

Northstar, "You can't totally stop a person from causing a heinous act. What you can do is have a lot of preventive measures to deter someone. Or if something does occur, you can minimize the injury."

In San Diego, 18 law-enforcement agencies have set up command posts throughout the city and county to coordinate security for the convention.

Walsh has brought in dozens of agents from Chicago, Washington and elsewhere to conduct background checks on individuals and groups who might cause problems. He also has enlisted a team of explosives experts.

The Secret Service's main duty is to secure the elected officials and to provide a safe route for motorcades. Police officers and the Harbor Patrol, meanwhile, are mainly responsible for the areas away from the convention center.

"We don't anticipate any problems," said Dave Cohen, spokesman for the San Diego Police Department. "We just want people to have a good time. Our goal is never to become the story."

Lebed appalled by troops condition, will work for cease-fire in Chechnya By James P. Gallagher Chicago Tribune(KRT)

MOSCOW Appalled at the condition of Russian troops fighting in breakaway Chechnya, the Kremlin's new security czar, Alexander Lebed, announced Monday that the two sides were trying to work out a cease-fire to halt a week of brutal combat.

Returning from a lightning trip to the tiny Islamic enclave, a somber Lebed told reporters in Moscow that he was shocked at the sight of the bedraggled Russian army, implying that the army lacked the skilled manpower it would take to crush the Chechen rebellion.

"I suspected things were bad there," he said, "but I could never imagine they were that bad."

Lebed described the Russian soldiers as "poor creatures, hungry, frail, half-dressed," without proper training to fight effectively and protect themselves. He said many soldiers were no better than "cannon fodder."

"One sees these people there, indifferent and exhausted, lacking guidance, with low morale," Lebed complained. By contrast, he complimented the rebel fighters as "good warriors."

Lebed's blunt remarks were consistent with his longstanding criticisms of the Chechen war and President Boris Yeltsin's decision to wage it. But because the retired Russian army general now speaks as the head of the state Security Council and was tapped by Yeltsin over the weekend to oversee conduct of the war, the comments represented the first frank acknowledgement by a senior Russian military official of the sad state of the Russian fighters.

Lebed, who met with the top rebel commander Sunday, also made it clear he believes neither side is strong enough to win the 20-month-old standoff on the battlefield. He indicated Moscow must be ready to make major concessions to secure peace in Chechnya, where up to 40,000 people, mostly civilians, are estimated to have perished.

"We know that all wars, even those that last 100 years, end with talks and peace, so why wait?" Lebed said.

Although Lebed has a reputation for overstating the facts and outraging events with alarmist rhetoric, speculation about a possible cease-fire agreement further was fueled by word that the ailing Yeltsin had postponed a lengthy vacation set to begin early this week.

Instead, the president was in the Kremlin to receive Lebed's report on his trip to Chechnya, where he discussed ways to end the fighting with the rebel chief of staff, Aslan Maskhadov.

Predicting that a cease-fire could take effect in the Chechen capital, Grozny, early this week, Lebed said the next step should be a resumption of the withdrawal of Russian troops from the region, as promised by Yeltsin in the spring at a summit with rebel leaders.

He also said he supported convening a broad-based

assembly of the major political, social and religious factions in Chechnya to decide what the future of the oil-rich region should be.

Asked whether he still favored allowing Chechnya to withdraw completely from the Russian Federation, the goal many rebels say they will fight to the death to win, Lebed hedged and said a decision of that magnitude could be made only by Yeltsin.

But waving what he hinted was a special decree soon to be officially promulgated, Lebed also asserted that he expects the president to give him vastly expanded authority over both the waging of war in Chechnya and the long-frustrated effort to find a peaceful solution.

On Monday, however, there was no let-up in the fighting in the war-ravaged Chechen capital, where a surprise offensive by rebel gunmen raged on in its seventh day with neither side appearing to get the upper hand.

As they have almost every day for the past week, Russian and rebel officials painted starkly different pictures of what was taking place in downtown Grozny, in the rubble-strewn streets around the headquarters of Moscow's puppet regime in the enclave.

Russian Army Gen. Konstantin Pulikovskiy insisted anew that his troops slowly were wresting control from the rebels in Grozny. At the same time, the chief rebel spokesman countered that his side was firmly entrenched and holding off Russian attacks.

"The pattern of the fighting has not changed," Movladi Udugov maintained. "The Russians advance every morning, and withdraw to their initial positions every afternoon."

After nightfall Monday, there were reports that the rebels were attacking the large Russian army base at Khankala, a few miles east of Grozny.

Meanwhile, fears of a campaign of urban terrorism inside Russia were reawakened Monday after yet another bomb explosion killed at least one person.

The bomb, on a passenger train from Astrakhan to Volgograd in the southern Volga River region, was the second explosive device to go off on that train in less than three weeks.

Although police blamed Monday's blast on unidentified "terrorists," they also noted that the same service crew was on the train at the time of both explosions, which suggested the motivation could have been personal, not political.

Over the past two months, a bomb on a Moscow subway killed four passengers, while two explosions on city trolley buses injured 30 riders.

(EDITORS: STORY CAN TRIM HERE)

In Chechnya, according to Russian commanders, more than 180 of Moscow's soldiers have been killed since the offensive began last Tuesday, when Chechen fighters staged early morning raids into Grozny and two smaller Chechen towns.

More than 600 Russian soldiers have been wounded, hundreds of civilians are dead or wounded and thousands are believed trapped and rapidly running out of food in the combat area.

The rebels went on the offensive after Russian forces abandoned a cease-fire that helped get Yeltsin re-elected president last month, launching a series of rocket attacks on Chechen villages allegedly harboring insurgent fighters.

A look at where Clinton stands on 160 campaign promises By Robert A. Rankin and Angie Cannon Knight-Ridder Newspapers(KRT)

WASHINGTON Politicians make promises when campaigning that they often fail to keep once in power.

As a candidate for president in 1992, Bill Clinton made a lot of promises in speeches, in debates, and most of all, in his 232-page book, "Putting People First."

Did he keep them?

Not all, to be sure. He walked away early from some big ones, such as his vow to cut middle-class taxes.

Overhauling the nation's health-care system, which he made the centerpiece of his first two years, failed in

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Congress. But he delivered on welfare reform, a potent campaign issue in 1992, with the help of the Republican Congress.

But to a degree that can only surprise his harshest critics, who delight in denouncing him as a man who breaks his word, Clinton has delivered on most of his promises.

After his 1992 election, Knight-Ridder Newspapers compiled a list of 160 specific commitments made by Clinton. Now, near the end of his full four-year term, the record shows he has achieved 106 of them a success rate of 66 percent.

Clinton did not deliver on 50 of his promises a failure rate of 31 percent and action remains pending on the final four, or 3 percent.

Such statistics mask some subtleties, however.

For one thing, Clinton failed to deliver on at least 23 promises because Congress blocked his efforts. For example, he included eight specific campaign promises in his massive health-care reform plan, and six of them remain scored as unkept promises because Congress rejected his plan.

That's not quite the same as a broken promise. Add those 23 failed attempts to keep promises 14 percent of his 160 total campaign vows to the 104 promises kept, and Clinton fairly could be credited with trying hard to keep 79 percent of his 1992 campaign promises.

"We've just finished a study that shows the most important idea for voters is this idea of being trustworthy, keeping your promises," said Bruce Blakeman, vice president of Wirthlin Worldwide, a political consulting firm. Bob Dole scored five points higher than Clinton on "who is better at keeping his word," Blakeman said, but he added that "a five-point lead for Dole on this is not all that significant."

Of course, not all promises are equal, and some of Clinton's broken ones are big.

Perhaps the biggest was his failure to deliver on his pledge to reform campaign finance. That was a major concern in America's 1992 political culture, fueling much of the movement behind Ross Perot, and it has remained so ever since.

Clinton has talked a lot about campaign-finance reform climaxed by his June 1995 handshake agreement with House Speaker Newt Gingrich to set up a bipartisan reform commission, but he never put much effort into it. There never was a commission, for example, or a reform.

Meanwhile, Clinton has raised record amounts of money at an endless series of Democratic Party fund-raisers across the country.

Even more blatantly broken promises stand out from Clinton's foreign policy record. As a candidate, he accused the Bush administration of showing a callous disregard for human rights, both in trading with China and in sending boatloads of Haitian refugees back home; as president, Clinton reversed himself on both positions, adopting the very Bush policies he had condemned.

Yet if some broken promises loom large, fairness to Clinton demands that others be put into perspective. For example, his biggest domestic success cutting the budget deficit in half achieved one promise.

Meanwhile, his failure to achieve some other promises such as one to make his Department of Energy charge higher fees for disposal of nuclear waste is obviously of less significance, though it holds the same statistical weight as cutting the deficit in the "promises" balance sheet.

The standards used to rate the president were:

Yes: Clear steps have been taken to fulfill the promise.

No: Clinton has taken no action or his proposals have fallen short.

Pending: Action on a proposal that would fulfill a Clinton promise is still pending.

ABORTION

End the gag rule that restricts abortion counseling in federally funded clinics.

Yes: By executive order in January 1993.

Permit federal research using aborted fetal tissue.

Yes: Same executive order.

Name abortion-rights supporters to the Supreme Court.

Yes: Chose Ruth Bader Ginsburg and Stephen Breyer.

Work to enact a Freedom of Choice Act codifying Roe v.

Wide terms into statutory law.

No: Clinton did not push this even when Democrats controlled Congress.

Support testing of RU-486, the French birth-control pill.

Yes: By executive order in January 1993.

AGRICULTURE

Streamline Agriculture Department field offices.

Yes: Clinton signed legislation on Oct. 13, 1994, that will close about 1,200 field offices by 1999.

Appoint a secretary of agriculture respected by farmers.

Yes: Agriculture Secretary Dan Glickman is respected by farmers more than his predecessor, Clinton's first choice for the job, Mike Espy, who resigned amid allegations of taking improper gifts from corporations.

Expand agricultural research and development.

Yes: Each of Clinton's budgets has included increases.

AIDS

Appoint a federal AIDS policy coordinator.

Yes: He named Kristine Gebbie in June 1993, who resigned amid criticism. In November 1994, he named Patricia Fleming director; she remains.

Lift the ban on travel and immigration to the United States for people infected with HIV, the virus that causes AIDS.

No: Clinton tried to lift the ban, but Congress put the ban into a bill he signed because it included other priorities, such as money for the National Institutes of Health.

Increase funding for AIDS research, prevention and treatment.

Yes: Funding has increased by 39 percent since Clinton took office, and his fiscal 1997 budget request would boost it by 43 percent from the level when he took office.

Speed the approval process for AIDS-related drugs.

Yes: The Food and Drug Administration approved a new class of protease-inhibitor drugs in 1996 under an accelerated review process, clearing one drug after only 41 days, an FDA record.

Support local efforts to make condoms available in schools.

Yes: In 1994 federal public service announcements advocated condoms for the first time, and the administration also encourages local advisory groups that distribute federal funds to promote condoms.

Provide health coverage to all Americans with HIV infection.

No: His big health-care reform proposal would have provided this, but it died in Congress.

Fully fund the Ryan White Care Act to provide \$275 million to cities for AIDS treatment.

Yes: Funding under the act is now at \$738.5 million in fiscal 1996, up 117 percent over his first three years. Clinton's fiscal 1997 request would push funding up by 129 percent over four years.

Provide drug treatment on demand to stop the spread of HIV by intravenous drug users.

No: Congress has resisted Clinton's requests for such treatment; he seeks \$1.2 billion for fiscal 1997.

Improve access to experimental therapies.

Yes: Created office of alternative medicines at National Institutes of Health. Encouraged states to fund such treatments under Medicaid coverage.

Provide confidential or anonymous testing for AIDS or HIV, as well as AIDS counseling, for everyone who wants it.

Yes: The Centers for Disease Control budget expands these services at some 900 testing sites. The administration also encourages states to provide this through Medicaid.

Prohibit health plans from providing lower coverage for AIDS than other life-threatening illnesses.

Yes: The Kennedy-Kassebaum bill passed by Congress in August, which Clinton intends to sign, would ensure this.

ARMS CONTROL

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But I supported my country members I supported Reagan-McCain

But I refused to serve in the

Ratify the Strategic Arms Reduction Treaty (START I) and the follow-up agreement (START II) of June 1992.

Yes: START I has been ratified and took effect Dec. 5, 1994. The Senate ratified START II in January 1996, and it is now before the Russian parliament.

Try to achieve a comprehensive test ban treaty.

Pending: Negotiations opened in January 1994 in Geneva and are said to have a good chance of concluding successfully in 1996. Meanwhile, Clinton pushed and won indefinite extension of the global Non-Proliferation Treaty in May 1995.

Conclude a chemical-weapons convention banning such weapons production, stockpiling or use.

Pending: Completed under President George Bush, it was submitted by Clinton to the Senate in November 1993, where it still awaits ratification.

Support research on a limited missile-defense system to protect the United States.

Yes: Clinton's defense budget includes funds for research with an option to begin deployment after three years, but Republicans want more money for a larger program with faster and certain deployment.

Demand that other countries tighten their export laws regarding nuclear weapons.

Yes: The administration has strongly lobbied other nuclear powers to tighten controls.

ARTS

Oppose content restrictions on federally subsidized art projects.

Yes: Clinton opposed content restrictions, even vetoing a spending bill in December 1995 partly because of them. But he was forced to accept content restrictions on art projects when Congress included them in an April 1996 omnibus spending measure funding the National Endowment for the Arts, among many other programs.

Continue federal funding for the arts.

Yes: Clinton initially raised funding for the NEA, but Congress cut the endowment's fiscal 1996 budget 40 percent to \$99 million.

BUDGET DEFICIT

Reduce the budget deficit by more than half in four years.

