



British Embassy
Washington

BY FAX

25 April 1996

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Washington D.C. 20008-3600

Miss Georgina Campbell
DED
Netherleigh

Telephone: (202) 898 4242

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cc Mr Haire
Ms McGivern
Mrs Campbell.
File.

Dear Georgie

MACBRIDE/IFI

1. As you know, the President vetoed the Foreign Relations Authorisation Act on 12 April (the act which included diluted 'principles of economic justice', my letter of 12 March to Will Haire). I enclose a copy of the statement released in the President's name when he returned the Act to the House of Representatives. The main reason for the veto was the fact that the Act 'mandated the abolition of at least one of three important foreign affairs agencies'. The statement did not mention the 'principles'. State have confirmed that, in their revised form, the 'principles' were unobjectionable to the Administration. Though imperfect, they would not in this form have been enough to attract a Presidential veto. 11

2. Despite that, McManus and the Irish National Caucus have chosen to accuse Clinton of performing a 'flip-flop' on the MacBride Principles (Irish Echo, 24-30 April). The Echo's report quotes extensively from a letter sent by 11 Irish American organisations (but clearly orchestrated by McManus) to the President expressing their 'deep disappointment'. The letter claimed: 'It is ironic that Senator Dole, the entire Republican leadership and the Republican National Committee are all supporting Congressional legislation on the MacBride Principles and you are opposing it'. Dole and the Republicans were doing no such thing: they supported the Bill as a package and accepted some provisions not to their liking in order to pass into law the provisions (notably abolition of foreign policy agencies) closest to their hearts. As you know the Senate Republicans worked diligently to exclude and then to dilute MacBride elements.

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3. McManus's letter goaded the Administration into setting out their preferred policy. Replying to McManus's complaints, the National Security Adviser said that, while the Clinton Administration supported the goals of fair employment as embodied by the MacBride Principles, they also actively supported efforts to promote trade and investment in Northern Ireland and the border counties as the best way to underpin a lasting peace: 'The President does not believe it would be useful to place conditions on the funding we provide to the International Fund for Ireland, which has an excellent record of attention to and effectiveness on fair employment issues'.

4. Action on the vetoed Act now lies with Congress. The Republicans do not have the votes to override the veto. According to staffers on the Senate Foreign Relations Committee (SFRC), the Republicans do not want to back down on the key provisions which attracted Clinton's veto. So the Act will remain in baulk. In theory Congress could return to it and attempt a veto override any time before the end of the 104th Congress (end of this year). In practice, the appropriations act (which does not mention the 'principles') is already funding foreign operations; there is no pressing need for an authorisation act. The veto seems to be the end of this story for this year. The SFRC will alert us if there is any change.

5. In his Echo briefing, McManus seems to be right about one thing: 'it [the veto] does bring the MacBride campaign in Congress to an apparent dead stop'.

Yours ever
Simon

S G McDonald

cc: P Reid Esq, BIS New York
D Lamont Esq, RID

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THE WHITE HOUSE
Office of the Press Secretary

April 12, 1996

For Immediate Release

TO THE HOUSE OF REPRESENTATIVES:

I am returning herewith without my approval H.R. 1561, the "Foreign Relations Authorization Act, Fiscal Years 1996 and 1997."

This legislation contains many unacceptable provisions that would undercut U.S. leadership abroad and damage our ability to assure the future security and prosperity of the American people. It would unacceptably restrict the President's ability to address the complex international challenges and opportunities of the post-Cold War era. It would also restrict Presidential authority needed to conduct foreign affairs and to control state secrets, thereby raising serious constitutional concerns.

First, the bill contains foreign policy provisions, particularly those involving East Asia, that are of serious concern. It would amend the Taiwan Relations Act (TRA) to state that the TRA supersedes the provisions of the 1982 Joint Communiqué between the United States and China. The 1982 Communiqué has been one of the cornerstones of our bipartisan policy toward China for over 13 years. The ongoing management of our relations with China is one of the central challenges of United States foreign policy, but this bill would complicate, not facilitate that task. The bill would also sharply restrict the use of funds to further normalize relations with Vietnam, hampering the President's ability to pursue our national interests there and potentially jeopardizing further progress on POW/MIA issues. If read literally, this restriction would also raise constitutional concerns.

