
Presidential Documents

Title 3—

Presidential Determination No. 97-01 of November 8, 1996

The President

Assistance Program for the New Independent States of the Former Soviet Union

Memorandum for the Secretary of State

Pursuant to subsection (o) under the heading “Assistance for the New Independent States of the Former Soviet Union” in Title II of the Foreign Operations, Export Financing and Related Programs Appropriations Act, for fiscal year 1996 (Public Law 104-107) and fiscal year 1997 (Public Law 104-208), I hereby determine that it is important to the national security interest of the United States to make available funds appropriated under that heading without regard to the restriction in that subsection.

You are authorized and directed to notify the Congress of this determination and to arrange for its publication in the Federal Register.



THE WHITE HOUSE,
Washington, November 8, 1996.

Memorandum of Justification Regarding Determination Under Title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act (Public Laws 104-107 and 104-208)

The Administration shares the deep concern of the Congress over Russian nuclear cooperation with Iran. Such cooperation, which could contribute over time to a nuclear-armed Iran, continues to be a threat not only to U.S. security interests, the Middle East Peace Process, and global stability, but also to Russian security interests as well. In dealing with this pressing issue, the Administration has repeatedly and strenuously objected to any form of nuclear cooperation with Iran. The President has raised the important issue repeatedly and directly with President Yeltsin, including during their April 1996 meeting in Moscow. The Vice President discussed our concerns with Prime Minister Chernomyrdin most recently during their July Meeting in Moscow. The Administration has also established a multi-level dialogue with the Russians and continues to give this issue the necessary high priority on the bilateral agenda. In addition, we have made clear to the Russians that we are not prepared to renew or expand the current U.S.-Russian Agreement on S&T Cooperation in the Field of Peaceful Uses of Atomic Energy because of Russia's ongoing nuclear cooperation with Iran. In addition, we informed the Russians in 1995 that a Section 123 agreement would not be possible while Russian nuclear cooperation with Iran continues.

Subsection (o) under the heading, “Assistance for the New Independent States of the Former Soviet Union,” in Title II of the FY 1996 and FY 1997 Foreign Operations Appropriations Acts contain a restriction on assistance to Russia unless there is a Presidential determination that the Government of Russia has terminated implementation of arrangements to provide

Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs. Given present circumstances, the President is unable to make this determination. In order to further the national security interest of the United States, the President is exercising the authority provided by the Congress in subsection (o) to make funds available to Russia under these Acts without regard to this restriction.

The President takes this action because it remains important to the national security interest of the United States to continue support for the reform process in Russia. Assisting Russia and the other New Independent States in their transitions to democratic systems of government and market economies continues to be one of the Administration's highest foreign policy goals. As we noted in our previous determination, the outcome of this historic reform effort will have a critical impact on the future of regional and international peace and stability as well as the national security interests of the United States. Much has already been accomplished along the uncharted road to reform in Russia, including Russia's unprecedented 1996 Presidential elections. The transformation of Russia into a more democratic, market-oriented society, however, is a long-term proposition, and the outcome is far from certain. The United States and the world community must remain steadfast in support of the people of Russia and the other New Independent States (NIS) during this important period of transition.

Our assistance and other cooperative programs continue to play a vital role promoting basic U.S. interests by furthering the reform process in Russia and bolstering fledgling democratic, market-oriented processes and institutions. With the Russian presidential elections complete, Russia must now accelerate major structural reforms, such as building the legal and institutional structures to support a market economy. To cut off assistance and thereby sharply cut back the influence Americans are having on Russian reform at this important juncture in Russia's history would be counterproductive. Most significantly, a withdrawal of assistance would undercut those in Russia who seek to build relations of a new kind with the United States, who support democratic and market economic principles, and who are helping to integrate Russia into global economic and security systems.

We must continue to support two worthy foreign policy goals: supporting the reform process in Russia and ending Russian nuclear cooperation with Iran. Carefully designed and implemented assistance programs will help us to achieve the former, which in turn will help lessen the incentive for Russia to cooperate with Iran on nuclear programs. Active engagement with Russia at the highest levels will also help us accomplish this latter objective. We will continue to work with the Congress to achieve our mutual goals in this regard.

The President has made this determination because it is essential to enable us to continue to pursue with Russia our policy of pragmatic engagement, in which we seek to support U.S. national security and other interests by helping to integrate Russia into global economic and security systems as a cooperative, peaceful, and prosperous member of the world community.