Yes: It was \$290 billion, or 4.6 percent of gross domestic product, in fiscal 1992 when Clinton made his promise, according to the Congressional Budget Office. This year (fiscal 1996), the CBO projects it to fall to \$144 billion - a cut of 50.4 percent, leaving the deficit at 1.9 percent of GDP.

Enact a line-item veto.

Yes: Clinton signed the measure into law on April 9, 1996.

BUREAUCRACY

Cut 100,000 federal workers.

Yes: The government has been reduced by 237,000 positions.

Cut White House staff by 25 percent and challenge Congress to do the same.

Yes: Clinton cut staff in the first days of his presidency, although critics say he cheated by narrowly defining the White House staff. He failed to get Congress to cut its staff.

Create an Economic Security Council to coordinate international economic policy.

Yes: The National Economic Council coordinates both domestic and international economic policy.

Require federal managers to achieve a 3 percent administrative savings.

Yes: His initial budget imposed such cuts.

CHILDREN

Establish a children's tax credit.

Pending: He has proposed a \$300 tax credit for children under age 13, but it has not passed Congress. However, child-welfare activists say Clinton's expansion of the earned-income tax credit in 1993 helped millions of low-income families with children.

Fully fund Head Start and other preschool programs.

No: Clinton has increased Head Start funding sharply, but it is not fully funded, owing primarily to

congressional opposition.

Provide more health care for low-income women and children.

Yes: The administration expanded Medicaid coverage for poor women and children and cut child vaccination costs. Major expansion of services failed with his health-care reform in 1994, however.

Fully fund the Women, Infants and Children nutrition program.

Yes: In fiscal 1996 Clinton won 97 percent of what child-care advocates consider "full funding," i.e., coverage of 7.5 million participants. His fiscal 1997 budget would achieve the goal, but the House seeks to freeze spending where it is, covering 7.3 million participants.

Establish more rigorous standards for licensing child-care facilities.

No: The administration made no significant changes of what is essentially a matter for state and local governments.

Crack down on deadbeat parents by using the Internal Revenue Service to collect child support and starting a national deadbeat data bank.

Yes: The administration used existing IRS authority aggressively and pushed successfully to include strong deadbeat-parent enforcement terms in the new welfare-reform legislation, including creation of both federal and state data banks.

CITIES

Set up a network of community development banks to provide small loans to low-income entrepreneurs and homeowners in inner cities.

No: Congress passed a much more limited plan to provide development aid to existing institutions.

Create enterprise zones in inner cities that would give tax and regulatory breaks to companies locating there and hiring local workers.

Yes: The administration has designated nine empowerment zones and 95 enterprise communities, has won funding and tax breaks for them, and is pushing to expand the network.

Prevent redlining and require financial institutions to invest in their communities.

Yes: The administration issued new regulations and endorsed legislation to punish redlining and encourage community investment, but Congress resists his initiatives.

Allow cities to redirect 15 percent of their federal aid to meet their own community needs.

No: The administration often encourages flexibility in seeking compliance with its programs, but has not removed all red tape from 15 percent of its aid to cities.

CIVIL RIGHTS AND DIVERSITY

End the ban on gays and lesbians in the military.

No: Gays may legally serve under Clinton's "don't ask, don't tell" compromise, but they may not declare their sexual orientation.

Support federal civil rights legislation for gays and lesbians.

Yes: The administration supports a bill prohibiting job discrimination against gays and lesbians.

Lift damage caps in workplace-discrimination legal cases for women, people with disabilities and religious minorities.

No: The Clinton administration has endorsed the idea of such legislation, but has not pushed such a bill before Congress.

Increase the number of women and minorities in top levels of government.

Yes: Clinton has appointed record numbers of women and minorities.

CRIME

Put 100,000 more police officers on the streets, partly through the national service plan.

Yes: In 1994, Clinton signed a major anti-crime bill giving cities and states matching grants to begin hiring 100,000 police officers and creating a program offering scholarships for students who become officers.

Establish community boot camps to discipline first-time nonviolent offenders.

Substance

Shirley

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Yes: The anti-crime bill provided for boot camps.
Enact the Brady Bill, requiring a five-day waiting period to buy handguns.

Yes: Clinton signed it in November 1993.
Make schools eligible for federal assistance for metal detectors and security personnel.
Yes: Clinton's GOALS 2000 school legislation provided \$900,000 for metal detectors and security personnel.
Make high-crime communities eligible for federal aid for proven anti-crime measures.

Yes: The 1994 crime bill authorized spending on such programs.

Ban assault rifles and limit access to multiple-round clips.

Yes: The crime bill banned the manufacture, sale and possession of 19 types of semiautomatic weapons.

Stiffen criminal penalties for white-collar crimes, including environmental crimes.

Yes: The anti-crime bill established federal penalties for insurance fraud and computer crimes. The Environmental Protection Agency says it, too, has cracked down on criminal enforcement.

Require criminals to serve jail sentences in "real prisons," not cushy ones.

Yes: The anti-crime bill authorized building prisons, with half the grants awarded to states with the toughest sentencing laws.

DEFENSE

Cut Pentagon spending by \$100 billion by the end of 1997.

No: Defense spending cost \$298 billion in fiscal 1992 and Clinton budgeted \$259 billion for it in fiscal 1997, a cut of \$39 billion.

Cut U.S. troop levels in Europe to between 75,000 and 100,000 troops.

No: There were 116,078 troops in Europe, including Bosnia, in mid-1996.

Cut the number of Navy aircraft carriers to 10.

No: The Navy has 11 carriers on duty and one in reserve, down from 14.

Prohibit deployment of any massive space-based defense program.

Yes: The administration cut back space-based missile defense plans dramatically, by at least \$20 billion, but research continues.

DEFENSE CONVERSION

Offer early retirement and a pro-rated pension system for military personnel with 15 to 20 years' experience.

Yes: The administration has begun an extensive program.

Expand the GI Bill to allow military personnel to take a one-year educational leave of absence with pay before retirement.

No: Clinton proposed this, but Congress did not approve it.

Create a national inventory to match military personnel skills with civilian jobs.

Yes: The administration developed such an inventory, and as of the summer of 1996, private businesses had tapped it with 2.4 million requests for military resumes.

Increase investment in civilian high-tech research and development with every dollar cut from defense research and development.

Yes: Spending on non-military research has grown proportionate to the decline in defense spending.

Make special Small Business Administration loans and grants available to small defense contractors to help them adjust to military downsizing.

Yes: The SBA developed a loan-guarantee program called Delta for this.

Create a civilian advanced-technology agency.

Yes: Clinton redirected the Defense Department's Advanced Research Projects Agency to promote civilian as well as military projects. He dramatically expanded the mission of the National Institute of Standards and Technology to serve manufacturers as a research extension service.

Provide grants for defense professionals to master civilian technologies.

Yes: The Pentagon established troops-to-cops and

troops-to-teachers programs that defense officials consider quite successful.

DISABILITIES

Expand long-term care choices for people with disabilities.

No: Clinton's health-care reform proposal included money for home-based care, but it died in Congress.

Increase special education, professional training and job training for people with disabilities.

Yes: His initial budgets increased funds for these programs, but since Republicans captured Congress, the administration has fought to defend those programs, not expand them.

EDUCATION

Give every American the opportunity to borrow money for college.

Yes: Clinton's new direct student loan program began operating at 1,495 colleges in the 1995-96 school year, serving 2 million students.

Create a National Service Trust Fund as an alternative to the student loan program. Students could repay loans through community service or a portion of their income.

Yes: The AmeriCorps National Service program started in September 1994, but enrolled only 25,000 students out of 8.3 million nationwide in fiscal 1996.

Help states give parents the right to choose the public schools their children attend.

Yes: The administration has promoted public school choice with states and local school districts and has provided money for charter schools, which would be free of normal regulations and under the control of parents, teachers and administrators. Such schools could be alternatives to regular schools, but it is up to state or local authorities to establish them.

Establish national standards and a national examination system in core subjects.

Yes: In March 1994, Clinton signed Goals 2000, which set up a council to develop voluntary national standards and tests.

Increase the high school graduation rate from 71 percent to 90 percent by the year 2000.

Pending: This is a target in GOALS 2000.

Increase Chapter One funding for schools with low-income students.

Yes: In 1994 Congress approved a new formula to send more funds to school districts with large concentrations of poor children, although the formula was less than what the administration wanted.

ELECTION REFORM

Sign a bill requiring states to register people to vote when they apply for a driver's license.

Yes: Clinton signed the motor-voter law in May 1993.

Place voluntary spending caps on House and Senate campaigns and provide public financing to candidates who abide by the caps.

No: Campaign-finance reform legislation went nowhere in Congress, and Clinton never made it a priority.

Cut the maximum political action committee contributions to a candidate from \$5,000 to \$1,000.

No: Clinton actually proposed increasing limits for congressional candidates.

End unlimited "soft money" contributions to presidential campaigns funneled through national, state and local parties.

No: Campaign-finance reform went nowhere in Congress and Clinton never made it a priority.

ENERGY

Work to increase corporate average fuel economy standards from current 27.5 miles per gallon to 40 m.p.g. by year 2000 and 45 m.p.g. by 2015.

No: Clinton took no such action. Instead, he and the Big Three auto makers are undertaking a joint project to produce a new-generation auto that would be three times as fuel-efficient as today's vehicles. The administration also is promoting use of alternative fuels.

Oppose increases in the federal gasoline tax.

No: Clinton's 1993 economic program imposed a 4.3-cent-per-gallon tax increase on transportation fuels.

Create a comprehensive federal agency

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energy-conservation program.

Yes: Clinton signed an executive order in 1993 setting aggressive energy-conservation goals for each federal agency.

Charge higher fees for nuclear waste disposal.

No: Energy Secretary Hazel O'Leary, a former utility executive, opposes such higher fees.

Encourage car-pooling and mass transit with federal aid.

Yes: Highway fund legislation included money for both.

Expand markets for natural gas in homes, business, industry, electrical generation and transportation.

Yes: Promoting natural gas is a major priority for the administration, both at the Energy Department and the EPA. Some federal facilities and vehicles have been converted to use natural gas.

Convert the federal vehicle fleet to natural gas.

Yes: In April 1993, Clinton issued an executive order increasing such vehicles by 50 percent.

ENVIRONMENT

Resolve the spotted owl controversy in the Pacific Northwest, and preserve ancient forests there.

No: A 1993 Clinton plan bought a brief peace, but in 1995, over environmentalists' protests, the president signed a budget-cutting bill that opened many old-growth stands to logging and waived environmental laws.

Prohibit drilling in the Arctic National Wildlife Refuge.

Yes: Clinton twice vetoed bills that would have opened the refuge to drilling. Alaska Republicans plan to try again in the 1997 budget.

Reduce solid and toxic waste, and air and water pollution.

Yes: The EPA has pushed hard for such results, and Clinton issued executive orders cutting waste by the federal government. However, Clinton failed in early attempts to update major laws like Superfund and the Clean Water Act. Congressional Republicans want to loosen those laws' requirements, and the administration is resisting.

Reduce U.S. and worldwide use of substances that destroy the ozone layer of the atmosphere.

Yes: Clinton ordered a government phase-out of ozone-depleting chemicals, and put forth a plan promoting voluntary curbs on global warming. The White House now concedes the anti-warming plan will fall short of its goals, but scientists say the ozone protection effort seems to be working.

Pass a new Clean Water Act with standards for runoff pollution.

No: Clinton proposed such terms, but his bill didn't pass. A Republican bill now stalled in Congress does not address runoff pollution.

Permit no net loss of wetlands acreage.

Yes: In August 1993, the administration announced restrictions on wetlands development.

Acquire new federal parklands and recreation sites.

Yes: Clinton fended off GOP efforts to gut the 1994 California Desert Protection Act and won small increases in spending on national parks.

Allow citizens to sue federal agencies that ignore environmental laws.

No: The administration included such terms in four major environmental acts up for renewal, but Congress approved none of them.

Increase public reporting of toxic chemicals released into air and water.

Yes: Clinton signed an executive order requiring federal facilities to report toxic emissions, and the EPA greatly expanded the list of toxic chemicals that companies must report.

Restore U.S. funding for United Nations population-control efforts.

Yes: Clinton restored U.S. contributions and has fought consistently to increase them.

ETHICS

Make all top appointees pledge not to lobby their government agencies for five years after leaving office.

Yes: Signed an executive order.

Prohibit senior officials in the administration from

serving as lobbyists for foreign governments.

✓ Yes: Signed an executive order.

Prohibit government trade negotiators from subsequently acting as lobbyists for foreign interests.

✓ Yes: Signed an executive order.

Require all special-interest groups to register with the Office of Government Ethics within 30 days of contacting a federal official.

✓ Yes: Congress passed its first lobbyist-registration reform in 50 years in 1995, and public-interest activists credit Clinton with strong help.

Require lobbyists who appear before congressional committees to disclose their campaign contributions.

✓ No: This provision wasn't in the lobby-registration reform law, or in an earlier Clinton-backed version that died in Congress in 1994. *fixed*

FOREIGN AID

Provide more aid to Israel to help resettled Jews from the former Soviet Union.

Yes: Clinton continued a five-year \$10 billion loan program.

Expand food aid overseas to assist emerging democracies and developing nations.

Yes: Clinton expanded food aid in 1993 and 1994, especially for Angola, Eritrea, Ethiopia and Mozambique, according to the Agency for International Development.

FOREIGN POLICY

Tighten the economic embargo of Haiti.

Yes: In October 1993 Clinton sent ships to enforce a tighter U.N. embargo and froze financial assets of military leaders. He lifted the embargo in October 1994 after Haiti's military leaders left under threat of U.S. invasion.

End the Bush administration's interdiction of Haitian boat people.