Second, the bill would seriously impede the President's authority to organize and administer foreign affairs agencies to best serve the Nation's interests and the Administration's foreign policy priorities. I am a strong supporter of appropriate reform and, building on bipartisan support, my Administration has already implemented significant steps to reinvent our international operations in a way that has allowed us to reduce funding significantly, eliminate positions, and close embassies, consulates, and other posts overseas. But this bill proceeds in an improvident fashion, mandating the abolition of at least one of three important foreign affairs agencies, even though each agency has a distinct and important mission that warrants a separate existence. Moreover, the inflexible, detailed mandates and artificial deadlines included in this section of the bill should not be imposed on any President.

Third, the appropriations authorizations included in the bill, for fiscal years 1996 and 1997, fall unacceptably below the levels necessary to conduct the Nation's foreign policy and to protect U.S. interests abroad. These inadequate levels would adversely affect the operation of overseas posts of the foreign affairs agencies and weaken critical U.S. efforts to promote

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arms control and nonproliferation, reform international organizations and peacekeeping, streamline public diplomacy, and implement sustainable development activities. These levels would cause undue reductions in force of highly skilled personnel at several foreign affairs agencies at a time when they face increasingly complex challenges.

Fourth, this bill contains a series of objectionable provisions that limit U.S. participation in international organizations, particularly the United Nations (U.N.). For example, a provision on intelligence sharing with the U.N. would unconstitutionally infringe on the President's power to conduct diplomatic relations and limit Presidential control over the use of state secrets. Other provisions contain problematic notification, withholding, and certification requirements.

These limits on participation in international organizations, particularly when combined with the low appropriation authorization levels, would undermine current U.S. diplomatic efforts -- which enjoy bipartisan support -- to reform the U.N. and to reduce the assessed U.S. share of the U.N. budget. The provisions included in the bill are also at odds with ongoing discussions between the Administration and the Congress aimed at achieving consensus on these issues.

Fifth, the bill fails to remedy the severe limitations placed on U.S. population assistance programs by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104-107). That law imposes unacceptable spending restrictions pending authorization for U.S. bilateral and multilateral population assistance programs. But H.R. 1561 does not authorize these programs. Consequently, these restrictions will remain in place and will have a significant, adverse impact on women and families in the developing world. It is estimated that nearly 7 million couples in developing countries will have no access to safe, voluntary family planning services. The result will be millions of unwanted pregnancies and an increase in the number of abortions.

Finally, the bill contains a number of other objectionable provisions. Some of the most problematic would: (1) abruptly terminate the Agency for International Development's housing guaranty (HG) program, as well as abrogate existing HG agreements, except for South Africa, and prohibit foreign assistance to any country that fails to make timely payments or reimbursements on HG loans; (2) hinder negotiations aimed at resolving the plight of Vietnamese boat people; (3) unduly restrict the ability of the United States to participate in the United Nations Human Rights Committee; and (4) extend provisions of the Nuclear Proliferation Prevention Act that I have objected to in the past. I am also concerned that the bill, by restricting the time period during which economic assistance funds can be expended for longer-term development projects, would diminish the effectiveness of U.S. assistance programs.

In returning H.R. 1561, I recognize that the bill contains a number of important authorities for the Department of State and the United States Information Agency. In its current form, however, the bill is inconsistent with the decades-long tradition of bipartisanship in U.S. foreign policy.

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It unduly interferes with the constitutional prerogatives
of the President and would seriously impair the conduct
of U.S. foreign affairs.

For all these reasons, I am compelled to return
H.R. 1561 without my approval.

WILLIAM J. CLINTON

THE WHITE HOUSE,
April 12, 1996.

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Campaign
ReportBritish Embassy
Washington

13 May 1996

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Mr Graeme Houston
DED
Netherleigh
Belfast

Dear Graeme,

MACBRIDE LEGISLATION

Thank you for your letter of 30 April. Apologies for my delay
in getting back to you.I have collated nearly all the information you need and so I
will fax it to you on Wednesday, when I have received BIS
New York's input.

Thank you for your patience.

Yours Ever,
SarahSarah Sim
Chancery