ACTUAL ATTACK?

MS. TUTWILER: NOT THAT I HAVE ANY KNOWLEDGE OF. I'VE NEVER HEARD THAT.

Q: THERE ARE REPORTS THAT THE U.S. GOVERNMENT WAS CIRCULATING WARNINGS, OR AT LEAST A CAUTIONARY MESSAGE TO PEOPLE -- TO ITS DIPLOMATS IN ARGENTINA OF A POSSIBILITY OF TERRORIST ATTACKS. ALSO, THAT THERE WAS SUCH AN ALERT

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CONSIDERING THE AIRPORT IN ARGENTINA.

MS. TUTWILER: NONE OF WHAT YOU'VE JUST STATED TO ME AM I AWARE OF. I FORGOT -- NOW THAT YOU REMIND ME TO CHECK -- WHAT, IF ANY, TRAVEL ADVISORY, WARNING, ETC., WE HAVE -- DO YOU RECALL, RICHARD (BOUCHER)? -- THAT'S BEEN UP. I DON'T KNOW IF THERE EVEN IS ONE.

AS YOU KNOW, IN THIS ADMINISTRATION, THERE IS NO DOUBLE STANDARD. WE DO NOT WARN OR ADVISE OUR PERSONNEL IN VARIOUS LOCATIONS WITHOUT NOTIFYING THE PUBLIC. SO, I'LL BE HAPPY TO CHECK YOUR QUESTION, AND I'LL ALSO CHECK WHERE WE ARE -- IF ANY TRAVEL ADVISORY OR WARNINGS PREVIOUSLY HAD EXISTED FOR ARGENTINA THAT IS PUBLIC INFORMATION.

Q: YOU DID ISSUE A WARNING A FEW WEEKS AGO, I BELIEVE --

MS. TUTWILER: DID WE?

Q: -- ABOUT POSSIBLE TERRORIST ATTACKS AGAINST U.S. INTERESTS.

MS. TUTWILER: WELL, THAT'S OUR RESPONSIBILITY.

Q: RIGHT, RIGHT. AND I WAS JUST WONDERING WHETHER YOU SEE ANY LINK BETWEEN THE ATTACK IN ARGENTINA AND THE MIDDLE EAST PEACE PROCESS ITSELF?

MS. TUTWILER: SINCE NO ONE HAS CLAIMED RESPONSIBILITY, EXCEPT FOR THIS ONE REPORT IN BEIRUT THAT I CAN'T CONFIRM OR DENY, HOW WOULD I KNOW WHAT THE MOTIVES ARE? ALL THAT ANYONE COULD DEDUCE IS WHOEVER DID THIS WAS OBVIOUSLY QUITE SICK.

Q: YOUR OFFER OF ASSISTANCE TO THE ISRAELI EMBASSY, WAS IT IN RESPONSE TO ISRAELI GOVERNMENT'S REQUEST OR --

MS. TUTWILER: NOT THAT I'M AWARE OF. WE WOULD, OBVIOUSLY -- THIS IS A TRAGEDY. YOU'VE SEEN IT, I HOPE, ON YOUR TV SCREENS. YOU CAN'T HELP BUT INSTANTLY WANT TO HELP AND LEND ASSISTANCE IN WHATEVER WAY YOU CAN TO, HOPEFULLY, FIND WHOEVER DID THIS, SO THAT THEY'RE PREVENTED FROM EVER DOING THIS AGAIN. INNOCENT PEOPLE WERE KILLED YESTERDAY. I'VE JUST GIVEN YOU THE NEW NUMBERS: 11 PEOPLE DEAD -- FOR WHAT? -- 200 PEOPLE WOUNDED. OF COURSE, YOU WOULD WANT TO OFFER YOUR ASSISTANCE IN WHATEVER WAY YOU CAN.

Q: MARGARET, PRESIDENT MENEM SAID THAT HE HAD ASKED FOR ASSISTANCE FROM THE CIA AND THE MOSSAD. CAN YOU SAY ANYTHING ABOUT THAT?

MS. TUTWILER: I CAN'T ANSWER ANYTHING CONCERNING THE ISRAELI GOVERNMENT. AND, AS I SAID, ON OUR SPECIFIC ASSISTANCE, I'M GOING TO BE UNABLE TO BE SPECIFIC. BUT WE ARE BEING AS HELPFUL AS WE CAN IN ALL AREAS.

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Q: OFFERING ASSISTANCE TO BOTH THE ISRAELI EMBASSY AND THE ARGENTINE GOVERNMENT?

MS. TUTWILER: SURE.

Q: HAS THE U.S. HAD ANY COMMUNICATIONS FROM VARIOUS OR SUNDRY MIDDLE EASTERN GOVERNMENTS REGARDING THIS INCIDENT? FOR EXAMPLE, HAVE ANY OTHER GOVERNMENTS IN THE REGION OFFERED TO ASSIST IN INVESTIGATIONS TO DETERMINE --

MS. TUTWILER: I DON'T KNOW. I DIDN'T ASK.

Q: COULD YOU TAKE THAT QUESTION?

MS. TUTWILER: I'LL LOOK INTO IT.

Q: ARE YOU DISCOUNTING THE CLAIM THAT IT WAS DONE BY HIZBOLLAH IN RETALIATION FOR THE KILLING OF MUSAWI?

MS. TUTWILER: NO. I JUST SAID WE HAVE ONE REPORT THIS MORNING OUT OF BEIRUT.

Q: THAT'S THE REPORT YOU'RE REFERRING TO --

MS. TUTWILER: THAT'S THE ONE THAT I KNOW ABOUT. YOU ALL MAY BE MORE UP TO SPEED THAN I AM AND KNOW OF OTHER REPORTS. IT'S THE ONLY ONE THAT WE AND THE COUNTER-TERRORISM EXPERTS HERE KNOW OF. AND ONE RADIO REPORT -- WE CAN'T SAY YES, INDEED, THEY DID IT. I MEAN, HOW WOULD WE KNOW? THEY'RE THE ONLY ONES SO FAR THIS MORNING, THAT WE HAVE KNOWLEDGE OF, THAT ARE CLAIMING CREDIT FOR HAVING DONE THIS.

Q: WHY DO YOU DOUBT IT? WHY DO YOU DOUBT THE POSSIBILITY THAT THAT'S IT? I MEAN, IF THEY CALLED TO CLAIM RESPONSIBILITY --

MS. TUTWILER: I'M NOT DOUBTING THE POSSIBILITY, BUT I CANNOT COME OUT HERE AND SAY, "YOU'RE RIGHT. THAT'S IT. THEY DID IT." ON WHAT EVIDENCE? I MEAN, HOW COULD I DO THAT?

Q: BECAUSE IT LEADS TO ANOTHER QUESTION. I JUST WONDER IF YOU COULD REPEAT WHAT YOU REPEATED WHEN MUSAWI WAS KILLED AND OTHER VIOLENCE HAD TAKEN -- THAT THIS IS PART OF THE CYCLE OF VIOLENCE IN THE MIDDLE EAST, IN WHICH VIOLENCE AGAINST ONE BEGETS VIOLENCE AGAINST ANOTHER.

MS. TUTWILER: I DON'T KNOW HOW I CAN DRAW THESE CONCLUSIONS, SAUL. I MEAN, I DON'T KNOW WHO DID THIS. I DON'T NOW WHAT THEIR MOTIVES WERE. I DO NOT KNOW, FOR INSTANCE, IF IT IS A COMPLETELY -- OBVIOUSLY, THE PERSON'S DERANGED, BUT A MENTALLY ILL PERSON WHO, FOR WHATEVER REASON, DID THIS. I DON'T KNOW IF THIS IS A POLITICAL

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STATEMENT AND KILLED INNOCENT PEOPLE. I CAN'T DO THAT FOR YOU.

OBVIOUSLY, IT'S TRAGIC. OBVIOUSLY, IT'S VIOLENT. BUT UNTIL WE KNOW MORE ABOUT THIS, I CAN'T TELL YOU THAT, YES, IT'S DEFINITELY CONNECTED WITH THE MIDDLE EAST OR, YES, IT WAS DEFINITELY A POLITICAL STATEMENT. WHAT I DO KNOW IS THAT IT'S AN OUTRAGE. IT WAS SAVAGE. IT WAS TERRORISTIC. WE HAVE CONDEMNED IT IN THE STRONGEST TERMS. WE OFFER A GREAT DEAL OF SYMPATHY TO ALL THE INNOCENT PEOPLE WHO WERE WOUNDED AND HURT.

Q: THE REASON I ASK IS BECAUSE IT SEEMS TO BE -- IT MAY BE LINKED TO THE EARLIER INCIDENT JUST A FEW DAYS AGO --

MS. TUTWILER: IT COULD WELL BE.

Q: -- IN WHICH AN ISRAELI DIPLOMAT IN --

MS. TUTWILER: TURKEY.

Q: -- IN TURKEY WAS ASSASSINATED -- THE CHIEF OF DIPLOMATIC SECURITY --

MS. TUTWILER: I SAID THAT TWO ISRAELIS WERE STABBED YESTERDAY AND A NUMBER WERE WOUNDED IN ISRAEL. I MEAN --

Q: IS THERE ANY PATTERN -- DOES THE U.S. SEE ANY PATTERN IN RECENT ATTACKS OF THIS SORT, IN ITS INVESTIGATIONS?

MS. TUTWILER: NOT A PATTERN THAT I CAN POINT TO.

Q: YOU DON'T SEE ANY -- THERE'S NO LINK. AS FAR AS YOU KNOW, AS FAR AS WHAT YOU'VE SEEN FROM CABLES --

MS. TUTWILER: RIGHT. IT SEEMS TO ME THAT --

Q: -- IS THERE ANY LINK BETWEEN WHAT HAPPENED YESTERDAY IN BUENOS AIRES AND THE ATTACK ON THE ISRAELI DIPLOMAT IN ANKARA?