No: Clinton continued the policy.

Take stronger action to end ethnic strife in Bosnia.

✓ Yes: After 2 1/2 years of delay forced by reluctant European allies, in 1995 Clinton led NATO to bomb in Bosnia, then brokered a peace agreement and sent U.S. troops to help install it.

Oppose creation of an independent Palestinian state.

Yes: He honored this promise side-by-side with Israel, while helping to broker the Israel-PLO peace accord that moves toward creating such a state.

Link continuation of trade breaks for China with improvements in political and human rights.

✓ No: The administration unlinked human rights and trade.

Establish a voluntary U.N. rapid-reaction force to deter aggression and provide humanitarian relief.

No: The United Nations never seriously discussed creating such a standing force, although Secretary General Boutros Boutros-Ghali once called for one.

Support Israeli military advantage over Arab neighbors.

Yes: The United States remains committed to this principle.

Insist on full accounting of all POWs and MIAs before normalizing relations with Vietnam.

No: Clinton normalized relations in July 1995 even as he acknowledged that at least 55 cases remained unresolved where the government had reason to believe soldiers were alive after having been reported missing. *Tim & Gab*

HEALTH CARE

Require employers to provide health insurance for employees.

No: Proposed as part of his defeated health-care reform plan.

Cap national spending to control health-care costs.

No: Proposed as part of his defeated health-care reform plan.

Guarantee to all a basic health-benefits package that includes ambulatory physician care, inpatient hospital care, prescription drugs, and basic mental health services.

No: Proposed as part of his defeated health-care reform plan.

Expand government spending on long-term care for the elderly and disabled.

No: Proposed as part of his defeated health-care reform

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plan.

Prohibit insurance companies from denying coverage to individuals with pre-existing conditions.

Yes: Included in the Kennedy-Kassabaum bill passed in early August, which Clinton has pushed hard.

Require insurance companies to spread risks among small businesses in a community.

No: Proposed as part of his defeated health-care reform plan.

Establish one claim form to be used by all insurance companies.

No: Proposed as part of his defeated health-care reform plan.

Require businesses with more than 50 workers to provide up to 12 weeks of unpaid family leave.

Yes: Signed into law in 1993.

Eliminate tax breaks for drug companies that raise their prices faster than Americans' incomes.

No: Tax breaks were not eliminated.

HOUSING

Permanently extend the tax credit for developers who build low-income housing.

Yes: Signed into law in August 1993.

Transfer 10 percent of government-controlled housing to community groups to house the homeless.

Yes: The administration offers homes seized for non-payment of FHA loans to community groups to shelter the homeless. Although the total thus used falls short of 10 percent of FHA inventory, that is only because community groups cannot use that much, not because the administration failed to offer it.

Use housing at closed military bases to house the homeless.

Yes: Closed bases are being used for homeless people where feasible.

IMMIGRATION

Permit 50,000 refugees from the former Soviet Union to be resettled in the United States each year.

Yes: The Clinton administration is continuing that practice, but the fiscal 1996 target on refugees the former Soviet Union is 45,000.

Reduce backlog for visa approvals for family members.

No: Clinton has proposed nothing to change this specifically, though efforts to expedite general processing could cut this backlog.

Strengthen border patrols.

Yes: Border patrol agents increased from 4,282 nationwide in 1994 to 5,627 in fiscal 1996, with 5,088 of them stationed along the Southwest border. Clinton asked for an additional 700 agents in his fiscal 1997 budget.

LABOR

Increase the minimum wage to keep pace with inflation.

Yes: Clinton did not propose this until 1995, after Republicans took control of Congress, and the GOP long resisted. But under political pressure, Congress agreed in August to raise the minimum wage by 90 cents, to \$5.15 per hour, by September 1997.

Enact legislation forbidding companies from permanently replacing striking workers.

No: Such legislation was blocked in Congress.

Provide extended unemployment benefits to workers during recession.

Yes: Clinton signed such legislation in the fall of 1993.

MEDICARE AND SOCIAL SECURITY

Require recipients with incomes above \$125,000 to pay more for Medicare Part B premiums.

No: Was included in health-care reform plan, which died in Congress in 1994. Then Republicans proposed it in 1995 as part of their Medicare reforms, but Clinton refused to go along.

Lift the Social Security earnings test limitation.

Yes: Clinton signed into law on March 30, 1996, terms that over seven years will raise the earnings limit to \$30,000. Previously seniors would lose \$1 from Social Security benefits for every \$3 they earned over \$11,520.

SPACE

De-emphasize defense-oriented space initiatives.

Yes: Clinton has cut spending on space-based ballistic

missile systems by at least \$20 billion. Research continues at a sharply reduced level.

Support completion of space station Freedom.

Yes: Now called the international space station to reflect its multi-country parentage, the first part is to be launched in November 1997 from Russia.

TAX CUTS

Give middle-class taxpayers a choice between a children's tax credit or significant reduction of their income tax rate.

No: While he has proposed tax credits for families with children under 12 since 1995, his budget stalemate with Congress left them unpassed.

Expand the earned income tax credit so no full-time worker with a family is below the poverty level.

Yes: Clinton won a major expansion of this credit in 1993, lifting the income of more than 15 million families.

Provide a targeted investment tax credit for business to encourage investment in new plants and equipment.

No: Clinton proposed one in 1993 as part of his defeated "stimulus" plan.

Provide a 50 percent capital-gains exclusion for long-term investments in new small businesses.

Yes: This was included in Clinton's 1993 economic program, which passed.

Create greater tax incentives for renewable energy use.

No: No action on this.

TAX INCREASES

Create a 36 percent tax bracket for families with incomes above \$200,000.

Yes: Passed as part of 1993 budget for families filing jointly with taxable incomes above \$140,000.

Increase the alternative minimum tax for individuals.

Yes: Passed as part of 1993 budget.

Impose a 10 percent surtax on taxable income in excess of \$1 million.

Yes: The 1993 budget applied surtax on taxable income above \$250,000, for a combined top tax rate of 39.6 percent.

Cap corporate deduction for salaries of chief executive officers at \$1 million.

Yes: Included in the 1993 budget.

End incentives for opening plants overseas.

Yes: The budget tightens tax loopholes for overseas investments/earnings.

Increase fines and taxes for corporate polluters by \$10.1 billion over four years.

No: Clinton has taken no action yet.

End the corporate tax deduction for lobbying expenses.

Yes: The 1993 budget eliminated the deduction.

Restrict tax deductions for bonuses to top executives, unless bonuses are also given to other employees.

No: Clinton has taken no action.

Restrict corporate deductions for "golden parachute" payments to top executives.

No: Clinton has taken no action.

TRADE

Support North American Free Trade Agreement, but work to improve its terms for protecting workers and the environment.

Yes: After a slow start, Clinton pushed NAFTA through Congress in November 1993, with deals on workers and the environment.

Move to open markets closed to U.S. goods.

Yes: Clinton has been pushing other nations to open markets, most notably in Japan and China.

TRAINING

Require businesses to spend 1.5 percent of their payroll for continuing education and training.

No: Clinton abandoned this.

Develop a national apprentice-type program for teen-agers who do not want to go to college, to give them skills for high-wage jobs.

Yes: Clinton's School-to-Work Opportunities program, passed in May 1994, included such terms.

Require any corporation receiving a multimillion-dollar federal contract to create a mentorship program or employment program for disadvantaged youth.

No: Clinton has taken no action.

Didn't we get an answer?

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PHOTOCOPY
WJC HANDWRITING

Establish national parenting programs to help disadvantaged parents work with their children.
 Yes: In August 1993 Clinton signed into law the Family Preservation Services program, providing such family counseling and other services.

TRANSPORTATION

Create a "Rebuild America" fund to spend \$20 billion a year on transportation, a national information network, environmental technology, and defense conversion.

Yes: While he did not succeed in creating such a specific fund for those purposes, each item has gotten increased spending and priority treatment under the Clinton administration.

Spend more money on "intelligent-vehicle" and roadway technology to reduce traffic.

Yes: The administration expanded this program and boosted funding for it from \$153 million in fiscal 1993 to \$238 million in fiscal 1995. The GOP Congress cut it to \$204 million in fiscal 1996, but Clinton continues to request major increases.

Allow a greater share of transportation funds to go to mass-transit and light-rail systems.

Yes: The administration boosted funds for these programs by 21 percent in its first two years and is seeking to restrain cuts by Congress now.

Emphasize repairs of highways over the building of new ones.

No: The Federal Highway Administration gives block grants to states under funding formulas set by Congress, but there is no preferential priority for repairs vs. new roads. States make those decisions.

VETERANS

Oppose serving non-veterans in Veterans Administration hospitals.

Yes: Veterans Affairs Secretary Jesse Brown has reiterated this position.

Fund mental health programs for post-traumatic stress disorder and similar illnesses.

Yes: Funding was increased by \$12 million in Clinton's first two years.

WELFARE

End welfare as we know it.

Yes: By embracing the Republican Congress' welfare-reform bill, Clinton ends a 61-year-old federal guarantee to give cash aid to poor children. The bill requires that all welfare recipients work after two years on the rolls.

Offer increased education and training for welfare recipients.

No: Clinton's original reform proposal would have provided this, but Congress rejected it. The bill Congress passed sends block-grant federal aid to states, but does not require it to be spent on education and training.

Enable low-income Americans to set up Individual Development Accounts to save money for education, home ownership and retirement.

No: Was part of Clinton's 1994 welfare-reform plan, which Congress rejected.

Will odd couple be able to work together? Stay tuned By Jodi Enda Knight-Ridder Newspapers(KRT)

SAN DIEGO Three days into their partnership, it's difficult to tell whether the odd-couple alliance between Bob Dole and Jack Kemp will flourish or falter.

As they make the rounds here both separately and together Dole and Kemp have been trying to demonstrate that they can make their very different styles mesh. It's a struggle they will have from now until November, if not beyond.

Jack Kemp is the kind of campaigner Americans love.

Animated, gregarious and philosophical, he has the ability to wake people up, make them laugh and make them think. They might not agree with him, but they'll remember what he said.

In other words, he's no Bob Dole.

And that could be a good thing, if Kemp can use his abundant charm on the stump to sell his new running mate

in a way that Dole has been unable to sell himself. Or it can do him in and the Republican presidential campaign with it.

If Kemp, the quintessential quarterback, can't find a way to tamp down his natural inclination to call the plays and control the action, he runs the risk of overshadowing the man at the top of the ticket.

Rather than bolster Dole's strengths as a respected leader, Kemp could reinforce the former senator's image as a behind-the-scenes operator, a political technician better suited to the back office than the oval one.

Dole "opted for somebody who would appear presidential and give him a bounce in the polls," said Joel K. Goldstein, a St. Louis University assistant law professor and an expert on the vice presidency. "The risk is whether or not they can fashion a compatible relationship. It's a risk down the road whether or not Kemp is willing to play No. 2 and be a salesman for Dole rather than advance Kemp's own ideas and his own ambitions."

Dole and Kemp have touted their initial attempts at bonding, the personal touches, such as a guided tour Dole gave Kemp of the basement apartment his family lived in during the Depression. It was an experience Kemp called "one of the most moving moments of my life."

Still, there is no question that Dole and Kemp are worlds apart in personality, style and substance.

Where Dole is abbreviated, Kemp is verbose. Where Dole is dull, Kemp is kinetic. Where Dole mumbles an obtuse, sometimes incomprehensible message, Kemp bellows a clear, well-defined and grandiose vision.

Their lifestyles are as different as their personalities. Dole lives in an apartment near downtown Washington. He relishes quiet time, a walk on the treadmill, an uneventful dinner with his wife, a visit from his daughter. His dreams of becoming a star varsity basketball player were cut short by a debilitating war injury that has made it difficult for him to turn the pages of a book or button his shirt.

Kemp lives in a house in the suburbs and thrives on activity, barbecues with his four children and 11 grandchildren, sharing sporting events and long discussions among his wide circle of friends. His football career long over, Kemp remains the picture of health and vigor. He tosses out football analogies just as he used to toss the pigskin.

Bob Dole is so difficult to read that even his closest aides have to resort to guessing games to figure out where he stands or what he wants them to do. Kemp Dole calls him "the quarterback" is direct, loud, in charge and, in some ways, the more presidential of the two.

What remains unanswered is whether Kemp, in the traditionally subservient vice-presidential role, can set aside his own goals and, to a lesser degree, his very way of attacking life, so that both he and Dole can come out on top.

(EDITORS: STORY CAN TRIM HERE)

It's no secret that Dole, the cautious former Senate majority leader, and Kemp, the sometimes caustic former housing secretary, have long sparred over policy and politics. It's no mystery, either, why Dole would choose someone known for making waves for the number two spot in his otherwise motionless campaign.

It's also clear that Dole had some concerns about his rival-turned-running-mate's ability to rein himself in. At least twice now, once to Kemp and once on a radio show, Dole has told a story about his own foibles as a vice-presidential candidate who overstepped his bounds in Gerald Ford's 1976 campaign. And Ford and Dole had never been at odds.

Now, just days after he chose the raspy-voiced former star of the Buffalo Bills, Dole is looking good.

"He's created an image of himself as a strong leader who's not afraid to take a strong running mate, and he's reached out to the Reagan part of the party," Goldstein said. "Whether or not he'll gain in the long term is a different question and ultimately will turn on whether or not they can run a harmonious campaign."

Winning could create a whole different set of problems, according to a number of political observers and

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THE PRESIDENT HAS SEEN

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Sept 3 - looking good for u

Campaign abuses listed

Andrew Mollison of Cox News Service asked each major party to list the other's 10 most serious legal and ethical abuses of campaign finance laws. The Republican National Committee supplied 39 pages on Democrats; the Democratic National Committee supplied only seven.