MS. TUTWILER: TO BE TOTALLY HONEST WITH YOU, I'M NOT AWARE, PERSONALLY, THAT SOMEONE HAS DONE A COMPARISON OR AN ANALYTICAL COUNTER-TERRORISM INVESTIGATION OF THAT, OR IF THEY HAVE, ARE TO THOSE TYPES OF CONCLUSIONS YET.

I, FOR INSTANCE, HAVE NOT YET SEEN WHAT THE MOTIVES WERE OF THE INDIVIDUAL WHO STABBED TWO PEOPLE TO DEATH YESTERDAY. IS THAT PERSON'S MOTIVE THE SAME AS THE PERSON OR PERSONS WHO BLEW UP AN EMBASSY? I JUST CAN'T DO THAT FOR YOU AT THIS PARTICULAR MOMENT.

WE ARE LENDING OUR SUPPORT -- IN RESPONSE TO JOHN DANCY'S QUESTION. WE WANT TO, AS WE SAID, REDOUBLE OUR EFFORTS. OUR COUNTER-TERRORISM PEOPLE ARE DEFINITELY LENDING

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ASSISTANCE IN HELPING, BUT I DON'T HAVE THE FACTS OR THE INFORMATION TO DRAW THOSE CONCLUSIONS FOR YOU.

Q: MARGARET, I'M SIMPLY --

MS. TUTWILER: I'M NOT SAYING THEY'RE IMPOSSIBLE. I JUST DON'T KNOW.

Q: I'M SIMPLY WONDERING WHETHER THERE'S BEEN ANY SPECULATION THAT THERE'S A DIFFERENCE BETWEEN --

MS. TUTWILER: THIS MORNING I HAVEN'T HEARD ANY.

Q: -- BETWEEN PEOPLE WIELDING A KNIFE -- A PALESTINIAN WIELDING A KNIFE, AS HAS HAPPENED IN THE PAST, IN WHAT SEEMS TO BE RANDOM VIOLENCE, AND SOMETHING AS SOPHISTICATED AS AN ATTACK ON THE CHIEF OF DIPLOMATIC SECURITY IN ANKARA AND A CAR BOMB AT THE ISRAELI EMBASSY.

MS. TUTWILER: I HAVE NOT HEARD --

Q: THAT SEEMS TO BE MUCH MORE SOPHISTICATED.

MS. TUTWILER: I HAVE NOT HEARD -- AND I SPENT A LOT OF TIME THIS MORNING AND YESTERDAY AFTERNOON WITH OUR EXPERTS WHO -- AFTER ALL, THIS IS WHAT THEY DO FULL TIME. I DO LOTS OF THINGS HERE AND HAVE A LOT OF SUBJECTS TO COVER. I HAVE NOT HEARD, OF MY OWN KNOWLEDGE, ANYONE AT THIS POINT DRAWING THOSE TYPES OF DEDUCTIONS.

I'LL BE HAPPY TO ASK -- AND I'M SURE THEY'RE LISTENING -- AT THE END OF THIS BRIEFING, "HAS SOMEONE DONE THIS TYPE OF WORK, AND DO WE HAVE SOMETHING TO SAY AT THIS POINT?"

Q: MARGARET, THE SECRETARY AND YOU HAVE SPOKEN REPEATEDLY ABOUT U.S. CONVERSATIONS WITH THE GOVERNMENT OF SYRIA ON THE QUESTION OF TERRORISM, AND THE SECRETARY HAS ACTUALLY COMPLIMENTED SYRIA ON ITS HANDLING OF THE DISCUSSIONS ON THAT SUBJECT.

HAS THERE BEEN ANY DIPLOMATIC COMMUNICATION WITH SYRIA ON THE SUBJECT OF TERRORISM SINCE THIS INCIDENT YESTERDAY?

MS. TUTWILER: SINCE YESTERDAY, I DON'T KNOW, BECAUSE I DIDN'T ASK. NOT ONLY DID I NOT ASK ABOUT SYRIA, I HAVEN'T ASKED ABOUT A NUMBER OF PLACES. I'LL BE HAPPY TO LOOK INTO YOUR QUESTION AND SEE IF THE EXPERTS -- WHAT TYPES OF COMMUNICATIONS THEY'VE BEEN HAVING WITH OTHER GOVERNMENTS.

Q: O.K. AND IN WHAT MAY SEEM AN UNRELATED QUESTION, THE SECRETARY SAID LAST WEEK THAT THE U.S. HAD MESSAGED IRAN IN CONNECTION WITH THE NORTH KOREAN SHIPMENT OF MISSILES. WAS THAT THE LAST COMMUNICATION THE UNITED STATES HAS HAD WITH THE GOVERNMENT OF IRAN, DO YOU KNOW?



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MS. TUTWILER: I DON'T KNOW, BECAUSE AGAIN I HAVEN'T ASKED THIS MORNING.

Q: COULD YOU LOOK INTO THAT ALSO?

MS. TUTWILER: I WILL LOOK INTO THAT ALSO.

Q: MARGARET, ISRAEL THIS MORNING -- DAVID LEVY, FOREIGN MINISTER OF ISRAEL, IS CHARGING OR ACCUSING SYRIA OF BEING INVOLVED INTO THIS BOMBING OF THE ISRAELI EMBASSY IN BUENOS AIRES.

MS. TUTWILER: I HAVEN'T SEEN THAT STATEMENT.

Q: AND COULD WE HAVE POSSIBLY -- PRESIDENT MENEM EARLY IN THE FIRST REACTION THAT HE HAD WAS THAT THIS WAS DONE BY A PRO-NAZI OR FORMER NAZI PEOPLE IN ARGENTINA, DUE TO THE FACT THAT THEY ARE OPENING THE FILES OF THE FORMER NAZIS. AND THEN HE SHIFTED, AND HE SAID THAT IT WAS TERRORIST. DO YOU HAVE ANY ASSESSMENTS IF THERE IS A DIFFERENCE BETWEEN ACCUSING --

MS. TUTWILER: NO, NO DIFFERENT THAN THE ASSESSMENT THAT I'VE ALREADY GIVEN YOU, WHICH IS OUR ASSESSMENT AS OF THIS BRIEFING.

Q: MARGARET, THE PATTERN OF REACTION FROM ISRAEL IN SUCH CONDITIONS IS USUALLY TAKING REVENGE BY BOMBING SOUTH LEBANON AND PALESTINIAN CAMPS, AND THINGS LIKE THAT. DO YOU HAVE ANY ATTITUDE OR ANY POSITION CAUTIONING ISRAEL NOT TO GO FOR REVENGE, NOT WAITING FOR THE RESULTS OF ANY INVESTIGATION?

MS. TUTWILER: OUR POLICY IS THAT WE THINK THIS TRAGIC CYCLE OF VIOLENCE SHOULD END, AND THAT'S WHY WE HAVE WORKED SO HARD TO BRING TOGETHER THE PARTIES TO THE NEGOTIATING TABLE. WE HAVE HAD FOUR SUCCESSFUL ROUNDS TO DATE. WE HAD A SUCCESSFUL PEACE CONFERENCE IN MADRID. OUR POLICY CONCERNING THAT IS WELL-KNOWN.

Q: MARGARET, IN WHAT SENSE WERE THOSE FOUR ROUNDS SUCCESSFUL, APART FROM THE FACT THAT THEY ACTUALLY TOOK PLACE?

MS. TUTWILER: WE HAVE GONE THROUGH ALL OF THOSE AT THE END OF EACH ONE OF THEM, AND YOU MAY HAVE A DIFFERENCE OF AGREEMENT WITH US, BUT WE THINK THAT THEY WERE SUCCESSFUL. AND WE ARE VERY PLEASED AND WE BELIEVE THAT ALL THE PARTIES ARE, THAT THEY TOOK PLACE. AND I'M NOT AWARE OF ANYONE WHO HAS GONE OUT AND SAID THAT THEY WERE NOT USEFUL, AND THAT THEY ARE NOT PLANNING ON CONTINUING TO STAY ENGAGED.

Q: WHAT CAN YOU OFFER AS TO WHEN THAT MIGHT HAPPEN NEXT?

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MS. TUTWILER: I DON'T HAVE ANYTHING TODAY TO ANNOUNCE ON THAT. WE'RE WORKING IT.

Q: MARGARET, I THINK MAYBE THIS QUESTION WAS ASKED, BUT I'M NOT SURE THAT IT WAS ASKED EARLIER. DID THE U.S. GOVERNMENT HAVE ANY ADVANCE WARNING? WAS THERE ANY THREAT RECEIVED ANYWHERE THAT WOULD --

MS. TUTWILER: NOT THAT I KNOW OF.

Q: -- HAVE LED THE UNITED STATES TO BELIEVE THAT A BOMB WAS GOING TO GO OFF IN BUENOS AIRES YESTERDAY?

MS. TUTWILER: NOT THAT I KNOW OF.

Q: IS SECURITY (INAUDIBLE) OR IS THERE A HEIGHTENED ALERT AT THE EMBASSY -- AT OUR EMBASSY -- AT THE U.S. EMBASSY NOW?

MS. TUTWILER: I DIDN'T ASK THAT QUESTION. I'LL BE HAPPY TO ASK DIPLOMATIC SECURITY IF THEY'VE INSTIGATED SUCH A THING. I WOULD ASSUME, JUST COMMON SENSE, THAT NOT ONLY THE AMERICAN EMBASSY, BUT OTHER EMBASSIES IN THE REGION, ARE PROBABLY TAKING EXTRA PRECAUTIONS, AND THAT THE EMPLOYEES THERE ARE. BUT I HAVEN'T ASKED IF WE INSTIGATED SOMETHING OVERNIGHT OR PUT SOMETHING IN MOTION. I DON'T KNOW.

Q: I GUESS IT SPEAKS A LITTLE TO THE QUESTIONS THAT YOU CAN'T ANSWER YET, BUT, I MEAN, IT SORT OF SPEAKS TO DO WE THINK IT WAS JUST ISRAEL THAT WAS TARGETED, OR IS THERE SOME SENSE THAT THIS MIGHT BE A GENERAL, YOU KNOW, A TARGETING OF --

MS. TUTWILER: WE CAN ONLY DEAL WITH WHAT WE KNOW. ONE EMBASSY WAS BRUTALLY HIT. I ANSWERED RALPH'S QUESTION AND FRANK'S QUESTION: I DON'T KNOW IF WE HAD A WARNING, OR FRANK SAYS THIS TRAVEL ADVISORY THAT WE'VE HAD UP FOR THREE WEEKS --

Q: IT'S INTERNAL.

MS. TUTWILER: YOU THINK WE'VE HAD AN INTERNAL ONE. SO, I'M GOING TO CHECK AND SEE IF WE MAY HAVE AN INTERNAL ONE. IF WE HAVE A PUBLIC ONE THAT MATCHES THAT -- WHICH IS OUR STANDARD POLICY -- I DON'T KNOW.

Q: MARGARET, COMING BACK TO PREVIOUS INCIDENTS, THE UNITED STATES, BRITAIN AND FRANCE, I BELIEVE, NOW HAVE A DRAFT RESOLUTION AT THE U.N. WITH REGARD TO LIBYA --

MS. TUTWILER: THAT'S CORRECT.

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Q: -- AND LOCKERBIE, AND IT INCLUDES SANCTIONS. FIRST OF ALL, IF YOU CAN TELL US ANYTHING ABOUT THAT TO FLESH IT OUT, I WOULD BE GRATEFUL. AND, SECOND, WHEN DO YOU ANTICIPATE THAT COMING TO A VOTE?

MS. TUTWILER: NEITHER OF WHICH CAN I ANSWER FOR YOU. AS YOU KNOW, IN ADVANCE OF FINAL RESOLUTIONS, WE DON'T DISCUSS, PUBLICLY, DRAFTS. YOU'RE CORRECT, A DRAFT RESOLUTION IS UNDER DISCUSSION BY ALL THE MEMBERS OF THE SECURITY COUNCIL AT THIS TIME.

Q: MARGARET, COULD I ASK YOU ABOUT ANOTHER AREA: SUDAN.

MS. TUTWILER: SUDAN.

Q: YES. THERE ARE REPORTS IN PAPER THIS MORNING THAT THE SUDANESE GOVERNMENT HAS CONSTITUTED A MUCH MORE POWERFUL FORCE AND IS TRYING TO BRING THE CIVIL WAR IN SOUTHEASTERN SUDAN TO A CONCLUSION.

WAS THAT THE SUBJECT OF DEPUTY SECRETARY EAGLEBURGER'S MEETING THIS MORNING WITH THE SUDANESE OFFICIAL HERE?

MS. TUTWILER: I DON'T KNOW, AND I SHOULD KNOW. I APOLOGIZE FOR NOT KNOWING. I DIDN'T REALIZE THAT THE DEPUTY SECRETARY HAD SUCH A MEETING, AND THE SUDANESE SITUATION IS ONE THAT I'M JUST NOT IN A POSITION TODAY TO DISCUSS WITH YOU. I'LL TRY TO GET SOMEBODY IN TOUCH WITH YOU.

Q: COULD YOU SEE IF A READOUT IS POSSIBLE ON THAT?

MS. TUTWILER: SURE.

Q: DO YOU HAVE ANYTHING ON THE SECRETARY'S MEETING THIS MORNING WITH PRESIDENT ARISTIDE OF HAITI?

MS. TUTWILER: YES. I WAS PLANNING TO ATTEND THAT MEETING. UNFORTUNATELY, I WAS UNABLE TO, IN MY PREPARATION FOR OUR BRIEFING. SO I HAVE A READING FROM BERNIE ARONSON.

BERNIE SAYS THAT THE SECRETARY HAD A USEFUL AND PRODUCTIVE MEETING WITH THE PRESIDENT THIS MORNING THAT LASTED APPROXIMATELY 40 MINUTES. PRESIDENT ARISTIDE THANKED SECRETARY BAKER FOR THE UNITED STATES' SUPPORT FOR HAITIAN DEMOCRACY, AND HE URGED US TO CONTINUE WORKING THROUGH THE OAS TO RESTORE DEMOCRATIC GOVERNMENT THERE.

THE SECRETARY REITERATED OUR FULL SUPPORT FOR THE AGREEMENTS REACHED AT THE OAS AND FOR THE RETURN OF CONSTITUTIONAL GOVERNMENT UNDER PRESIDENT ARISTIDE. HE NOTED THAT WE HAVE URGED HAITI'S PARLIAMENT TO RATIFY THE

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ACCORDS, TO APPROVE PRESIDENT ARISTIDE'S NOMINATION OF RENE THEODORE AS PRIME MINISTER, AND TO FORM A NEW GOVERNMENT OF NATIONAL CONSENSUS.

THE SECRETARY ALSO ASSURED PRESIDENT ARISTIDE THAT THE UNITED STATES WILL SUPPORT AN OAS CIVILIAN MISSION THAT COULD GO TO HAITI FOLLOWING THE FORMATION OF A NEW GOVERNMENT TO HELP MONITOR HUMAN RIGHTS, PROFESSIONALIZE THE MILITARY AND POLICE, AND HELP STRENGTHEN DEMOCRATIC INSTITUTIONS, SUCH AS THE JUDICIARY.

Q: WHEN WILL PRESIDENT ARISTIDE RETURN?

Q: DID ARISTIDE SAY WHETHER HE WAS GOING BACK OR NOT?

MS. TUTWILER: I WASN'T IN THE MEETING. MY UNDERSTANDING IS THAT WE DON'T HAVE A PRECISE DATE TO GIVE YOU. OUR GOAL -- THE UNITED STATES -- IS FOR HIM TO RETURN AS SOON AS POSSIBLE BUT UNDER CONDITIONS THAT ARE SAFE AND SECURE SO HE WILL BE ABLE TO GOVERN AND FINISH OUT HIS TERM SAFELY AND PEACEFULLY.

Q: WHAT ABOUT HIS --

MS. TUTWILER: I DON'T HAVE A DATE FOR YOU.

Q: WHAT ABOUT HIS STATEMENTS TO THE OAS YESTERDAY THAT HE WOULD LIKE TO SEE THE MILITARY LEADER OF THE COUP REMOVED FROM HIS POSITION, WHICH APPARENTLY CONTRADICTS THE AGREEMENT THAT HAD BEEN REACHED?

MS. TUTWILER: I'LL BE HONEST WITH YOU, ALAN, I'M NOT AWARE OF HIS STATEMENTS. I'LL JUST HAVE TO GET SOMEBODY TO HELP YOU ON THAT. I DON'T KNOW.

Q: DO YOU HAVE ANY COMMENT ON THE REPORT THIS MORNING THAT SAYS THE STATE DEPARTMENT DELIBERATELY HID INFORMATION IN THE EARLY 1980S OVER PAKISTAN'S NUCLEAR CAPABILITY, AND THAT A PREVIOUSLY UNRELEASED STATE DEPARTMENT DOCUMENT SAID THAT AS EARLY AS 1983 THAT THERE WAS "UNAMBIGUOUS EVIDENCE" THAT PAKISTAN WAS PRODUCING NUCLEAR WEAPONS OR PRODUCING THE FISSILE MATERIAL FOR NUCLEAR WEAPONS?

MS. TUTWILER: I DON'T HAVE ANYTHING SPECIFICALLY. I CAN RESTATE FOR YOU OUR POLICY. WE'RE STILL TRYING TO IDENTIFY THE DOCUMENT THAT WAS MENTIONED, AS YOU POINT OUT, IN A PUBLICATION THIS MORNING. I DEALT WITH THIS -- I THINK IT WAS SEVERAL DAYS AGO -- IN RESPONSE TO QUESTIONS FROM BILL PLANTE.

I CAN RESTATE FOR YOU THE ADMINISTRATION'S POLICY, BUT

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CONCERNING THIS SPECIFIC -- I BELIEVE IT'S A 1983 DOCUMENT -- WE ARE STILL TRYING TO IDENTIFY THAT DOCUMENT.

Q: WHY DO YOU WANT TO IDENTIFY IT?

MS. TUTWILER: WE'RE STILL TRYING TO IDENTIFY THE DOCUMENT THAT IS WRITTEN IN A PUBLICATION THIS MORNING.

Q: BUT YOU HAVE THE DOCUMENT?

MS. TUTWILER: MY UNDERSTANDING IS THAT --

Q: ARE YOU SAYING THAT YOU'RE TRYING TO AUTHENTICATE IT?

MS. TUTWILER: NO, I'M TRYING TO SAY THEY'RE TRYING TO IDENTIFY IT.

Q: I DON'T KNOW WHAT THAT MEANS.

Q: IF IT WAS GIVEN TO THOSE PEOPLE UNDER THE FREEDOM OF INFORMATION ACT, PRESUMABLY THAT'S IT.

MS. TUTWILER: WELL, IT'S MY UNDERSTANDING THAT WE'RE TRYING TO FIGURE OUT WHICH DOCUMENT IT WAS GIVEN -- RIGHT?

MR. BOUCHER: WE'VE GOT THE COPY. WE'VE GOT TO GO BACK TO THE FILES AND SEE WHAT EXACTLY -- (INAUDIBLE).

MS. TUTWILER: WHERE IT IS WHAT?