Most folks who would be interested in such things are of an age that they don't need to go straining their eyes reading the *agate type* that would be required for me to reproduce the entire package here, so in the interest of space, Mollison produced condensed versions of the first 10 charges on each list.

Republicans vs. Democrats

1. President Clinton, Vice President Al Gore and the Democratic Party "broke current campaign finance laws and degraded the White House" by using access to the president and his office to raise funds.

2. Clinton personally initiated the selling of overnight stays at the White House and approved rewards for top donors, e.g. included golf outings.

3. In 22 months the Democrats raised money from 358 of the 1,528 guests at 103 offices in the White House and four in the vice president's official residence.

4. Gore solicited contributions by phone from his office in possible violation of the Hatch Act.

5. Despite misgivings by the National Security Council, Gore knowingly participated in a \$140,000 fund-raising event organized by DNC fund-raiser John Huang in a Buddhist monastery in California; nonprofit organizations are prohibited from hosting political fund-raising events.

6. On a tip from Clinton, Harold Ickes, then his deputy chief of staff, "solicited money on federal property" by using a White House fax machine and phones in the White House and Air Force One to tell a financial speculator how to channel big gifts to the DNC and three nonprofit organizations whose goals paralleled those of the Clinton/Gore campaign.

7. At one coffee, a bank regulator met with 17 top bankers. At another, a product safety commissioner met with the leader of a trade group she regulated.

8. A "clear pattern of illegal political fund-raising activities" by Huang has been shown at Commerce and the DNC.

9. The Justice Department reportedly uncovered evidence that efforts to direct contributions from foreign sources to the Democrats before the 1996 election were discussed in the Chinese Embassy, which was visited three times by Huang, who had many classified briefings, including those on China, during his 18 months at the Commerce Department.

10. The Clinton administration "may have put domestic considerations above possible national security concerns" by cooperating with efforts by California officials to revitalize an old naval base there by leasing property to a big Chinese-government company with a "questionable track record."

Meredith Oakley



Democrats vs. Republicans

1. In dealings with Pakistani officials, Rep. Dan Burton of Indiana, who heads the House probe of campaign abuses, may have violated the Hobbs Act, which prohibits federal officials from using their positions to extort contributions.

2. Rep. David McIntosh of Indiana "used his chairmanship of the House Regulatory Affairs Subcommittee to raise contributions for his 1996 campaign."

3. While chairing the National Republican Congressional Committee, Rep. Bill Paxon of New York intimidated lobbyists by circulating to all GOP representatives a list that ranked fund-giving political action committees depending on their ratio of gifts to Democrats and Republicans.

4. "A Republican foreign money-laundering scheme" resulted after Haley Barbour, then RNC chairman, set up a tax-exempt, nonpartisan research group with RNC seed money.

5. Family members and other supporters who had given the maximum to a GOP congressional candidate gave extra money to PACs that quickly gave the same amount or slightly less to that candidate.

6. House Majority Whip Tom DeLay of Texas organized Project Relief, a collection of 350 industry members and lobbyists who helped draft legislation revising business regulations. Many participants later were asked for contributions that were forwarded to more than 80 GOP challengers with a "good luck" note from DeLay.

7. House Speaker Newt Gingrich of Georgia arranged for the GOP platform to include an endorsement of a new treatment for diabetes recently developed by a firm that gave \$400,000 in 1995 and 1996 to the GOP.

8. While tobacco companies were giving \$4.5 million to the RNC, party chair Barbour asked GOP governors to oppose an anti-tobacco bill in Arizona and to support a pro-tobacco bill in Texas.

9. The RNC contributed \$4.6 million just before the 1996 election to Americans for Tax Reform, a conservative, tax-exempt organization with parallel goals that didn't have to file campaign spending reports.

10. A record-setting \$6 million in fines was assessed in October 1996 against a high-ranking volunteer fund-raiser for Bob Dole and his company for violating federal laws against evading contribution limits and concealing fund sources.

And members of Congress think they can work together to root out campaign finance abuses. Ri-i-i-ght.

Copied
Emanuel
Lindsay
CWS

Associate Editor Meredith Oakley's column appears every Monday, Wednesday, Friday and Sunday.

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THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

July 8, 1996

INTERVIEW OF THE PRESIDENT
BY ANDY ROSENTHAL, DAVID ROSENBAUM,
AND ALISON MITCHELL OF THE NEW YORK TIMES

The Oval Office

6:45 P.M. EDT

Q Why don't we start, Mr. President, with -- if you look across the four years of your administration, your first two years were your most activist ones, probably the ones where you had the most accomplishments. And yet, that would be when your popularity was lowest and the public voted in the Republicans in Congress. The last two years the Republicans have been in control of Congress and largely in control of the agenda, and yet your popularity has soared. What do you make of this strange situation?

THE PRESIDENT: Well, I think I would make maybe three points about that. First of all, in the first two years I had to do some things that were controversial particularly with specific interest groups, but the benefits were not apparent by election day '94.

I mean, remember what a hard fight we had to pass the deficit reduction plan in '93, with the various component parts of it which included doubling the earned income tax credit for families; it included a dramatic departure in the student loan program, which was a real improvement in the student loan program, but the interest groups didn't like that. And the whole deficit reduction plan was roundly condemned by the Republicans and they all voted against it.

But the full economic benefits of it, even though we had a good year in '93 and a good year in '94, were not manifest in the lives of ordinary people, didn't really begin until starting about a year ago we began to see some sense that, well, hey, maybe this thing is really getting better.

The same thing is true of the crime bill. The NRA was enraged and really was very active in the '94 campaign, and to give them credit, they were responsible for beating a significant number of House members and maybe provided the margin of victory of -- maybe made Mr. Gingrich the Speaker, the NRA did. But that's because they were mad and organized and the other people liked the Brady Bill and they liked the assault weapons ban, but they didn't feel it yet and it didn't register on them. It only began to register on them when we could -- later when we could show the results of the Brady Bill -- 60,000 felons, fugitives and stalkers not getting weapons -- and there was a fight over the assault weapons ban.

So I would say a lot of the positive things that were done -- I could make the same points in education, in the environment, in welfare where we'd already done a lot of the waivers to give states the power to move people from welfare to work, right across the -- were not particularly manifest -- point one.

Point two, the last image people had of the President and the Congress was the failure of health care. And I think it sort of overshadowed and enshrouded the campaign -- I mean, the campaign of '94.

-more-

Then the third point I would make is that in '95 and '96, I have not been as active in Congress, although to be sure that some important legislation is passed -- the most important things I would say are the telecommunications bill, the antiterrorism bill, the lobby reform bill. And there were some other bills -- the unfunded mandate bills that apply to Congress the laws that apply to the private sector. The other bills I think were worthy, but those three I think were particularly good bills.

But I have been -- I think the reason is that people for the first time had a clear sense of what the choices were between the congressional Republican vision of how America should go into the 21st century and my vision. And I think, in a funny way the contrast between the two approaches made it easier for people to kind of focus on what they thought and what they believed and how the American people identified with the differences in our approach on the environment, for example, or on what should happen in the Medicare program, or what our education policies ought to be, or just right across the board.

So I think that those are the three reasons I think. I also would say that you shouldn't judge -- and I say this to myself as well as you -- one of the things that I have learned in the last two years is that the President can do an awful lot of things by executive action, so that the sum total of the presidency's impact on the America people at home is not just what happens in the Congress, it also involves what can be done by way of executive action and by way of creating partnerships with people throughout the country.

I don't know how many people -- I'll just give you just a couple of examples. We started this national movement to hook up all the schools to the Internet by the year 2000. And it's sort of taken on a life of its own, it's going like -- I tried to highlight communities that were doing curfews and school uniforms, and all we did was to put out documents from the Education Department or the Justice Department showing how to do this legally and not have any problems with it. And every day another community calls us and does this.

And so I think the ability of the President to act by executive order -- the states finally got into this welfare reform business in a big way, and we've now, I think, given 66 waivers to over 40 states. So there are things that can be done.

So those are the points I would make about it then.

Q So you would reject the idea that the public somehow is allergic to change and that when you tried to bring about change, they turned on you, and when the Republicans tried to bring about change they turned on them?

THE PRESIDENT: No. No, I disagree. I would disagree with that. I also agree, however, that change is hard. The public is -- change is difficult, but it depends on what kind of change it was. The public -- you just have to say that it's going to be hard and you have to put the choices out. But I believe -- I had a hard fight for NAFTA, for example, and the public was more or less evenly divided on it. But after we did it, the public was more in favor of it than opposed to it.

I believe that if we had a referendum today as opposed to 1994 on the 1993 budget agreement, I believe the public would support it strongly because they've seen the results of it and they know more about what the elements of it were.

I think that -- on the other hand, I think that if you

look at the health care issue, I think that I overestimated the extent to which a person elected with a minority of the votes in an environment that was complex, to say the least, could make -- could achieve in a sweeping overhaul of the health care system when no previous President had been able to do it for decades and decades, and against the enormous amount of organizational effort and funding that was spent to convince the American people of something that was not accurate -- namely, that we wanted to have the government take over the health care system or that we wanted to regulate it with a cumbersome bureaucracy -- neither of which was true, but I think they believed that. And I think people said, hey, that's not the kind of change we want.

And if you look at the Republicans, if you look at the flip side of that, I believe the people want a balanced budget. I believe they want to slow the growth of Medicare and Medicaid spending, but I don't think they want to create a two-tier system of Medicare -- one system for the people who are old and poor and sick, and another for people who are eligible for Medicare but are healthy and more well-to-do. I think they are perfectly prepared to do some things that will slow the growth of the entitlements, but they want it done in a way that is fair, that recognizes our obligations to one another.

So I think they thought the Republican plan was too extreme. I think they supported -- had they known about our plan -- and I think now more and more do -- to kind of change the way we regulate the environment in public health and safety, as we did when we announced the new meat packing standards, but we were asking more responsibility from the meat packers themselves, and better use of new technology. I think the public would support both the higher standards, but, to use the Vice President's term, a reinvented way of doing it.

That's what we tried -- we spent '93 and '94 working on how to make the environment an integral part of our long-term economic strategy, but still keep high standards. I do not believe the public supports a government walking away from the environment. I just don't believe they do. So I think that people are for change, but that doesn't mean that you can't -- you can put something up on the toteboard and call it change, and everybody says, okay, I'm for change after that. It depends on what it is.

Q You said that the ability of effecting major change with a minority of the votes was one of the problems. Isn't that not, in fact, going to be a problem for the foreseeable future in a three-way race? Whoever wins almost certainly is going to have a minority.

THE PRESIDENT: Yes, but it's different now.

Q How?

THE PRESIDENT: Well, for one thing, I'm a known quantity, Senator Dole's a known quantity; our two approaches are clearly known. And if third or fourth or fifth party candidates get enough votes in the aggregate to pull the victor below a majority, it will still become apparent whether the policies, the approaches we want to take command the support of the majority of the America people or not. People vote for different people for candidates for President for different reasons.

Q Why don't we go from there to a second term? I mean, I've heard you make speeches now a lot on the challenges facing the country. But in terms of what you want to do specifically in a second term, you tend to focus on the unfinished agenda -- Kennedy-Kassebaum, the balanced budget, the welfare bill. Beyond this unfinished agenda, what would you like to accomplish in

the second term? Where would you like to go?

THE PRESIDENT: Let me take just a minute or two to sort of say where I think the second term is in history. When I ran for President four years ago, I gave a series of speeches at Georgetown in 1991 which basically described where I thought our country was and where I thought it ought to go, moving to the 21st century. So I always viewed this project, if you will, as more than a four-year project.

My whole idea was trying to get our nation to buy into a vision of America at the dawn of the 21st century that -- basically a vision that said, number one, we will be the world's strongest force for peace and freedom and prosperity; number two, we will be a country, with all of our diversity and differences, that will still have the American Dream alive for everybody who is willing to work for it; and number three, we will manage all the differences among Americans in a way that brings us together as a community instead of divides us the way so many countries are being divided by race and ethnicity and religion today.

That was my vision; that we would sort of -- we would make the changes we needed to make so that we could go into the 21st century in that kind of position. And I felt -- my little three-word prescription for what the strategy to implement the vision was: create more opportunity, demand more responsibility, and build a greater sense of community. And that's essentially what I have tried to do.

Now, if you look at where we are and where we ought to go -- let's just take the second term -- we won't talk about items on the agenda now, or at least that are on the active congressional agenda. Let's take the economy for one. I think what we have done as Americans, not just the President and not just the President and the Federal Reserve Chairman, but the whole -- or the President and the Congress or the economic planners -- but as Americans, what we have done in the last four years is to put our economic house in order, restore growth, and create opportunity. We have succeeded in reducing the deficit, expanding trade, targeting investment in critical areas, and we have over 10 million new jobs.

Now, what's missing in this picture? I think you have to ask yourself what's missing in this picture in the second term. What's missing in this picture is that not every American has the capacity to take advantage of the opportunities. Of these 10 million new jobs, I should point out it is no longer true that most of them are part-time, lower-wage jobs. Two thirds of these jobs almost are in higher-wage job categories. But there is still a lot of stagnation and insecurity in the picture. So what's missing in this picture? How are we going to give all Americans who are responsible the opportunity to succeed? And I would argue that, therefore, this naturally leads us to the next set of initiatives. And I think that in my second term I would focus much, much more on educational opportunity and performance even than I did in the first term, although as you know we spent a lot of time in '93 and '94 passing the education programs for those two years.

And let me just give you some examples. I believe that we should make two years of education beyond high school the norm for everyone. That's why I proposed -- made the tax credit proposal equal to almost every state's community college tuition -- I did at Princeton. I believe we should allow people of any age a deduction for the cost of college tuition, whether in four-year colleges, graduate schools, or whatever. I think that's important. I believe we should pass what I have called the G.I. Bill for America's workers. I think it is -- I think we ought to have job skill grants to people that basically -- break down all these government programs, 70 or more of them, just collapse them, and

give people a grant and let them then purchase their job placement services and their job training, if they need it.

I believe we should pass the package of pension reforms that I have presented to the Congress so that someone in a small business or a self-employed person who may move from job to job can carry a pension around with him or her for a lifetime. And if you're unemployed for a while and you can't pay into it, you don't lose it. And if you change jobs from one small firm to another, you don't have to wait as you do now eight or nine months trying to transfer your 401K and do all that. I think we need to create a seamless web of opportunity for pension security there. Part of that, also, is allowing more people access to IRAs which you can withdraw from for education, health care, or other emergency purposes. But I think that's important.

The next thing I think it's important to do, if you assume Kennedy-Kassebaum passes -- let's assume that for the moment -- then I think we need to look at what we can do to try to find ways for people to hold on to health insurance if they have sustained periods of unemployment, if they outrun their ability to maintain their old health insurance policy because their employer is not obligated to pay anymore. In other words, Kennedy-Kassebaum will give you the right to keep it, but it wouldn't give you the co-pay from your employer for a long time.

Then I think the next big issue here on the economy is to focus on how hard it is still for people with children in the work force, whether they're single parents or if they're in two-parent, two-worker households, to succeed at home and at work. It sounds so simple, but our country could really have no more important social goal than to make it possible for everyone to succeed at home and at work. Because it's obvious that with most parents in the work force now, if they have to choose between one or the other, their choice is society's loss; we either weaken the economy or we weaken the family and the fabric of child-rearing, which is even worse over the long run.

And so I took a first stab at that by proposing at the Vice President and Mrs. Gore's family conference sort of a Family Leave II -- more flex time for people who work overtime, at their discretion; and an expansion of the Family Leave Act to cover regular trips to the doctor, regular trips to parent-teacher conferences.

These are the kinds of things that I think are important. If you do this, you will make it possible for us to basically reduce the inequality in the work force and increase people's sense of security. And none of these things are unaffordable. Everything that I have proposed I have already paid for.

Q In the same vein of the economy in the next four years, four years ago you ran proposing a tax cut, and what you ended up with was proposing a tax increase. And now once again, you're running proposing a tax cut. Can you promise that there won't be a tax increase in the next four years?

THE PRESIDENT: I also ran proposing a tax increase. Go back and --

Q Well --

THE PRESIDENT: Wait a minute, wait, wait now. I proposed a tax increase on the very people whose taxes were increased.

Q Right.

-more-

THE PRESIDENT: So --

Q Well, you proposed a middle-class tax cut.

THE PRESIDENT: I did. I did.

Q Okay. Now you're proposing a tax cut for education and for other purposes. Can you promise that there won't be a tax increase in the next four years?

THE PRESIDENT: I can pledge to you that there won't be if Congress will adopt my program. I have -- if you look at -- the program has now been presented in the Congress and is fully paid for. In other words, I don't plan -- I don't see why we should have a tax increase to balance the budget. That's the only reason -- even the tax increase from the wealthy, I didn't do it because I thought it would be fun to increase people's taxes. I did it because we had to have \$500 billion worth of deficit reduction in five years to get a big drop in interest rates. That was the strategy we followed. And I might add it has worked superbly. It has also been very good for the market so that nearly everyone in America who was in that higher income group paying higher taxes has made more money out of the economy in the last four years than they paid in higher taxes.

Now, I also decided -- on the middle-class tax cut, I decided we had to stop it where we -- we could only make a down payment. And I did. I made a decision that it might be popular politically for me to go all the way to, you know, \$60,000, \$70,000, \$80,000 in income for the tax cut, but that most Americans would be better off if we got the deficit down, eventually balanced the budget, kept interest rates down, got home mortgage rates, car payments down, credit card rates down -- they'd be better off.

Now, there is some evidence for that. We have had millions of Americans refinance their home mortgages. We have got 3.7 million new home owners. We kept our commitment to cut \$1,000 off the closing costs of the average first-time home buyer. So I think that it was the right decision. But it is true that it is not exactly what I said would do in the campaign.

The difference is, when I was running, I also was not sitting right on top of the OMB figures, the CBO figures, and the economic estimates. All I can tell you is, based on the facts we have now, scored by the Congressional Budget Office, I have presented a budget which will both balance the budget and provide a modest middle-class tax cut targeted to child rearing, to education, and to adoption. I also believe we should go with the adoption cuts.

Q On a different subject, do you think that every child should be entitled to the basics with food and clothing and shelter until they're 18, even if their parents are mired on welfare? Or do you think that governors and states should have the freedom to keep some people out of -- to knock some people off welfare in those circumstances?

THE PRESIDENT: Well, I believe if they decide, for example, not to -- I think that the states should have the right to experiment with not increasing the welfare grant past the first child born out of wedlock. I think the states should have the right to require that people -- minors on welfare with children, teenagers with children, if they want their portion of the welfare payment, should have to live in supervised settings, either at home, or if home is not a suitable place, in some other suitable setting. I do believe that. But in the end, I believe that all of us have to take responsibility for all of our children. I don't

think that sacrificing our children is good social policy.

The reason I vetoed what the Republicans call their welfare reform bill was that I thought it was not tough enough on work requirements and moving people to a position of independence, but entirely too tough on children.

Q But the idea of not having welfare as an absolute entitlement for minors the way it is now is not something -- is something that you would be willing to forgo?

THE PRESIDENT: But under -- if you go back and look at my proposal, and if you go back and look at what I said I would sign coming out of the United States Senate, which was changed in conference -- what they were going at was the idea of giving the states the flexibility -- no state had suggested that it would not provide some sustenance for the children. They were talking about whether they would reduce the aggregate grant if a person insisted on having more and more children out of wedlock, number one; and, number two, if whether the parents' portion of the welfare payment would be reduced if the parent did something that was not responsible.

Q But the Wisconsin plan that you have more or less endorsed, as I understand it, would --

THE PRESIDENT: The welfare portion of it, not the Medicaid portion of it.

Q The welfare portion of it would in some circumstances keep welfare payments away from children simply because their parents had been on welfare for too long.

THE PRESIDENT: Well, let me say, there is in all of these bills, and in all the legislation that's coming up, it is contemplated that there could be an aggregate lifetime limit to welfare payments. But also let me remind you that in every one of those proposals -- and I believe this is in the Wisconsin proposal, just as we had it -- even the House welfare proposal recognized that there ought to be some savings back, some residual fund, so that if the welfare payments were cut off there would still be a fund where the funds could go to the children. I'm almost sure that that's right.

Q The country --

THE PRESIDENT: The last time I met -- when I met with Mike Castle and his group, Tanner and all of them, we talked about the importance of setting up some sort of fund so that even though all benefits could be cut off after five years -- at some other point, whatever the Congress finally settles on -- that there should be a residual fund for genuine hardship cases where there is an unavoidable -- you know, a person is injured in a car wreck or something -- so that the children could be taken care of.

And I believe that any proposal we'll finally develop will do that. And I'm almost sure the Wisconsin plan does that. I'll have to go back and check it. But I haven't gotten my final analysis of the Wisconsin plan yet.

Let me tell you, if I could flip it over just a moment and tell you why I was so enthusiastic about the Wisconsin plan as advertised -- and I hope it is written the way it was presented to me -- Wisconsin did something that I asked the governors to do, I asked all the governors to do, when I spoke to the National Governors Conference in Vermont in -- when -- '94 or '95?

Q Ninety-five.

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THE PRESIDENT: Ninety-five. And I didn't come up with this idea, either Oregon or Missouri, one of the other states did. They asked us for permission, which we immediately gave, to offer the welfare payments to employers for a period of a month as wage subsidies. Now, since we're trying to balance the budget and since there's not enough money in the budget to put a large number of these people in public service jobs -- to recreate the WPA, for example, even though we've got a lot of infrastructure work that needs doing in America -- the idea of giving employers an incentive in the form of a wage subsidy to hire people for a fixed period of time is very appealing to me. Especially if the employers have to give notice if they can't keep the person on full-time after the incentive runs out. A lot of them will; and even if they don't, the welfare recipient has at least worked for several months, has acquired work experience, has acquired work habits, is comfortable dealing with other people in a work setting. I think it's a very, very important thing.

And, to me, Wisconsin was the first state to come in and say, we will do the following thing to everyone, we will -- immediately -- say we'll give you, the employer, a wage subsidy; we'll provide child care; we'll provide health care; and if there is no employer who will take this person with a wage subsidy, we'll provide for community service employment for that person. That is what I liked about the Wisconsin plan. And if that is done, then no one should ever reach their limit. That is, no one should ever run out of their aggregate lifetime limit of welfare payments.

Welfare was always meant to help basically two classes of people: the miner's widow who had no education, was never supposed to be in a workplace -- there are almost no women like that anymore; and the people who would get into a hard time temporarily. Because we now have a lot of long-term unemployment in America and because people with low-skill levels are particularly disadvantaged, we had to devise a system that is work oriented to help these people. And I believe the best we can do, given the budget situation we're in -- and I also think it's just better for the economy that exists today -- is to give the private sector incentives to hire these people.

Q Sir, I was going to ask you -- and you've half-answered -- I was going to ask you what you would say your achievements have been and what you would say your mistakes have been. You've answered a lot of your achievements. Are there any more you want to throw in, and what would you say your errors have been?

THE PRESIDENT: You know, I don't want to spend a lot of time talking about that. I'm sure you've been briefed about them. I think if -- let me just say -- I made a couple notes here -- if you ask me -- I just made some notes here on this. I think that compared to the vision I laid out to the American people and the hopes that I had when I came in office, three and a half years into this great adventure I think we have done what I thought we should do with good results with regard to the economy, fighting crime, welfare, education, the environment, trade, foreign policy and reinventing government. We've actually reduced the government more than I thought we could in the first three and a half years.

And I want to reconfigure it more. I like it when we do innovative things like the direct student loan program and privatizing some things that need to be privatized. And I want to finish, like the reform of the FAA, something we've been working on for -- the Vice President has been hammering on for two or three years now. And you all, your paper has done a lot on this.

I've been very frustrated that the G.I. Bill for

America's workers, which I thought would be a lay-down for this Republican Congress, you know, because it got rid of all the bureaucracy and said, here's the skills map to unemployed and underemployed people -- I thought it would be great. And the House of Representatives -- this is one place where the House and I were closer than the Senate -- passed a bill that we thought was pretty good. But the Senate didn't and now it's all caught up in ideological problems.

But, anyway, I'd say in those areas I think we have done well and, with the exception of the fact that in education I'd hoped we would invest more in some targeted things, I think we've done well.

I think we've done modestly well in preserving research and investments in research and development and technology --although, I would like to do better. I think, for example, we're doing well with the National Institute of Health, but we're not funding enough biomedical research out in the universities. And the Japanese, for example, they're coming back now; they've been dormant for four years, they're coming back and they're talking about spending as much or more in real dollars on research and development as we are. So I think we need to take a look at that.

I am disappointed that we did not do more in health care. We didn't provide the full middle-class tax cut that I mentioned -- I acknowledged that. And I think generally in the deficit reduction effort our country needs some more investment in some critical areas. I already said research, technology, education and the environment I would like to do more. But I think that given the fact that we always live in an imperfect world, I think we made the right decision, because getting the interest rates down and getting the economy going again was a precondition of having a lot of other good things happen.

So that's where I'd say the pluses and the minuses were in the administration in the first term.

Q Can we talk about foreign affairs for a bit? We have to jump around a little.

THE PRESIDENT: Sure.

Q One of the hard things for the President is always to balance political and commercial concerns. And my question has to do with China, which is where all this sort of comes together and a lot of modern presidents have had trouble. You came into office saying we shouldn't coddle dictators -- I'm not sure that was your exact language, but that was the general message. And China was an example of that. I believe during the campaign you were relatively critical of President Bush's policies.

Over time you seem to have come to decide we need to engage the Chinese, much as your predecessor did. I guess the question is, what have you learned from that experience? What do you have to show for it in terms of what we want to get from the Chinese, which seems to be progress on human rights? And what does that say about the way that you have managed that particular relationship and foreign affairs in general?

THE PRESIDENT: I don't think it says much of anything about foreign affairs, in general, but I think it says something about the relationship.

First of all, I think that it would be fair to say that my policies with regard to China have been somewhat different from what I talked about in the campaign, because I think the -- I

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believed in the campaign that the threat of revoking the MFN might work to change the behavior of the Chinese and the actual revocation of it might work to change the behavior of the Chinese, particularly on the human rights front, which is very important to the United States and to people around the world who love freedom.

And after I was here and thought about it and had a chance to assess the Chinese and the Chinese leadership and the nature of the changes going on in China and the way they looked at the world and us, I concluded that that was simply not right. I concluded that if we were to revoke MFN we might cause serious short-term damage to them economically, but that they would not change their human rights policies -- if anything, they would become more repressive -- and that we would risk creating a new -- I hesitate to say Cold War, but a very long-term fissure with a country that I think we still have some chance of influencing in a very positive way, to be a constructive partner in the 21st century.

And I believe among the great security questions of the 21st century -- there are, you know, five or six really big questions -- one of them is how will China and Russia define their greatness? Will they define their greatness in terms of their internal achievements and what kind of values and character they have, what kind of economic achievements they can have, how they can bring their culture to bear on more of their people, how they can solve their problems? How will they define their greatness in terms of their ability to force others beyond their borders to yield to their rule?

And I, frankly, concluded that based on what I saw after I came here, that using MFN was a blunt instrument that would have serious long-term adverse consequences and would not work in the near-term or have any impact on human rights. That does not mean that I'm not concerned about it; it's still a huge issue with us.