Q: IT CAME FROM STATE.

MS. TUTWILER: I KNOW THAT. (TO MR. BOUCHER) WHERE IT IS WHAT?

MR. BOUCHER: WHAT IT IS EXACTLY.

MS. TUTWILER: O.K. WE'RE STILL WORKING ON IT, IS THE BASIC ANSWER. SORRY.

Q: MARGARET, BACK TO THE LIBYAN AFFAIR, IF I MAY. THE LIBYAN GOVERNMENT, ACCORDING TO PUBLISHED REPORTS, IS PROPOSING A KIND OF MEETING BETWEEN THE THREE WESTERN COUNTRIES AND A LIBYAN REPRESENTATIVE TO DISCUSS THE WHOLE MATTER. DO YOU HAVE ANYTHING ON THAT PROPOSAL?

MS. TUTWILER: I HAVEN'T HEARD ABOUT THAT PARTICULAR PROPOSAL. THEY'VE ISSUED OR STATED A NUMBER OF PROPOSALS THROUGHOUT THIS, AND YOU KNOW ON ALL OF THEM WE HAVE SAID WE DON'T SEE ANYTHING IN THEM, AND THAT WE KNOW WHAT THE LIBYANS -- WE HAVE SAID PUBLICLY WHAT THE LIBYANS NEED TO

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DO, AND WE HAVEN'T CHANGED ON THAT AT ALL.

Q: MARGARET, COULD YOU TELL US WHAT IS ON THE AGENDA OVER THE TALK BETWEEN SECRETARY BAKER AND FOREIGN MINISTER OF BYELARUS WHO IS NOW IN WASHINGTON?

MS. TUTWILER: NO. THAT MEETING IS DUE TO TAKE PLACE, I BELIEVE, THIS AFTERNOON. IT'S A MEETING THE FOREIGN MINISTER REQUESTED, AND THE SECRETARY SAID NATURALLY, OF COURSE, HE WOULD SEE HIM. BUT, NO, I DON'T HAVE AN AGENDA FOR YOU. I'LL TRY TO GET YOU A READOUT AFTERWARDS.

Q: AND IS BYELARUS GOING TO OPEN ITS EMBASSY HERE?

MS. TUTWILER: I DON'T KNOW. YOU'D HAVE TO ASK THEM.

Q: MARGARET, CAN WE TALK ABOUT LOAN GUARANTEES?

MS. TUTWILER: SURE.

Q: I GUESS THE FIRST QUESTION IS WHAT IS --

MS. TUTWILER: I'M SURPRISED WE HAVEN'T BEFORE NOW.

Q: ME, TOO. WHAT'S NEXT?

MS. TUTWILER: I DON'T HAVE A REALLY CRYSTAL-CLEAR ANSWER FOR YOU ON THAT QUESTION. WHAT I COULD TELL YOU IS WHAT THE PRESIDENT SAID TO SENATORS KASTEN AND LEAHY YESTERDAY, WHICH IS THAT HE INVITED THEM TO PERSONALLY GO BACK AND TAKE A HARD LOOK AT HIS COMPROMISE PROPOSAL THAT WAS DELIVERED TO THEM OVER THE WEEKEND. AND THAT IS, RIGHT NOW, WHAT WE ARE SUGGESTING.

AS YOU KNOW, IN YESTERDAY'S MEETING BETWEEN THE PRESIDENT AND THE SECRETARY AND THE TWO SENATORS, WE WERE UNABLE TO BRIDGE THE GAP. THE PRESIDENT SPOKE OUT PRIOR TO THE MEETING, SAYING, "WE'VE ALWAYS WANTED TO GO FORWARD WITH THE LOAN GUARANTEES. WE HAVE A LONGSTANDING POLICY THAT FEELS THAT SETTLEMENTS ARE COUNTER-PRODUCTIVE TO PEACE. THIS IS NOT A NEW POLICY.

"THIS IS A LONGSTANDING POLICY, AND I AM DETERMINED TO SEE THAT THIS POLICY NOT BE ALTERED. HOWEVER, IF THERE IS ROOM WITHIN THAT POLICY TO DO WHAT WE WOULD LIKE TO DO, WHICH IS TO SUPPORT THE PEOPLE COMING HOME, WE'D LIKE TO DO THAT. THAT'S IN BOTH AMERICAN AND ISRAELI INTERESTS."

NOW BACK TO MY OWN VOICE: WE HOPE THAT THEY WILL TAKE A GOOD, HARD LOOK AT THE PRESIDENT'S COMPROMISE PROPOSAL,

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WHICH IS FAIR AND BALANCED AND MEETS U.S. POLICY. WE WOULD WELCOME THEIR ENGAGING ON THE PRESIDENT'S COMPROMISE PROPOSAL.

FROM THE OUTSET OF THESE NEGOTIATIONS IN JANUARY, THE ADMINISTRATION HAS INSISTED ON ONE FUNDAMENTAL REQUIREMENT: THAT ANY NEW LOAN GUARANTEE PROGRAM BE CONSISTENT WITH UNITED STATES GOVERNMENT POLICY SINCE 1967 THAT SETTLEMENTS ARE AN OBSTACLE TO PEACE.

OUR PROPOSAL WOULD AUTHORIZE UP TO DOLS. 10 BILLION OVER SIX YEARS, BUT THE PRESIDENT WOULD HAVE THE DISCRETION TO SUSPEND OR END THE PROGRAM IF THERE WERE ANY NEW CONSTRUCTION ACTIVITIES, EXCEPT TO COMPLETE THE CONSTRUCTION ACTIVITY THAT WAS UNDERWAY ON JANUARY 1, 1992.

THE ADMINISTRATION PROPOSAL WOULD PROVIDE DOLS. 300 MILLION UP FRONT, WITH ALL OTHER FUNDS CONDITIONED ON NO NEW HOUSING CONSTRUCTION BEYOND WHAT WAS STARTED ON JANUARY 1, 1992.

OUR PROPOSAL WOULD ALLOW THE ISRAELIS TO CONTINUE TO BUILD FOR UP TO 12 TO 18 MONTHS BY THEIR OWN -- ISRAELI -- ESTIMATES. OUR BILL WOULD HAVE THE ADMINISTRATION AND THE ISRAELIS AGREE IN ADVANCE ON WHAT CONSTRUCTION WOULD BE COMPLETED. OUR BILL GIVES THE PRESIDENT FULL DISCRETION TO SUSPEND THE PROGRAM IF THE ISRAELIS ENGAGE IN UNACCEPTABLE HOUSING CONSTRUCTION.

THE ADMINISTRATION SHOULD HAVE THE RIGHT TO STAGGER THESE GUARANTEES IN SUCH A WAY THAT ALLOWS US TO CONTINUALLY MONITOR HOUSING CONSTRUCTION ACTIVITY. THE ADMINISTRATION SHOULD HAVE THE RIGHT TO STOP THE GUARANTEES IF THERE IS NEW HOUSING CONSTRUCTION BEYOND WHAT WAS UNDERWAY ON JANUARY 1, 1992.

THE CONGRESS HAS ASKED THE ADMINISTRATION TO ISSUE LOAN GUARANTEES FIRST, THEN ASK QUESTIONS LATER, AND THAT IS SIMPLY NOT ACCEPTABLE. AND, AS YOU KNOW, THE PRESIDENT'S SPOKESMAN YESTERDAY, MARLIN (FITZWATER), AT THE CONCLUSION OF THE MEETING, SAID THAT THE PRESIDENT TOLD THE SENATORS THAT HE WOULD VETO THEIR CURRENT PROPOSAL.

Q: MARGARET, IS IT NECESSARY FOR THE UNITED STATES TO CERTIFY --

Q: COPY OF THAT TEXT?

MS. TUTWILER: YES.

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Q: MARGARET, IS IT NECESSARY FOR THE UNITED STATES TO CERTIFY IN ADVANCE THAT ISRAEL NEEDS THE MONEY BEFORE SIGNING OFF ON A GUARANTEE LIKE THIS?

MS. TUTWILER: I'M NOT SURE THAT ANYONE HAS EVER QUESTIONED THAT, JOHN, OR THAT THAT HAS BEEN PART OF THIS DISCUSSION.

Q: I KNOW THE ISRAELIS SAY THEY NEED THE MONEY, BUT DO WE HAVE TO CERTIFY -- IS THERE SOME PROCESS BY WHICH WE CERTIFY THAT THEY DO, INDEED, HAVE A NEED FOR IT?

MS. TUTWILER: I HAVEN'T EVER, TO BE HONEST, EVEN HEARD THAT RAISED. I DON'T THINK ANYONE IS QUESTIONING WHETHER THERE IS A NEED OR NOT. WE ALL ARE AWARE -- IT'S PUBLIC INFORMATION -- ON THE NUMBER OF IMMIGRANTS THAT ARE GOING TO ISRAEL. THAT INFORMATION IS READILY AVAILABLE. I'VE JUST NEVER HEARD THAT AS PART OF THE DEBATE. I DON'T THINK A MECHANISM EXISTS, IS WHAT I'M SAYING.

Q: THE DOLS. 300 MILLION THAT YOU SAY THEY WOULD GET UP FRONT, THAT WOULD BE AFTER EVERYTHING WAS AGREED IN THE PACKAGE -- THAT BOTH SIDES HAD AGREED ON WHICH HOUSES COULD BE COMPLETED, WHICH HOUSES WERE UNDERWAY ON JANUARY 1?

MS. TUTWILER: THAT'S MY UNDERSTANDING.

Q: THEN, EVERYTHING IS PUT TOGETHER AND THEN THEY GET DOLS. 300 (MILLION) AS THE FIRST TRANCHE OF THE DOLS. 10 BILLION?

MS. TUTWILER: YES, IMMEDIATELY, IS MY UNDERSTANDING.

Q: THAT MONEY WOULD NOT BE -- THE DOLS. 300 MILLION WOULD NOT BE CONTINGENT ON AN END OR A HALT TO SETTLEMENT ACTIVITIES?

MS. TUTWILER: THAT IS MY UNDERSTANDING.

Q: SO HOW IS THAT CONSISTENT WITH WHAT SECRETARY BAKER SAID --

MS. TUTWILER: IT'S PART OF THE PACKAGE.

Q: -- A COUPLE OF WEEKS AGO?

MS. TUTWILER: AS I'VE SAID, WE BELIEVE THAT THIS IS A VERY FAIR AND BALANCED PROPOSAL. I'VE JUST STATED THAT --



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Q: I DIDN'T SAY IT WASN'T FAIR AND BALANCED. I ASKED HOW IT WAS -- IS IT CONSISTENT WITH WHAT THE SECRETARY SAID PREVIOUSLY?

MS. TUTWILER: DO YOU WANT ME TO FINISH OR NOT? I WAS TRYING TO EXPLAIN IT. WE SAID THAT, CONSISTENT WITH OUR POLICY -- YOU KNOW WE HAVE A DIFFERENCE HERE. WE ARE SAYING, UNDER OUR PROPOSAL, THAT THE ISRAELIS CAN GO AHEAD, EVEN THOUGH IT IS CONTRARY TO OUR POLICY, AND COMPLETE, WHICH I'VE JUST STATED TWICE, ANY NEW HOUSING THAT WAS UNDERWAY PRIOR TO JANUARY 1, 1992. SO YOU COULD ARGUE THE SAME THING TO ME: WELL, WHY ARE YOU EVEN DOING THAT? THAT'S WHY WE ARE SAYING THAT OUR PROPOSAL THAT WE SUBMITTED TO THE HILL ON SATURDAY, IN OUR VIEW, IS VERY BALANCED AND VERY FAIR AND TRIES TO TAKE INTO CONSIDERATION AND ACKNOWLEDGES THAT THERE IS A DIFFERENCE OF POLICY HERE BETWEEN US AND THE ISRAELI GOVERNMENT, WHICH IS WELL-KNOWN.

Q: YOU USED TWO PHRASES. YOU TALKED, AT ONE POINT, ABOUT "UNACCEPTABLE HOUSING CONSTRUCTION" AND THEN AGAIN LATER ABOUT "NEW HOUSING CONSTRUCTION." BUT EARLIER YOU SAID -- YOU USED THE PHRASE, "ANY NEW CONSTRUCTION ACTIVITIES." WHAT'S THE DISTINCTION? I WASN'T ABLE TO COPY EVERY WORD OF WHAT YOU SAID, BUT WHAT'S THE DISTINCTION YOU MAKE BETWEEN "ANY NEW CONSTRUCTION ACTIVITIES" AND "NEW HOUSING CONSTRUCTION?"

MS. TUTWILER: ANY NEW CONSTRUCTION ACTIVITIES IS, IN MY VIEW -- AND I AM NOT THE LEGAL OFFICER ON THIS; I'M NOT THE LEGISLATIVE AFFAIRS PERSON FOR THIS DEPARTMENT, SO I'M TRYING.

Q: WELL, YOU'VE READ THE LANGUAGE (INAUDIBLE) --

MS. TUTWILER: WELL, PART OF IT. I HAVE NOT, NOR AM I PLANNING TO, TO READ 9 OR 10 PAGES OF SINGLE-SPACED LEGALESE AND LEGISLATIVE DOCUMENTS. SO I'M DOING THE BEST I CAN, AND I WILL TRY TO BE HELPFUL TO YOU, BUT I AM NOT THE DESK OFFICER OR THE EXPERT ON THIS.

IT IS MY UNDERSTANDING, RALPH, WHICH WE ALL KNOW, THERE IS, RIGHT NOW -- WHICH THE ISRAELIS DO NOT SAY IS NOT -- NEW HOUSING UNITS, NEW CONSTRUCTION ACTIVITY THAT WE ALL ACKNOWLEDGE IS THERE. WE'RE SAYING, GO AHEAD AND COMPLETE ALL OF THAT THAT IS UNDERWAY PRIOR TO JANUARY 1, 1992.

THAT WHICH IS UNDERWAY AFTER JANUARY 1, 1992, IN OUR MIND, IS NEW HOUSING ACTIVITY, IS NEW CONSTRUCTION, ETC., IS HOW I UNDERSTAND THIS.

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Q: HOW DO YOU FIND OUT -- DO YOU HAVE THE DATA ABOUT THE BUILDINGS OR THE HOUSES WHICH WERE BUILT UP TO JANUARY 1, 1992?

MS. TUTWILER: YES, WE DO.

Q: AND YOU HAVE ALSO THE MONITORING OF THE HOUSES WHICH WERE BUILT AFTER JANUARY 1?

MS. TUTWILER: WE HAVE THE DATA.

Q: YOU HAVE THE DATA?

MS. TUTWILER: WE HAVE THE DATA.

Q: CAN WE GET THAT, THE DOCUMENT THAT YOU ARE TALKING ABOUT -- THE 10-PAGE DOCUMENT?

MS. TUTWILER: PROBABLY NOT TODAY.

Q: ON THE STATEMENT THAT YOU JUST READ, CAN WE GET A COPY OF THAT?

MS. TUTWILER: ONCE THEY CLEAN IT UP. I'VE GOT HANDWRITTEN NOTES ALL OVER IT, BUT, SURE.

Q: IF YOU'RE NOT WILLING TO READ THE -- OR IF YOU FEEL IT'S NOT PRODUCTIVE TO READ THE TEN PAGES OF A SINGLE-SPACED DOCUMENT --

MS. TUTWILER: I KNOW IT'S NOT.

Q: -- SOME OF US WOULD PROBABLY BE GLAD TO TAKE THE TIME TO READ THAT.

MS. TUTWILER: THAT'S PROBABLY TRUE. WHEN WE COME TO THAT POINT, I'M SURE THAT WE'LL MAKE IT ALL PUBLIC. I'M NOT AWARE, TO BE HONEST WITH YOU, THAT SENATOR LEAHY HAS PUT OUT HIS ENTIRE -- WHICH IS PAGES -- DRAFT PROPOSAL THAT HE SUBMITTED TO US LAST WEEK. SO I'M JUST NOT SURE HE HAS. HE PUT OUT A SUMMARY.

Q: HE PUT OUT A FAIRLY EXTENSIVE SUMMARY LAST NIGHT.

MS. TUTWILER: THAT'S RIGHT.

Q: WHEN WE ASKED HIM FOR A PROPOSAL --

MS. TUTWILER: AND I'VE PUT OUT A SUMMARY FOR YOU TODAY.

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Q: IS THERE ANYTHING MORE EXTENSIVE THAT YOU CAN PUT OUT AT THIS POINT BESIDE WHAT YOU SAID?

MS. TUTWILER: I'LL WORK ON IT AND SEE IF WE CAN.

Q: IS THE DOLS. 300 MILLION IN THE ADMINISTRATION'S OFFER AN ABSOLUTE FIGURE? IN OTHER WORDS, IT IS NOT REDUCED, AS THE LEAHY PLAN IS, BY CONSTRUCTION ACTIVITY CURRENTLY UNDERWAY? IS THAT A CORRECT UNDERSTANDING?

MS. TUTWILER: I'M NOT SURE THAT I UNDERSTAND YOUR QUESTION. MY UNDERSTANDING IS DOLS. 300 MILLION UP FRONT, NO QUESTIONS ASKED, IT'S DONE.

Q: NO CONDITIONS ON IT?

MS. TUTWILER: NO CONDITIONS. IT'S YOURS -- DOLS. 300 MILLION.

Q: IF THEY AGREE TO THE ENTIRE PACKAGE?

MS. TUTWILER: CORRECT. EXACTLY AS YOU PUT IT TO ME THE FIRST TIME.

Q: BUT CAN I CLARIFY? IS THAT DOLS. 300 MILLION IN LOAN GUARANTEES?

Q: OR CASH?

MS. TUTWILER: YES; IT'S MY UNDERSTANDING.

Q: IT'S NOT DOLS. 300 MILLION?

MS. TUTWILER: THREE HUNDRED MILLION IN LOAN GUARANTEES.

Q: IT'S THE GUARANTEES THAT WILL ALLOW THEM TO BORROW --

MS. TUTWILER: LIKE WE DID DOLS. 400 MILLION, WHENEVER THAT WAS -- 18 MONTHS AGO.

Q: MARGARET, THE --

MS. TUTWILER: WAIT A MINUTE.

Q: UNDER THE ORIGINAL PACKAGE, THERE --

MS. TUTWILER: WHICH PACKAGE -- OURS, THEIRS?

Q: UNDER THE ORIGINAL PROPOSAL --

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MS. TUTWILER: WHICH ORIGINAL PROPOSAL?

Q: UNDER THE ORIGINAL REQUEST, THEY REQUESTED DOLS. 10 BILLION SPREAD OVER--

MS. TUTWILER: THE ISRAELIS?

Q: YEAH. -- SPREAD OVER 5 YEARS.

MS. TUTWILER: CORRECT.

Q: NOW, YOU'RE SAYING DOLS. 10 BILLION OVER --

MS. TUTWILER: SIX YEARS.

Q: SIX YEARS. THE FIRST DOLS. 300 MILLION WOULD COVER HOW MUCH OF THAT PERIOD?