Now, secondly, there are other issues where it matters in China. This has normally been played off as human rights as against our commercial interest in getting a big piece of the Chinese market. There is more to it than that, and I'll just give you two examples.

One of the things that I thought I had to do when I came into office -- now, maybe we can talk about this a little in a moment -- was to finish the unfinished agenda of moving away from the Cold War. And the biggest item on that agenda in terms of short-term danger was the North Korean nuclear problem. And the Chinese cooperated with us in defusing the North Korean nuclear threat. It made a huge difference that they were in there helping. I just made a new proposal, you know, for four-party talks, which the Chinese have at least been open to. So they've helped there.

Then there's been this other business, this whole question of proliferation. One of the ways -- how are big countries going to define themselves in terms -- are they going to honor weapon regimes? Are they going to support nuclear test ban? Are they going to try to be a voice for peace, or are they going to try to make money, not through commerce but through selling prohibited weaponry?

So I think we're getting reasonable cooperation from the Chinese on the whole proliferation front. And we've resolved this last dispute we had with them to my satisfaction. In the short-run, if they keep their word that they gave, I think that will be resolved.

So what I believe is that we have a lot of interest in dealing with China; that all of our friends in the region,

including our friends in Taiwan, our friends in Hong Kong, our friends in Japan, who care about human rights and care about the peaceful resolution of all the matters at issue in that area -- every single one of them thought we should renew MFN. Every single one of them thought that we could never help the human rights problem over the long run unless we engage China, unless we kept on talking to them across the whole broad range of ideas.

So I would say I changed my attitude about that. And my campaign rhetoric can be pointed out to me now, but my job once I got here was to do what I thought was best for the American people over the long run, and I did it based on the evidence that I found when I became President.

Q One of the other pieces of the unfinished agenda you mentioned of the Cold War is probably in Bosnia, or at least it's a symbol of it. And it's also the place where, sort of the most dramatic example of your having to make decisions about how to use American military power, if not force -- it's not like the Persian Gulf.

What is your assessment of that at this point? Can we really get fair elections? Can you really get American troops out of Bosnia by Christmas? Can the Western powers achieve this sort of grand goal of putting some stable democracies in place there?

THE PRESIDENT: Well, first of all, I think the -- you asked for my assessment. I think you have to look at it in -- maybe let's look at various elements of it. First and foremost, we wanted to stop the slaughter and make sure that we could contain it. And there's no question in that sense that IFOR has been a terrific success in reducing violence and fighting and shooting with very little rates of casualties, unrelated to direct conflict with the warring parties in the war.

Secondly, we wanted to restore democracy in a way that maintained the federation between the Croats and the Muslims and had both a central government that involved the Serbs and a separate regional government that gave them a lot of autonomy. That will require the holding of successful elections, which will require, among other things -- and this is the big hang-up there, but not the only one, there are tensions, as you know, still between the Muslims and the Croats -- that will require that Karadzic be out of office, and that Karadzic and Mladic be out of influence.

And it is a difficult thing because the IFOR mission was established with the agreement of all the NATO partners not to be a police action to go get them, but instead to be, in effect, fair to all parties in trying to secure the borders in the safety zone, secure free movement.

So will that work? I still believe we'll be able to have elections in September, and we're working on it. And I believe the elections that we -- we can have elections that will be successful and it will inspire confidence on the part of the people who live there. You know, it's obvious that huge majorities of all three ethnic groups want to have elections and believe if they have elections it will give them some greater stake in the future of the country. So will they be perfect, will they be flawless? Perhaps not. But, you know, we've had election processes in Cambodia; we just had our second round of elections in Russia, and I think we can have elections that are free and fair and useful. And our next big hurdle is September.

Then the third issue is the redevelopment issue. And that's a very important issue also for whether these people will ever be able to live in peace with one another again. You know,

will there be enough grass-roots stake in the future of the peaceful and united Bosnia, so that leaders who might otherwise fall into the old habits of stirring up the passions of their constituents against one another instead know that what they're supposed to do is work out their differences. And, of course, that's what Ron Brown's last mission was about. It was really an attempt to put the power of American commerce to use for peace. And, just parenthetically, we're going to send that mission out again in just a few days.

MR. MCCURRY: Tomorrow.

THE PRESIDENT: Tomorrow? Yes. So, anyway, the answer to that is you never do -- I've now concluded, after my experience in the Middle East, you never do enough quick enough, and it's always a race against the clock and you hope you're doing enough.

Q And so will the troops be out by Christmas?

THE PRESIDENT: Well, I still believe that they can be and that they will be. But, you know, does that mean that people won't start fighting again after Christmas? I don't know. You said Christmas. I'll go back to what I said when I sent them there, that I thought the mission would last about a year.

I think it is very important -- let me say this: I think it's very important that we don't have a mission of that size and scope, in effect, occupying the country on a permanent basis. I think that that would set a very bad precedent. On the other hand, we want to complete the mission. And the success of the mission depends, therefore, in no small measure, on these other elements -- on having the election and on the economic reconstruction. Because keep in mind, one of the biggest problems we've got is we're demobilizing, what, 300,000 soldiers. That doesn't even take into account all the refugees who might want to come home if they had a safe environment.

So there are a lot of difficulties up the road in this next six months, and we're going to finish this mission this year. I don't want to minimize it. But I am glad we did it. I think that they're way better off than they would have done if they hadn't done it. And I believe we can get it done, and I'm determined to do everything I can to see that it is done.

Q Sir, I'd like to go back for a second to something you were talking about before, which is Medicare. Do you think that 15 years from now, or so, when you and I become eligible for Medicare, do you think Medicare is going to be fundamentally different from what it is now? Or do you think it's going to be more or less the same program with maybe some tinkering in it?

THE PRESIDENT: First of all, I think that since -- well, let me say I basically believe that

(end of tape one; begin tape two)

I believe the 21st century will be dominated by biomedical sciences because I think we'll have to confront all these diseases that are developing and viruses that are mutating. They are challenges that will be most obvious and painful for us having AIDS now but they're many, many others in the world.

And because I think that technology will permit us to drastically cut the administrative cost of bureaucracy associated with operating health care systems and drastically increase the power of people to get quality health care in rural areas, isolated areas and to change the whole practice of medicine. So, I think it is highly likely that 15 years from now, 20 years from now no medical operation will look as it does now. I think that Medicare,

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people on Medicare will have more choices and more flexibility. And I think that the costs of the program will be more in line with private sector cost and inflation rate will be much more in line with the overall inflation rate of the economy.

Q And will the coverage be as extensive as it is now where virtually everything that anyone needs is taken care of?

THE PRESIDENT: Well, that's only if you have A and B and if you --

Q Which a lot of people do.

THE PRESIDENT: Most people do and it's a good deal. Let me say this. There's a big argument about, you know, what the demographics are doing to Medicare. And I appreciate the fact that the Republicans are making this argument. I think I should point out just for the record that we extended the life of the Medicare Trust Fund in '93. They all opposed it and their Contract promised to make the problem worse because they wanted to reverse the one thing we had done to make it better, one of the two things we did. So I think now we all agree to that.

Let me just say this. I believe that we should -- what we should do is, and I think we should do it in a bipartisan way -- is extend the life of the Medicare Trust Fund for a decade, give our people greater choices and then do what we did back in '83 when we had the Social Security issue, have a bipartisan group that really tries outside the heat of the election to look at what the long-term demographic trends are and make sure we can finance what we're doing and take care of the real fundamental needs of the American people.

I'm also ready tomorrow to negotiate a balanced budget agreement that will give seniors more choices, more flexibility, have more managed care options and put this thing out of -- that will give us a good year or so to look at this in a way that is less political.

I was always willing to work with them on entitlements. What I don't want to do is to adopt the structural changes that they were recommending. This was more important than the premiums because the Senate and the House were very different on their premiums -- the Republican plan. But what bothered me was they were about to adopt some significant structural changes in Medicare and changes in Medicaid, which I have to tell you bothered me even more, that were going to have, I thought, very adverse effects on the oldest, poorest, sickest seniors and very adverse effects on a lot of our critical health care providers, especially certain hospitals.

That's been my main beef. Leon was here. We had those 55 hours of budget negotiations. We spent much more time talking about the impact of their structural changes than we did some of the financial details because I thought their financial recommendations really flowed out of their desire to have a certain size tax cut, and other things.

So we need to make some changes in the Medicare program to make it solvent for another decade as we've been doing for some time and we will. Yes, it will change dramatically because of the practice of medicine and the delivery of health care is going to change dramatically. But we ought to make sure that when it does, it's as fair to seniors as it is to others and it's as fair to people on modest incomes as it is to people who aren't.

That is, my idea of changing Medicare is not to leave lower middle-class seniors in the same position that lower

middle-class non-seniors are in America. You know, the people that don't have health insurance in America are the non-senior, non-poor, not quite good middle-class people by and large. Those are the people without any health insurance. And what I didn't want to do was to see us make structural changes in the Medicare program which would recreate in the senior population the same problems we've got in the non-senior population. You know, for all the problems with Medicare, if you live to be 65 in America, the seniors in America have the highest life expectancy in the world. The only reason our average is not as high as Japan is because we have higher rates of violence and AIDS and because we have so many poor families with high infant mortality rates.

So, yes, we're going to have to change it, but I didn't agree with the way they wanted to change it. And I guess we're going to have to wait until after the election -- we ought to do something after the election anyway in the way of a bipartisan commission to look at the demographic impacts on all the entitlements. But beyond that, I strongly believe that we should take some action now. We shouldn't keep bringing the deficit down only by squeezing discretionary spending and we can't get the savings that I have agreed to out of Medicare and Medicaid until there's a budget agreement.

So I'm still hoping that before the end of the year we'll get one. I know that seems improbable today but I believe it's still a possibility.

MR. MCCURRY: We have to call it quits I think.

Q Well, in that case --

THE PRESIDENT: Did you want to go back to foreign policy? Let them go.

Q In that case, we'll switch to another question.

Q You have had -- this is about the campaign, I guess, and about your administration. You have had a stormy administration. You were elected, I can't remember your exact numbers but the number of people who voted for you always seems to be about the same if you believe polls. You have a very sort of solid support that goes from 41, 45, 46, something like that.

Q Fifty-something or other.

THE PRESIDENT: They're better now.

Q There continues to be this thing in the polls in which people say when asked the question, do you think that the President and his wife were fully forthcoming on all these issues that just keep coming up -- and I understand it must drive you crazy -- the answer is no. And the question, I guess, is why? And what can you do about that?

THE PRESIDENT: Well, I don't know. I think that all I can do is to answer the questions that are asked and provide all the evidence that I've asked. I can say this. We've given more information on more people and more subjects I think than anybody ever has. And if you look at the D'Amato hearings, which I think is one of the reasons we haven't done more in this Congress is that there was more time spent in the hearings of D'Amato than on Medicare, Medicaid, welfare, the economy, education and all other subjects put together. By far.

Look at what the evidence pointed out. The evidence adduced by them failed to have one single, solitary shred of evidence showing any wrongdoing by me. In fact, the evidence that

they tried to adduce about my governorship showed high ethical conduct even in dealing with people who had strongly supported me. And there was no evidence of wrongdoing by the First Lady.

So what were they left with? They were left with saying they didn't disprove this charge we decided to make.

Q They still don't believe that you're telling the full truth.

THE PRESIDENT: There's nothing I can do about that except to tell the truth. I think it has something to do with the way the issues have been presented to them. But if you start from day one and you persist until the end in setting up an issue in which you say, we're going to ask a bunch of questions and once they're disproved we won't bother to tell you that there was no evidence of them; we'll just ask a bunch of new questions and once those questions are answered, we won't bother to tell you those answers to those questions; we'll ask a bunch of new questions.

I mean, how many people in the United States do you think know what the Resolution Trust Corporation report said? Not very many. So all I can tell you is there's nothing I can do about that.

All I can tell you is I'm going to keep -- I'll cooperate with the people I'm supposed to cooperate with, I'll answer the questions I'm supposed to answer, but I believe in the end the American people will get it right. They normally do. I trust them. As the campaign goes along if they have questions of me on this, I think that they'll ask them. But I also think people are -- a lot of people know that a whole lot of this has just been pure politics.

Now, I don't believe that about the FBI files. That's a legitimate issue. And I say we are determined to cooperate and I want to know what the truth was there myself. That's in a separate category. That's different.

Q And you still don't know?

THE PRESIDENT: No. That's why I was disappointed the FBI wasn't here the next day. I mean, we would have had this thing resolved if they had shown up here the next day, which is the way I think it should have been handled, but it wasn't. So now we have to wait. But I want this thing -- that's a different issue. But the other business, I believe the American people know that there was a lot of politics in that and that they're interested in things which affect their lives and their future, and I'm fighting for them.

Q Have you personally tried to get to the bottom of the FBI files things? Have you called in your top aides and said, what do you know about this, and what do you know about this, and what do you know about this?

THE PRESIDENT: Let me tell you something. I have done everything that I thought I should do consistent with also honoring the fact and the appearance that an investigation would go forward unhampered.

Ask Mr. Panetta and others. The last time we tried to do something like this, then what we did became the issue, you know. And so we have pledged to fully cooperate with them. We have encouraged them to get here in a hurry; let's get on the ground. What we have said is we'll put somebody with you and we'll what we're supposed to do but we want you here. We don't want anybody questioning whether we -- what we said to somebody

sometime. We don't want this -- how can you prove that you didn't tell them to say this that they're saying. I don't want that sort of thing. I want -- if somebody is here from the outside from the beginning, then we will be able to prove whatever needs to be proved.