MS. TUTWILER: THE DOLS. 300 MILLION, IT'S MY UNDERSTANDING -- JUST AS WE JUST SAID -- IS, IT'S YOURS; NO CONDITIONS. IT'S MY UNDERSTANDING -- AND I STAND, BELIEVE ME, TO BE CORRECTED ON THIS -- THE REASON IT SAYS DOLS. 10 BILLION FOR SIX YEARS IS THAT WE'RE ALREADY HALFWAY THROUGH THIS YEAR. ON THE BASIS OF DOLS. 2 BILLION PER YEAR FOR 5 YEARS, THAT WOULD PUT YOU INTO 6 YEARS BECAUSE WE'RE ALREADY HALFWAY THROUGH -- IN OUR PROPOSAL -- HALFWAY THROUGH THIS YEAR.

SO WE WOULD SAY, ONE -- SAY TOMORROW YOU HAVE A BILL -- WE WOULD SAY THERE'S SIX MONTHS APPROXIMATELY LEFT IN THE YEAR -- DOLS. 1 BILLION. THEY, IT'S MY UNDERSTANDING -- BUT CHECK WITH THE HILL -- THEY HAVE AS MUCH OR UP TO AS MUCH AS DOLS. 3 BILLION IN THE FIRST YEAR. FOR LACK OF BETTER PHRASEOLOGY, THEIR PROPOSAL, IN OUR OPINION, WOULD FRONTLOAD THIS AGREEMENT. OUR PROPOSAL WOULD BACKLOAD IT.

Q: ONE MORE QUESTION. DOES THIS APPLY -- THIS BAN ON FURTHER CONSTRUCTION, OTHER THAN WHAT WAS UNDERWAY ON THE FIRST OF JANUARY -- DOES IT APPLY TO ALL THE TERRITORIES OCCUPIED BY ISRAEL IN THE WAR OF 1967?

MS. TUTWILER: IT'S MY UNDERSTANDING.

Q: THAT MEANS THAT ALL THE TERRITORIES OCCUPIED BY ISRAEL, INCLUDING EAST JERUSALEM, IS --

MS. TUTWILER: MY UNDERSTANDING IS, WE'RE TALKING ABOUT THE TERRITORIES.

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Q: THE DOLS. 300 MILLION THAT YOU SAID, NO CONDITIONS --

MS. TUTWILER: IT'S MY UNDERSTANDING.

Q: SO IT'S NOT REALLY PART OF A PACKAGE DEAL; THAT IF THEY ACCEPTED DOLS. 300 MILLION, THEY WILL HAVE TO ACCEPT THE REST WHICH YOU JUST TOLD US NOW? OR IS IT, TAKE IT AND GET OVER WITH IT AND THEN THINK, IF YOU WANT, TO ACCEPT THE DEAL OR NOT?

MS. TUTWILER: NO, NO. IT'S PART AND PARCEL OF AN AGREEMENT, IF AN AGREEMENT IS REACHED. THEY'RE NOT JUST SAYING, HERE'S DOLS. 300 MILLION TODAY, SEPARATE AND DIVORCED FROM WHAT WE'RE TRYING TO WORK OUT WITH THE HILL.

Q: MARGARET, IN LIGHT OF THIS SEEMING STALEMATE BETWEEN SENATOR LEAHY'S COMMITTEE AND THE WHITE HOUSE, WHAT DO YOU SEE IS THE FUTURE OF THE FOREIGN AID LEGISLATION, AND WHAT'S THE IMPACT ON AID TO THE FORMER SOVIET UNION?

MS. TUTWILER: WE'RE AWARE OF THAT SITUATION, AND WE DON'T HAVE ANY ANSWERS FOR YOU THIS MORNING.

Q: DO YOU HAVE ANY INDICATION FROM THE HILL --

MS. TUTWILER: WE DON'T. WE REALLY DON'T. WE CAN'T ANSWER THAT QUESTION THIS MORNING. WE'RE WELL AWARE OF IT, NORM. I THINK SAUL ASKED ME YESTERDAY. WE JUST DON'T HAVE AN ANSWER FOR YOU THIS MORNING ON THAT.

Q: LEAHY SAID LAST NIGHT THAT YOU'RE APART BY JUST DOLS. 300 MILLION AND DOLS. 800 MILLION, IS THE WAY HE PUT IT, AND SOME LANGUAGE. I WONDER IF YOU COULD BE A LITTLE BIT MORE EXPLICIT? HE ALSO SAID THAT THE WHITE HOUSE SAW TOO MANY LOOPHOLES IN THE LEAHY/KASTEN PROPOSAL. I WONDER IF YOU COULD BE MORE EXPLICIT IN TELLING US WHAT'S WRONG WITH THE LEAHY/KASTEN PROPOSAL THAT THE PRESIDENT TURNED DOWN?

MS. TUTWILER: NOT PARTICULARLY. I HAVE NOT COME DOWN WITH A COMPARISON SHEET. I DON'T BELIEVE WE'RE GOING TO BE DOING THAT AT THIS POINT IN TIME. I DON'T HAVE FOR YOU THE THINGS, OTHER THAN I HAVE GENERALLY SPOKEN TO, THAT ARE OF CONCERN TO THE PRESIDENT.

I'D RATHER FOCUS ON WHAT OUR PROPOSAL IS. WE REALLY DO BELIEVE THAT IT IS FAIR AND BALANCED. WE WOULD URGE THEM -- THE PRESIDENT DID YESTERDAY -- TO ENGAGE ON OUR COUNTER-PROPOSAL, OUR COMPROMISE PROPOSAL. I CAN'T SPEAK FOR THE SENATORS AND WHAT THEY ARE, INDEED, GOING TO DO. I DON'T KNOW.

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I HAVEN'T SEEN THIS MORNING OR HEARD THAT THEY HAVE DECIDED WHAT THEY'RE GOING TO DO YET.

Q: FIRST OF ALL, WOULD YOU AGREE WITH THE CHARACTERIZATION OF LEAHY THAT, IN YOUR VIEW OR IN THE ADMINISTRATOR'S VIEW, THAT THERE ARE TOO MANY LOOPHOLES?

MS. TUTWILER: THAT WHAT?

Q: THAT THERE ARE TOO MANY LOOPHOLES IN THE PROPOSAL THAT WOULD PERMIT THE ISRAELIS TO CONTINUE BUILDING IN A WAY THAT THE ADMINISTRATION --

MS. TUTWILER: SENATOR LEAHY IS SAYING THAT ABOUT OUR PROPOSAL OR WE'RE SAYING THAT ABOUT HIS, I BELIEVE?

Q: YES.

MS. TUTWILER: CORRECT.

Q: HE WAS QUOTING YOU AS SAYING THAT ABOUT HIS PROPOSAL -- THAT THERE ARE TOO MANY LOOPHOLES? I'M TRYING TO FIND OUT WHAT YOU SEE WRONG WITH LEAHY'S --

MS. TUTWILER: THE SECRETARY AND OTHERS HAVE SPENT A GOOD DEAL OF HOURS AT THE SECRETARY'S LEVEL AND AT A STAFF LEVEL, GOING THROUGH, AGAIN -- AND I'M SORRY I CAN'T GIVE IT TO YOU -- LINE-BY-LINE OF A VERY DETAILED DOCUMENT.

THEY, IN OUR VIEW, REJECTED OUR PROPOSAL, OUR COMPROMISE PROPOSAL, ON SATURDAY OUT OF HAND. WE'RE DISAPPOINTED AND SORRY THAT THEY DID. WE THINK WE PRESENTED A FAIR AND BALANCED ONE; THAT WE TOOK INTO CONSIDERATION AND REALLY WORKED HARD ON THE PROPOSAL THEY HAD SENT DOWN HERE.

THERE'S, OBVIOUSLY, NOT A MEETING OF THE MINDS HERE. WE HAVE ACKNOWLEDGED THAT THERE IS A GAP TO BE BRIDGED. I DON'T KNOW -- I CAN'T FORESEE -- IF, INDEED, YOU'RE GOING TO BE ABLE TO OR NOT. I DON'T KNOW.

I HAVE NO INDICATION THIS MORNING -- WE DON'T -- OF WHAT THE SENATORS THEMSELVES ARE GOING TO DECIDE TO DO -- GO TO MARKUP, TALK TO THE ADMINISTRATION SOME MORE. WE JUST DON'T KNOW. I DON'T KNOW.

Q: MARGARET, ARE DISCUSSIONS UNDERWAY WITH THE ISRAELIS AT ALL ABOUT PERHAPS MODIFYING THEIR PROPOSAL? HAVE THEY GIVEN ANY INDICATION TO THE ADMINISTRATION OR TO THE HILL THAT THEY WOULD BE WILLING TO MODIFY THEIR REQUEST IN SUCH

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A WAY AS TO BRIDGE SOME OF THE DIFFERENCES HERE?

MS. TUTWILER: I DON'T WANT TO SPEAK FOR THE ISRAELI GOVERNMENT. THEY HAVE HAD -- THE AMBASSADOR, WHO PRIME MINISTER SHAMIR DESIGNATED AS HIS POINT PERSON, HAS HAD EXTENSIVE CONVERSATIONS WITH THE SECRETARY OF STATE. THEY'VE DISCUSSED A NUMBER OF THINGS, AS WE HAVE SAID IN THE PAST. I DON'T THINK IT WOULD BE APPROPRIATE FOR ME TODAY TO SAY WHERE THE ISRAELI GOVERNMENT IS OR WHAT THEY'RE TELLING THE HILL OR TELLING US. I CAN'T DO THAT FOR YOU.

Q: HAVE THE ISRAELIS DISCUSSED THIS PROPOSAL WITH THE U.S.? OR HAS THE U.S. DISCUSSED THIS PROPOSAL WITH AMBASSADOR SHOVAL?