Apart from that I think the American people know there's lots of politics in the rest of this and I think there's a discount factor there. But the most important thing to me is I just realized that the more time I spent on it and the more time I spent talking about it, the less time I would spend being President; and that I thought it was wrong, but I wasn't going to let it rob the American people of my presidency. I was going to show up for work every day, put it out of my mind and go to work except when I was required to actually respond to something. And that's what I've done. And as a result, I think we've been able to get quite a lot done here in the last three and a half years.

Q To get their stream of questions and the endless hearings and so on -- you said it was wrong, but you didn't want to rob the American people of your presidency. You're not talking about the files, you're talking about the whole --

THE PRESIDENT: The Whitewater process.

Q All the hearings.

Q Do you think there was a generational element to this? I mean in the sense that do you think some of this negativity is that being the first post-World War II President, the baby-boomer President, that there was a lot of change associated with your generation that people still haven't come to terms with?

THE PRESIDENT: I don't know. Could be. I think that there are -- I believe that if you go back through the history of our country or if you look at the history of other societies, that when a lot of the balls are thrown up in the air at once, in this case we're changing the way we work, the way we live and the way we relate to the rest of the world. It not only provokes a change in the role of government but it also just opens up other things or questions. And things happen and tensions appear. And you know that could have something to do with it. I wouldn't know. I just know that what I've got to focus on is what I can have a positive impact on.

When you get elected President you get four years, and every day those four years come closer to being elapsed. Every minute the President needs to be focused on -- I think literally every day I think about what was the vision I had for this country when I came here; is it still valid; is our strategy working; what do we still need to do; where have we failed. What do we need to do? What are we going to do in the next four years? Do I think I did a good job in the first four years? Yes, but that's what they hired me to do. And how are we going to build on it? And I know that the more I think about that and the less I think about anything else, the more likely I am to leave a legacy for the American people that is positive and good.

And, so, what I try to do literally is just not even to think about the other things unless there is a specific issue where I can be helpful. If I can answer a question. If I can give information. If I can fulfill some specific responsibility, I try to do it. Otherwise, I try to just keep my eye on the ball.

Q Your infield is moving in here.

Thank you very much.

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percent of the people thought I was right in Haiti and 38 percent in Bosnia or whatever the numbers were, why it really makes sense over the long-run. Why did you help Mexico when people said 81 to 15 on the day you did it you were wrong? Why did you do it? I think that it really is something that I think I need to take on even more is trying to figure out a way to make the American people believe not just episodically but instinctively that there's no longer an easy dividing line between foreign policy and domestic policy. That the world we're living in doesn't permit us that luxury anymore. And that we've got to break down that wall in our minds.

That's the one thing I want to talk about.

MR. STEPHANOPOULOS: We really have to go.

THE PRESIDENT: Clinton's first law of politics. When you're starting to have a good time --

Q You've got to stop. I was sitting over there when I heard George Bush talking about this at the same position in his last term, as it turned out to be. And he was saying some of the same things. You went from the outside to being in the best possible position. Were you surprised at how different you wanted things to be or how much things had to be the same, if that makes any sense? You talked about China.

THE PRESIDENT: No. You know, on China and I thought -- I explained what I thought -- but I think what we've done, you know, my policy on Haiti, for example, or Northern Ireland and the way I proceeded in the Middle East, not so much the goal but the manner of searching the goal I think were quite different. And our domestic policies, of course, have been very different.

But I try to think everyday -- I really try to think everyday also about how all this looks to someone living in a medium-sized town in Ohio or California or Arkansas or anyplace else. You know, what it's like for them and how this can connect to their lives. That's what I -- if I have brought anything to the presidency, I think that is special I think I do have a feel for how all these issues fit together and why. you know, fighting for the V-chip or regulating cigarette advertisement or trying to help communities adopt stiffer standards on truancy and curfews and all that, that that's part of a security environment that's a piece of what we're trying to do with anti-terrorism and nonproliferation.

I try to see these connections and I think that slowly I'm being able to communicate that to the American people in a way that resonates with them.

I hope that's true and I believe it's true.

Q Thank you, sir.

Q So what time do you have your watch on?

THE PRESIDENT: Let me tell you. This is a watch I wear when Hillary's gone.

Q Oh, okay. So, it's First Lady time.

THE PRESIDENT: Here it's ten minutes till 8:00 p.m. now here. Is that right?

MR. MCCURRY: Yes.

THE PRESIDENT: And it's ten minutes to 2:00 a.m. for Hillary. She's in Estonia.

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So I've got this. Sometimes they give people these watches like at these conferences you go to, so you can always keep up with what time it is back home. So I got one of these because that's how it was given to me.

Q Did you get that at the G-7 or something?

THE PRESIDENT: Yes. This one I got at the G-7.. So, they gave it to me. And when it was set for me it was set for -- every one of the G-7 leaders got one set one for the French time and one for their home time. And, so, when I got home Hillary was gone, i just set it so I would always have her time and I could wear it when she's gone, so I know what time it is so I don't call her at 3:00 a.m. in the morning.

Q Thank you.

END

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

July 15, 1996

INTERVIEW OF THE PRESIDENT
BY TOM BROKAW OF MSNBC

The Roosevelt Room

8:00 P.M. EDT

MR. BROKAW: Good evening, and welcome to InterNight. It's going to be a nightly primetime program here on MSNBC in which we talk to the major newsmakers of the day. What better way to launch this program tonight than with our guest, our special guest, the President of the United States. He faces an election campaign that will determine his and this country's future.

Mr. President, I was struck by the fact that we're here in the Roosevelt Room -- no one personified the beginning of the 21st century better than Teddy Roosevelt. And as we come to the conclusion of the 21st century we're not only on cable television, but we're on the cyber universe as well, on the Microsoft network. It's a remarkable time.

THE PRESIDENT: I think Teddy Roosevelt would like this very much. This is a room that is named for Teddy and for Franklin Roosevelt. Theodore Roosevelt's Nobel Prize which he won in 1905 is here in this room. We keep it here. And he really brought us into the modern age, and we're now going into a very different kind of world. And I think it would excite him very much to see it.

MR. BROKAW: We saw another demonstration of that kind of world today when Boris Yeltsin stiffed the Vice President of the United States, to put it in inelegant terms. He stood him up. They had an appointment. The Vice President told me earlier this evening he doesn't know whether Yeltsin is in good health or not, or whether he, in fact, is just fatigued. Does that make you a little nervous, that we don't know the condition of his physical being?

THE PRESIDENT: Well, we have -- we don't know, but we have no reason to believe that he has a serious illness. We do not know. I talked to him just a few days ago -- we had a very good talk. He was very glad that the Vice President was coming over. Mr. Mamedov, his Deputy Foreign Minister, was just here a couple of days ago and I saw him. So in terms of the relations between the two of us, our two countries, we're doing fine.

And I would urge us not to read too much into it. After all, he's just finished an exhausting campaign. You know how exhausting it is to run for President of the United States, and keep in mind, if you want to be President of Russia you have to be willing to travel through 11 time zones. So he's been through a lot and he may just be tired.

MR. BROKAW: But, frankly, he has had some health problems in the past.

THE PRESIDENT: He has.

MR. BROKAW: What happens to our intelligence in Russia that we can't find out what's going on with the President?

MORE

THE PRESIDENT HAS SEEN

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THE PRESIDENT: Well, we normally have a pretty good idea. And as I said, we certainly have no reason to believe, as I am talking to you tonight, that there's something serious wrong. But we just don't know. We can't know everything, and we can't know everything instantaneously. But I have no reason to believe that he did anything but ask Al Gore if he could delay the meeting.

And I don't consider it being stiffed since he knows what Al's -- what his itinerary is in Russia. He's not being asked to stay later or anything to see him.

MR. BROKAW: Would you be surprised if Boris Yeltsin does not finish his four-year term and that the reigns of power are assumed by somebody like General Lebed?

THE PRESIDENT: I would. I think he'll be able to finish his term. And I was very encouraged that he found a way to put this new team together that kept Prime Minister Chernomyrdin there, who is a real symbol I think of stability and progress, discipline. They're a good team, and Mr. Lebed seems to be finding his way into the team. So I think it's working out reasonably well so far.

MR. BROKAW: What makes you more nervous, Russia's fragile democracy or China's uncertain future?

THE PRESIDENT: I don't know that I'm nervous about either one. But I think that Russia is clearly now committed to a democratic future, and one in which it is a responsible partner in world affairs. I think China is committed to a future of continued economic progress. I think they're still ambivalent about democratic freedoms, but we seem to be developing a more constructive relationship with them.

I have told a lot of people -- I'd like to say it again on your show because I want our -- you have got a lot of future-oriented people listening to this show -- I think how Russia and China define their own greatness in the next 20 years will have a lot to do with how the 21st century comes out. And I want them both to define their greatness in terms of the positive achievements of their people, their winning and peaceful cooperation on economic and cultural and athletic fields, and their willingness to cooperate with us to fight our common enemies: terrorism, the proliferation of dangerous weapons, and environmental destruction and diseases sweeping the globe. We need great countries working together if we're going to make the 21st century what it ought to be.

MR. BROKAW: Let's switch from international politics and the future to domestic politics. We have some polls tonight -- good news and bad news for you. The latest NBC news poll shows that you have expanded your lead as of the moment over Bob Dole. You're leading now by a factor of 54 to 30 percent. That's about a 7 percent -- 7-point gain for you in just the past three weeks.

Here's the bad news. We did a poll three weeks ago. We asked the question whether the people believed that you were telling the truth on Whitewater. By a factor of 55 to 24 percent, they said, no. Mrs. Clinton -- it's even greater: 62 to 18 percent the American people believe that she is not telling the truth. These are fundamental questions about personal character. Doesn't that bother you some that the American people believe that they're not getting the truth from either one of you?

THE PRESIDENT: It bothers me some, but I don't see how they could draw any conclusion other than that since if you looked at the information that they have been given, I'm sure it's four, five, six to one negative. And I think character is a legitimate issue, and I look forward to having that discussion. But I think that you

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can demonstrate character most effectively by what you fight for and for whom you fight. And I believe that the fact that I've stood up for the American people for the things like fighting for the Family Leave law or the assault weapons ban or the Brady Bill or the V chip for parents or trying to keep tobacco out of the hands of kids and a lot of other issues -- those things will count for something and they demonstrate character, too.

But on the other matter, I just -- I would like to remind everybody that this has gotten a lot of exhaustive attention, perhaps more than it deserves, and every reading of the evidence, as opposed to another round of questions, fails to demonstrate any wrongdoing by either one of us. And I believe that in the end that will come out and come clear to the American people. I just think that in the meanwhile all we can do is go about our business. We've got to keep working for the American people and let them sort that out. I feel good about it.

MR. BROKAW: What do you say each other in the privacy of the living quarters about these questions, however, at the end of the day? Because none of us, after all, is immune to that kind of judgment on the part of the people that we care a lot about.

THE PRESIDENT: Well, I try to remind Hillary not to worry too much about it because every time she goes out and people see her and she relates to people they admire her, they like her, they respond to her just as they did around the world in this last trip where world leaders always contact me after she's been to a country and say, thank you for sending her; she really represents your country well; she inspires our young people, and thank you for doing it.

And I also remind her about the evidence being on her side. I mean, it didn't get a lot of publicity, but there's only been one definitive report on this whole business and that was the Resolution Trust Corporation's report -- supervised by a staunchly Republican-appointee from the previous administration -- which said that there was no evidence of any wrongdoing, not even any basis for a civil action against me or Hillary or her law firm; and that her billing records, which received so much publicity, actually confirm her account.

Now, that's a dispassionate view of the evidence. So I think the American people are fair-minded. They've heard a lot more negative than positive, so they have questions. But I think in the end they say, well, what do we know, and what has this man done and what have they done, what have they fought for, who have they stood with. So I keep -- I remind her whenever this comes up -- it doesn't come up so often anymore -- that we only have so many hours of the day and every day we spend thinking about that, every minute we spend thinking about it is a minute we're not working on the job we were sent here to do. And so we just try to cooperate when questions are asked and keep working ahead when they're not.

MR. BROKAW: She's had to appear before a grand jury, and you're very close friend, Bruce Lindsey, has been named an unindicted co-conspirator -- he's down in Arkansas now on another trial. Does that ever lurk in the back of your mind that there may be more indictments that will arrive at the White House, maybe even for the First Family after the election? Has that possibility occurred to you?

THE PRESIDENT: No, and it's a highly politicized operation. And I think it's obvious, there's no precedent for it that I know of, ever. But even so, it's very hard to just make things up. And I don't think anyone doubts that, for example, Mr. Lindsey, if there was any serious evidence that he'd done anything wrong that they would have moved against him.

So we'll just wait and see. But I still believe it's hard to make a lie stick and call it the truth. I think in the end the American people will figure it out. And I wake up and go to bed every night with that assurance and I'm just going to keep working.

MR. BROKAW: Mr. President, we've got a lot of ground to cover here tonight, a lot of substantive issues. We've got phone calls. We've got questions from the Internet, as well, to get to.

We'll be back with InterNight in a moment.

* * * * *

MR. BROKAW: Mr. President, do you think that smoking is an American health hazard?

THE PRESIDENT: Absolutely.

MR. BROKAW: And addictive?

THE PRESIDENT: Yes.

MR. BROKAW: In the last 10 years the tobacco companies have given the Republicans something like \$7 million in campaign contributions, but they've given your party \$2 million. Why don't you make a pledge tonight to the American people you will take no more tobacco money -- not just the Clinton campaign, but the Democratic National Committee?

THE PRESIDENT: Well, I think the Democratic Committee is reviewing its policy, although let me say, I have never fought even with the Republicans over their money. It's just a question of does the money have an adverse impact on your policy. It's their policy I disagree with. I have never tried to even put the tobacco companies out of business. I think they have a right to sell a legal product and they have a right to market it to adults.