MS. TUTWILER: THIS PARTICULAR ONE ON SATURDAY, LET ME CHECK, BECAUSE I WANT TO BE HONEST AND LITERAL. BUT I KNOW THAT THROUGHOUT, EITHER THROUGH THE SECRETARY OF STATE, IN HIS MEETINGS WITH AMBASSADOR SHOVAL, OR THROUGH OUR EXPERTS, IN MEETINGS WITH AMBASSADOR SHOVAL OR OTHER ISRAELI OFFICIALS, WE ARE WELL AWARE OF THEIR VIEWS AND THEIR NEEDS AND THEIR CONCERNS AND THEY ARE WELL AWARE OF OURS.

Q: DOES SHOVAL HAVE AN APPOINTMENT THIS WEEK?

MS. TUTWILER: NOT THAT I KNOW OF.

Q: I WANT TO ASK YOU, THIS CONTROVERSY CAME TO LIGHT BECAUSE THE ADMINISTRATION BELIEVES THAT THE SETTLEMENTS ARE AN OBSTACLE TO PEACE. AND LIKE THE PRESIDENT AND THE SECRETARY SAID, THE U.S. POLICY IS THAT THEY SHOULD NOT CONTINUE.

IF THE DOLS. 10 BILLION ARE NOT GRANTED, BASED ON THIS FACT THAT ISRAEL IS GOING TO CONTINUE, BUT THE SETTLEMENTS CONTINUE, WHAT, IF ANYTHING, THE U.S. CAN DO TO STILL SEE TO IT THAT U.S. POLICY IS NOT BEING VIOLATED BY CONTINUING SETTLEMENTS?

MS. TUTWILER: I GET ASKED THAT QUESTION ALL THE TIME, AND WE'VE ANSWERED IT NUMBERS OF TIMES, AS HAS THE SECRETARY.

Q: IT'S THE FIRST TIME I ASKED, MARGARET.

MS. TUTWILER: IT'S OKAY. I GET ASKED IT A LOT, AND SO DOES THE SECRETARY AND THE PRESIDENT. OUR POLICY IS NOT THIS ADMINISTRATION'S POLICY. IT'S EVERY ADMINISTRATION THAT I'M AWARE OF, BACK TO 1967 -- SOME PEOPLE SAY JUST

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BACK TO LYNDON JOHNSON, BUT THAT'S A LONG TIME AND IT'S A LOT OF DEMOCRATIC PRESIDENTS AND A LOT OF REPUBLICAN PRESIDENTS. SO IT ISN'T JUST THIS ADMINISTRATION'S POLICY.

WE CONSTANTLY SPEAK TO THE ISRAELI GOVERNMENT PRIVATELY, FROM THIS PODIUM, OTHER PODIUMS. OUR POLICY IS VERY WELL-KNOWN.

AS YOU KNOW, WHEN THEY ASKED, DURING THIS ADMINISTRATION, FOR THE DOLS. 400 MILLION LOAN GUARANTEE -- WHAT? -- 18 MONTHS AGO, THE SECRETARY NEGOTIATED WITH THEIR FOREIGN MINISTER A DOCUMENT WHERE WE TRIED TO HAVE ASSURANCES, AS I REMEMBER, THAT OUR MONEY WOULD NOT BE SPENT ON SETTLEMENT ACTIVITY. SO WE TRIED. THAT'S ALL I CAN TELL YOU.

Q: THE QUESTION, I THINK, IS, ARE YOU PLANNING TO TARGET THE FOREIGN AID BUDGET OF ISRAEL?

MS. TUTWILER: NO.

Q: ACTUALLY, WHAT I REALLY WANTED TO KNOW IS, IF THIS DOESN'T STOP THE SETTLEMENTS, WHICH YOU JUST TOLD US HAD BEEN AGAINST U.S. POLICY, WHAT OTHER THINKING EXISTS TO --

MS. TUTWILER: I HAVEN'T HEARD OF ANY NEW AND ADDITIONAL THINKING.

Q: COULD I JUST ASK -- I DON'T KNOW, MAYBE I JUST HAVEN'T BEEN ABLE TO UNDERSTAND THE DOLS. 300 MILLION PART OF THIS PROPOSAL PROPERLY.

MS. TUTWILER: I DON'T UNDERSTAND IT WELL MYSELF.

Q: IF I WERE TO WRITE A STORY THAT SAYS THE FOLLOWING -- AND I'LL SAY IT IN A SECOND -- I WOULD LIKE YOU TO TELL ME WHAT'S WRONG WITH THAT CONCLUSION, ON THE BASIS --

MS. TUTWILER: IF I CAN.

Q: IF YOU CAN. IF I WERE TO WRITE THAT THE ADMINISTRATION ANNOUNCED TODAY THAT IT WAS WILLING TO GIVE THE ISRAELIS DOLS. 300 MILLION TO SPEND ON CONTINUING SETTLEMENT ACTIVITIES ONE DAY AFTER HAVING DECLARED THAT ITS POLICY WAS NOT TO USE AMERICAN MONEY TO FUND SETTLEMENT ACTIVITIES, WHAT'S WRONG WITH THAT? IS THERE SOMETHING THAT I'VE MISSED IN THIS PROPOSAL?

MS. TUTWILER: YOU'RE SINGLING OUT ONE PART OF OUR PROPOSAL. I LISTED A NUMBER OF THINGS IN OUR PROPOSAL,



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NOT JUST ONE PART.

IT IS MY UNDERSTANDING, AGAIN, RALPH, THIS WOULD BE PART AND PARCEL OF THE PACKAGE DEAL. THAT I'M UNAWARE OF -- THAT WE HAVE NOT HEARD FROM THE ISRAELI GOVERNMENT OFFICIALLY, PUBLICLY, ON THEIR VIEWS ON THAT. WE KNOW FULL WELL WHAT THE HILL'S VIEW OF IT IS. I CAN'T TAKE OUT JUST ONE LITTLE PART FOR YOU. IT'S PART OF A PACKAGE.

I TRIED TODAY TO HIGHLIGHT -- MAYBE I HAVEN'T DONE AN ADEQUATE JOB FOR YOU -- OF THOSE PARTS OF OUR PROPOSAL, SOME OF WHICH HAVE BEEN IN PRINT INCORRECTLY. I HAVE NOT DONE OUR ENTIRE PROPOSAL, EVERY SINGLE, SOLITARY LINE. MAYBE I'M DOING AN INADEQUATE JOB OF EXPLAINING THIS FOR YOU.

Q: I THOUGHT THAT THIS DOLS. 300 MILLION WAS FOR CONSTRUCTION OF ALREADY EXISTING SETTLEMENTS SINCE JANUARY?

MS. TUTWILER: CORRECT. THAT'S MY UNDERSTANDING.

Q: CONTINUING SETTLEMENT ACTIVITY?

Q: CONTINUING SETTLEMENT ACTIVITY, BUT NO --

MS. TUTWILER: BUT, RALPH, I JUST SAID THAT CONSTRUCTION ACTIVITY UNDERWAY, PRIOR TO JANUARY 1, 1992, WE HAVE SAID -- WE'VE SAID IT -- CAN BE COMPLETED. THAT IS PART OF OUR PROPOSAL. THAT IS PART OF WHY I EXPLAINED A MINUTE AGO THAT WE THINK IT'S FAIR AND BALANCED.

YOU'RE RIGHT, SOMEONE COULD ARGUE: THAT IS AGAINST YOUR POLICY. WHY ARE YOU EVEN DOING THAT? BECAUSE WE ARE TRYING TO BE FAIR, REASONABLE, COMPROMISE, GET A RATIONAL BILL HERE THAT DOES NOT TOTALLY PREVENT THE PRESIDENT OF THE UNITED STATES FROM IMPLEMENTING LONGSTANDING UNITED STATES POLICY.

Q: MARGARET, I UNDERSTAND WHAT YOU'RE SAYING, BUT AS I UNDERSTAND --

MS. TUTWILER: YOU MAY. I'M NOT SURE I DO.

Q: THERE HAS GOT TO BE SOME CRITERIA, I WOULD GUESS, ON DEFINING WHAT IS CONTINUING SETTLEMENT ACTIVITY FOR --

MS. TUTWILER: YOU'RE RIGHT. I HADN'T GOTTEN INTO ALL THAT.

Q: THAT'S WHY I WOULD ASK THAT WE GET SOME SORT OF --

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MS. TUTWILER: CAN YOU SEE THE FINE PRINT?

Q: -- A MORE DETAILED SUMMARY. BECAUSE, AS I UNDERSTAND IT, IF THE ISRAELIS --

MS. TUTWILER: THAT KIND OF FINE PRINT THIS TIME, I'M NOT --

Q: -- IF THE ISRAELIS SUGGEST THAT SOMETHING 50 MILES AWAY IS PART OF AN EXISTING SETTLEMENT THAT THEY STARTED BEFORE JANUARY 1992 --

Q: IT'S NOT NEW SETTLEMENTS. IT'S NEW CONSTRUCTION, YOU SAID, RIGHT?

MS. TUTWILER: CONSTRUCTION ACTIVITY.

Q: I KNOW, BUT IT COULD BE THAT SOMEBODY WOULD SUGGEST THAT SOMETHING COULD BE BUILT 50 MILES AWAY IS NOT NEW?

MS. TUTWILER: I UNDERSTAND. THAT DETAIL AND THAT FINE PRINT, I DO NOT BELIEVE WE WILL BE, TODAY, PUTTING FORTH. IT IS CONTAINED IN OUR PROPOSAL. IT IS CONTAINED IN THE LEAHY PROPOSAL. ON THOSE PORTIONS OF THE PROPOSAL, THERE'S DISAGREEMENT THERE.

Q: MARGARET, IS THERE ANY PROVISION IN YOUR PROPOSAL FOR --

Q: (INAUDIBLE) ACTIVITY? WE TAKE IT TO MEAN --

MS. TUTWILER: THAT'S CONTAINED IN OUR PROPOSAL. I'M NOT GOING TO DO THAT TODAY.

Q: SO IT'S ROADS, SEWERS, ALL THAT KIND OF STUFF?

MS. TUTWILER: I UNDERSTAND ALL THAT. I'M FAIRLY CONFIDENT THAT WE WILL NOT BE PUTTING THAT OUT TODAY. IT'S IN OUR PROPOSAL.

Q: ARE YOU SAYING THERE'S DISAGREEMENTS OVER THOSE ISSUES, TOO?

MS. TUTWILER: THEY'VE GOT THEIR DEFINITION OF THAT IN THEIR PROPOSAL; WE HAVE OURS IN OUR PROPOSAL, AND THE ISRAELIS HAVE A VIEW ON THIS ALSO.

Q: AGAIN, ABOUT THIS DOLS. 300. MILLION. IF MY OWN STORY WILL SAY THAT IT'S A KIND OF --

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MS. TUTWILER: I WISH I NEVER -- WHAT?

Q: IF MY OWN STORY WILL SAY THAT IT'S A KIND OF INCENTIVE TO THE ISRAELIS TO ACCEPT THE PACKAGE, WOULD THAT BE RIGHT?

Q: YOU WANT HER TO WRITE YOUR STORY?

MS. TUTWILER: YOU'RE GOING TO HAVE TO WRITE WHAT YOU WANT TO WRITE. I'M TELLING YOU WHAT'S IN OUR PROPOSAL.

(MULTIPLE QUESTIONS)

MS. TUTWILER: RIGHT, GEORGE. THAT WAS A GOOD SUGGESTION.

Q: IS THIS A HUMANITARIAN GESTURE -- THE DOLS. 300 MILLION?

MS. TUTWILER: COME ON. THIS IS A SERIOUS PROPOSAL THAT WE'VE PUT FORWARD. WE'VE WORKED VERY HARD ON IT. THIS IS NOT SOMETHING THAT HAS BEEN DONE LIGHTLY. I'VE TOLD YOU THAT THE SECRETARY OF STATE HIMSELF HAS SPENT HOURS ON THIS INTERNALLY, ON THE HILL, WITH THE AMBASSADOR OF THE ISRAELI GOVERNMENT, LINE-BY-LINE GOING THROUGH THIS.

I DON'T KNOW OF MANY SECRETARIES OF STATE, TO BE PERFECTLY HONEST WITH YOU, THAT GET DOWN INTO THAT MUCH DETAIL AND WORK AN ISSUE AS DILIGENTLY AND AS CONSCIENTIOUSLY AS HE HAS. HE BELIEVES VERY STRONGLY THAT THE PROPOSAL WE'VE PUT FORWARD IS VERY FAIR AND BALANCED AND THAT IT IS A DISAPPOINTMENT THAT IT WAS REJECTED OUT OF HAND ON SATURDAY.

Q: MAY I ASK YOU ABOUT THE DOLS. 400 MILLION THAT YOU OFFERED BEFORE? WAS ISRAEL HELD ACCOUNTABLE TO ALL OF THE TERMS OF THE AGREEMENT THAT YOU REACHED -- THAT MR. BAKER REACHED WITH MR. LEVY ABOUT THIS?

MS. TUTWILER: WELL, SURE.

Q: DID THEY LIVE UP TO ALL OF THE --

MS. TUTWILER: I'M NOT GOING TO GET OUT HERE AND DEBATE THAT TODAY. WE HAVE CONTINUED TO WORK WITH THE ISRAELI GOVERNMENT ON THE TERMS AND ARRANGEMENTS -- "ASSURANCES," I BELIEVE THEY WERE CALLED AT THE TIME -- OF THAT DOLS. 400 MILLION.

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Q: MARGARET, DO YOU HAVE ANY FURTHER DETAILS ON THE INVESTIGATING TEAM THAT'S SUPPOSED TO BE GOING TO ISRAEL?

MS. TUTWILER: I WISH I DID. BUT FOR SOME REASON, I DO NOT. I DON'T HAVE A HEAD (OF THE TEAM) AND I DO NOT HAVE A DATE FOR YOU OTHER THAN YESTERDAY I SAID, I BELIEVE, WE HOPED THEY'D BE LEAVING BY THE END OF THIS WEEK AND ONLY BE THERE A FEW DAYS. SO, NO. I TRIED.

Q: MAYBE I MISSED THIS. BUT ON THE COST OF COMPLETING SETTLEMENTS THAT WERE UNDERWAY AS OF JANUARY 1, IS THERE SOME SORT OF DEDUCTION, PERHAPS, AFTER THE FIRST DOLS. 300 MILLION FOR THAT? OR HAS --

MS. TUTWILER: I DON'T KNOW, NORM. CAN I TAKE THAT QUESTION?

Q: BECAUSE THE SECRETARY, IN HIS TESTIMONY, SAID THERE WOULD BE. I WANTED TO KNOW IF THAT --

MS. TUTWILER: THE QUESTION IS, IS THERE A DEDUCTION FOR WHAT?

Q: FOR CONTINUING ACTIVITY?

MS. TUTWILER: A DEDUCTION?

Q: YEAH. IN HIS PUBLIC TESTIMONY, THE SECRETARY SAID THAT IF THE ISRAELIS WANTED THE WHOLE DOLS. 10 BILLION, THEY WOULD HAVE TO STOP ALL CONSTRUCTION ACTIVITY --

MS. TUTWILER: YOU'RE RIGHT, YOU'RE RIGHT.

Q: -- AND LEAVE THINGS PRESENTLY UNDERWAY UNFINISHED.

MS. TUTWILER: I THINK THAT'S STILL IN OUR PROPOSAL. BUT LET ME JUST ASK --

Q: IS THERE A DEDUCTION FOR THE COST OF COMPLETING SETTLEMENTS THAT WERE UNDERWAY ON JANUARY 1?

MS. TUTWILER: I UNDERSTAND YOUR QUESTION NOW. I'M PRETTY SURE THAT THAT IS DEFINITELY STILL IN THE PROPOSAL. LET ME JUST CHECK WITH JANET (MULLINS), PLEASE.

Q: ANOTHER QUESTION ON THIS, PLEASE. WHAT -- I DON'T KNOW IF YOU CAN TELL US OR THINK ABOUT IT FOR LATER ON. WHAT IS THE DIFFERENCE BETWEEN ISRAEL BORROWING MONEY AND BUILDING SETTLEMENTS OR USING THE DOLS. 1.2 BILLION IN FINANCIAL AID TO BUILD SETTLEMENTS? WHY IS ONE AN

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OBSTACLE TO U.S. POLICY AND SHOULD BE RESISTED AND THE DOLS. 1.2 BILLION THAT THEY RECEIVE ANNUALLY AUTOMATICALLY OR NOT? IS THERE ANY LOGIC TO THAT?

MS. TUTWILER: THIS IS, AFTER ALL, A NEW PROGRAM. OKAY? THIS IS NEW. THIS IS A REQUEST FOR DOLS. 10 BILLION WORTH OF HOUSING LOAN GUARANTEES.

OUR NORMAL AID TO ISRAEL HAS NEVER BEEN QUESTIONED, IS NOT BEING QUESTIONED NOW. THIS IS A NEW PROGRAM. THE SECRETARY SPENT -- I DON'T KNOW WHAT -- 6 HOURS ON THE HILL RECENTLY GOING THROUGH, IN QUITE SOME DETAIL, THE ADMINISTRATION'S VIEWS ON THIS NEW PROGRAM. THEY'VE ALL BEEN OUT THERE SINCE SEPTEMBER.

SO I'M NOT CONNECTING THE TWO. THE ADMINISTRATION HAS NEVER CONNECTED THE TWO.

Q: WHAT I'M ASKING IS, IF THERE IS ANY EXPLANATION AS TO WHAT THE DIFFERENCE REALLY, LITERALLY IS?

MS. TUTWILER: WHAT ARE YOU ASKING?

Q: IT IS AMERICAN MONEY THAT IS GIVEN TO ISRAEL -- DOLS. 1.2 BILLION IN FINANCIAL AID A YEAR. WITH THAT, ISRAEL IS GOING TO GO BUILD SETTLEMENTS. SO WHY IS THAT PERMITTED AND TO GIVE GUARANTEES TO BORROW MONEY FROM AMERICAN BANKS IS NOT? I'M JUST TRYING TO RATIONALIZE IT WITHIN MY OWN --

MS. TUTWILER: THIS DEBATE IS NOT ABOUT UNITED STATES AID TO ISRAEL. NO ONE HAS QUESTIONED THAT. NO ONE IS QUESTIONING THAT TODAY. THAT IS NOT WHAT THIS IS ABOUT. THIS IS ABOUT A NEW PROGRAM, A NEW REQUEST.

IF YOU WILL RECALL, WHEN THIS CAME UP IN SEPTEMBER AND THE ADMINISTRATION ASKED FOR A DELAY, WE SAID THAT WE WOULD LIKE TO TURN OUR ATTENTION TO THIS AND THERE WOULD NOT BE ANOTHER DELAY IF THE ISRAELI GOVERNMENT WANTED TO IN -- I BELIEVE IT WAS JANUARY -- 120 DAYS. WE'VE DONE THAT, WITH THE HILL ACKNOWLEDGING -- IT'S A PUBLIC STATEMENT -- AND US, THAT THE ADMINISTRATION WOULD SEEK CERTAIN CONDITIONS AND TERMS ACCEPTABLE TO THE ADMINISTRATION BASED ON UNITED STATES POLICY. THAT IS EXACTLY WHAT WE HAVE DONE.

Q: THANK YOU.

MS. TUTWILER: THANKS.

(PRESS BRIEFING CONCLUDED AT 1:15 P.M.)  
BAKER

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ADMIN  
END OF MESSAGE

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