The real problem is that it's illegal in every state in America for children to start smoking, but 3,000 start every day, 1,000 of them will die soon because of it. And we have to do something to stop it.

And they'll have to answer whether the fact that they do better than we do on contributions has anything to do with their policy. But our policy is the correct one. And I don't want to treat the people who work for these tobacco companies like their not citizens. They're not doing anything illegal, but they're wrong in fighting us on this policy. They should help us.

MR. BROKAW: But given all that, why not just turn off the money spigot?

THE PRESIDENT: The money spigot has been pretty well turned off. I think that in the last couple of years they're going five or six to one for the Republicans. But, again, I don't want to get into that. The money is relevant, only insofar it has an influence on the wrong-headed policy. These people, they're not criminals because they work for tobacco companies. They're citizens, they have a right to participate in the political process. They have a right to have their voices heard. They have a right to sell legal products.

What is wrong is they are marketing in ways that they know -- I believe they know has to be appealing to young people. You look at -- young people, for example, who smoke illegally are far more likely to buy the most heavily advertised brands than adults are. And smoking would continue to deteriorate in this country and

go down as a health hazard if people didn't start before they were adults.

Now, I just want to keep the attention of the American people focused on that. And that's why -- my fight with the Republicans has been clearly focused on their policy. They got -- may get more money because of their policy, but their policy is wrong and they ought to change it.

MR. BROKAW: Recently, Bob Dole said, in response to your criticisms of his stand on tobacco, you know, the Clinton administration, the use of marijuana and other illegal drugs went up before he started to do something about it. Why were you so late off the mark in beginning to attack what was a plain increase in the use of illegal drugs during the last four years?

THE PRESIDENT: Well, first of all, I don't think that's a fair criticism. I think the -- if you go back and look at our '93 budget, we asked for more funds in '93 both for enforcement and for treatment. I named a drug czar promptly. The man did a lot of experience running big-city police operations, dealing with drugs. And then, when he left, I named General McCaffrey, who had managed our Southern Command and dealt a lot with drug exports. So I've been interested in this right along.

The drug use did start going up in the early '90s among young people, especially marijuana use. Cocaine use has continued to drop, but they're diversifying drug use. It's a terrible problem; we're working on it. We have a strategy; we're trying to implement it. And we've basically been able to do this in a bipartisan fashion in this country in the last 10 years or so. And I'd like to see us continue to do that.

But it is a serious problem. When I came here we instituted, even in the federal government, in the Executive Branch, stiffer drug testing policies than the Legislative Branch had. I think it's a really serious problem. I have always fought it and will continue to do so.

MR. BROKAW: Let's talk for a moment about welfare. The Republicans have a bill that they think you will sign on the Hill. It eliminates the federal guarantee of cash assistance for poor children in this country, a guarantee that we've had in place since the early 1930s. Are you prepared to have that happen?

THE PRESIDENT: It depends on what else is in the bill. That is, if--

MR. BROKAW: You can foresee the possibility it will take away the ultimate safety net of no federal cash assistance for very poor children?

THE PRESIDENT: Of the guarantee -- if the bill has provisions in it which provide more child care to these same families, which has more flexibility to enhance the ability of the parents in these families to go to work, which help the young parents who have children at home to be better parents. The money will still be spent on the children. The reason they want to get rid of the guarantee is so the states will have more flexibility to require people to move from welfare to work more quickly. And if that's what's going on, then I can support it, if the rest of the supports are enough.

Let me just make one other point. There's a dramatic difference already in the welfare benefits from the poorest to the richest states. There's not really a national guarantee that amounts to much now.

MR. BROKAW: We're not going to leave this alone, we're going to come back to it in a moment --

THE PRESIDENT: Let's do it.

MR. BROKAW: -- because we want to talk some more about that and we want to hear from our viewers out there by telephone and the Internet. Back in a moment on InterNight.

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MR. BROKAW: We're back on InterNight and we're looking with the President of the United States at various chat rooms on the on-line service that MSNBC is providing to all of you. Here is a question that came from one of the many thousands of people who submitted them: How will you keep the Social Security solvent without raising taxes? That's on the minds of a lot of people, especially because your generation is a big bulge out there.

THE PRESIDENT: That's right.

MR. BROKAW: And the question is, can Chelsea afford you as parents in about 10 years? I think that's the relevance of that.

THE PRESIDENT: The answer is there will probably have to be some changes in the Social Security system, and what we need to do is to preserve its integrity in the same way we did in 1983. In 1983 we had a bipartisan commission representing all the various interests in the country. They came up with a proposal, and they implemented it. Now, then they did raise the payroll tax, but if you look at it now it's a long way -- this system is solvent till 2019. And so we can make some changes now that won't require payroll tax changes that I believe will be widely accepted by the American people if we get into it and we do it in a totally nonpartisan way, the way we did in '83.

MR. BROKAW: There's a growing wave of people out there who believe that we ought to either privatize it or give people that option. Do you think that's a good idea?

THE PRESIDENT: Well, there's apparently going to be a report issued from the advisory commission that will recommend that this be looked into. I think if you privatize the whole thing you would really put people who are not sophisticated investors and didn't have a lot of money on their own at serious risk. If you gave them the option individually or as a system to do it, that's something I think you could study. You could even -- that's something that could be tested.

But before we do something that totally changes something that's worked rather well, there ought to be a way to test it in kind of a laboratory sense. And I would favor looking at it very closely with some evidence before we made a big, sweeping decision.

MR. BROKAW: Here's another question. We had 60,000 hits on the system and 8,000 questions submitted. What is the most important thing that you've learned in the last four years?

THE PRESIDENT: That the President can really make a positive difference, but that it requires every bit of concentration every day to do it. You simply cannot be distracted. You have to keep thinking about your job and the American people. That's the most important thing.

I feel more optimistic today than the day I became President about the potential of all of us to change our lives together for the better, especially the presidency. But requires enormous discipline not to be distracted and not to be diverted. And I think that -- there are a lot of other things I've learned. I've learned more humility. There are a lot of things I don't know the answers to that I once thought would be easy to find out.

MR. BROKAW: Were you ready for primetime when you arrived here, do you think?

THE PRESIDENT: I think I knew enough to be President. I think I -- and I think my ideas were right and my vision was right. I think I would have been probably a little more successful early on if I had had more Washington experience. But I think maybe the fact that I didn't have any made me more optimistic about what I could get done, and more ambitious. And that was good.

But I think that I'm definitely better at my job than I was four years ago, in terms of just getting through the day-to-day work of it. I just learned a lot. I don't think anyone, even someone who's been around here a long time, can be fully prepared for the pressures and the work of the presidency until you actually do the job.

MR. BROKAW: Here's another question, Mr. President, that's very relevant and very timely. With U.S. soldiers dying in defense of Saudi oil fields, shouldn't we have a renewed vigor about the pursuit of freeing the United States from the dependency on foreign oil?

There's not been much talk recently, fairly, from either party about conservation or finding alternative forms of energy.

THE PRESIDENT: Well, we have had -- that's one of our budget fights that we had with the Republicans. Let me answer that question in two parts.

We are not in Saudi Arabia simply for Saudi oil fields. We're there because it's a base from which we can prevent further aggression by Saddam Hussein in the area, first. And, second, it's a base which enables us to cooperate with those who agree with us in the Middle East, including many Arab countries, in fighting terrorism. So that's not the only reason we're there.

But we should be trying to become less energy dependent. We have worked with Detroit to find a clean car that gets three or four times the average mileage now. We have worked hard on alternative technologies. We have worked hard to do things that would make us much more energy efficient. And, frankly, this Congress disagrees with us on that. They don't believe we should be investing money in new technologies to achieve energy efficiency.

But if you look at the explosion of technology that we're celebrating tonight, that same technology is available to make us more energy-efficient, and we ought to be investing a lot more money in it because it's a way of cleaning the environment, reducing our dependence on foreign oil, and making us wealthier without really eroding the country and the globe that we share.

MR. BROKAW: Why are the Saudis giving us such a bad time on the investigation? And we have had to send the FBI Director Louis Freeh back over there for a second time to try to get things moving again. Why can't you get on the phone to King Fahd and say, hey, listen --

THE PRESIDENT: We've had several talks about it, and we expect that they will cooperate. And I think there will be

cooperation; I do expect it. I believe that any time a crime is committed in a country that's high profile, that nation wants to believe that it can handle it and do what's right. And I understand that. But this is a case with international implications, and we have to cooperate.

MR. BROKAW: Here's another question from the Internet: Why don't we have a flat tax for everyone instead of taxing our income and then taxing everything we buy? It was a very popular issue, as you know, during the primaries.

THE PRESIDENT: It was. First of all, you should know that as far as the federal income tax, we're getting pretty close to a flat tax. Fifty-seven percent of the taxpayers over the last couple of years have filled out that simple little form and paid the 15 percent with the standard deduction. That's pretty close to a flat tax. But I have never seen a single tax rate that did not either raise taxes on everybody that was making less than \$100,000 a year or leave us with a much bigger deficit.

So I would do anything I can to further simplify the tax system. I'm trying to let more people file electronically. I'm all for making the forms simpler, the rate structure simpler. But I have never seen a plan -- I've studied them carefully because I know how much people want to be free of it -- that doesn't either raise taxes on most people or balloon the deficit. And we can't afford to do either one.

MR. BROKAW: Mr. President, we have got a lot more ground to cover tonight. We do have some telephone calls coming as well as questions from the Internet. We'll be back on InterNight in a moment.

THE PRESIDENT: That's a good question.

* * * * *

MR. BROKAW: We're back on InterNight, Mr. President. You and I have been looking at another question from the Internet: Does Chelsea net surf and, if so, how do you protect her from inappropriate material? Does she use the computer pretty handily?

THE PRESIDENT: She does. I don't think she net surfs a lot, simply because, at least during the school year, she has too much homework at night, for several hours every night. But she does some. And, honestly, I can't protect her in that sense because she knows so much more about it than I do.

But one of the things that we're trying to do -- I think with the support of everyone -- is, first of all, get a case up to the Supreme Court so that they can define what the First Amendment requires us to do and not to do in terms of legislation here. And then we need to find some sort of technological fix.

During the break you said that Mr. Gates, Bill Gates, said that there's at least a possibility of developing a log --

MR. BROKAW: Yes, they've got a log built in now that you can go in and check on.

THE PRESIDENT: Yes, so the parents can see what's been called up. And, of course, we're working on this V-chip with television and with the entertainment industry supporting us with the rating system. So there probably will be some sort of technological responses here. But then parents like me are going to have to assume the responsibility of becoming literate enough with the technology to

work with our children and make sure that we and they make responsible choices.

MR. BROKAW: Mr. President, we promised a lot of viewers out there that they could ask questions via telephone. I think we can do that right now. We have a call from Leesburg, Virginia. A question for the President, please.

Q Mr. President, I'd like to know if the deductible that you have proposed for families, the \$1,500 for the college students, do you expect that that will come to fruition before the end of the year? And also I would like to tell you and the First Lady I think you're doing a wonderful job.

THE PRESIDENT: Thank you. The truth is, I don't know whether it will come to fruition before the first of the year. I think there's a chance we could pass it if I could reach agreement with the Congress on the balanced budget. Now, most of the experts here in town will tell you that's not going to happen because we're only three and half months away from an election. But I still think there is a possibility that we can reach a balanced budget agreement.

If it does, I will push very hard for my two major education proposals. One is a \$10,000 deduction for the cost of tuition after high school for people without regard to their age; And in addition to that, a \$1,500 credit for two years of college after high school which would, in effect, guarantee community college access to people throughout the country.

My goal here is to make college affordable for everyone, but to make the second two years -- at least a community college education -- as universal within a couple of years as high school is now, because we know we need that. I mean, look at what we're celebrating here tonight. We need more education. So I expect to push it, and if we don't get it this year and I'm successful in the election, then it would be a top priority just as soon as the Congress comes in next year.

MR. BROKAW: Mr. President, some people believe that, for the moment, it's just mostly campaign rhetoric, however, because you have not sent anything up to the Hill yet on the college deduction.

THE PRESIDENT: But that's because the only way we can pass it now, this year, is if it was put into an omnibus budget agreement. And so that's how I will advance it. And I'm still hoping we can do that. You know, we've got agreement here -- look, we passed an antiterrorism bill this year; we passed telecommunications legislation this year. We may get welfare reform; we may get the minimum wage -- it's looking very good on the minimum wage. We might get the Kassebaum-Kennedy health care reform bill. If we do all that, I don't see why we couldn't have a budget agreement, too.

MR. BROKAW: Mr. President, before we get back to the Internet questions, I wanted to follow up just for a moment on welfare if I can. If, in fact, you sign the Republican bill that is likely to come down from the Hill, all the projections show that that will push, at least short-term, more than a million youngsters in this country below the poverty line. That's a high risk for youngsters in this country who are already in peril.

THE PRESIDENT: That's right. There are two problems there. The main reasons for that are the proposal on food stamps, which I think may be moderated some, and what I consider to be excessive cuts in assistance to legal immigrants. We're not talking about illegal immigrants. So before our budget negotiations broke up, I asked the Speaker and then-Senator Dole -- now it would be

Senator Lott, of course -- to consider whether or not we ought to give assistance to the children of legal immigrants, at least who were in trouble through no fault of their own -- the parents had an accident or got cancer or were mugged in a 7-11 or something. Those kind of folks, it seems to me, we ought to take care of the children. Now, if we did that, then I believe you'd see a continued reduction in poverty.

Keep in mind, we let the states experiment with moving people from welfare to work. I have granted 67 experiments to 40 states. So 75 percent of the people on welfare today are already under welfare-to-work programs, which have helped to reduce the welfare rolls by 1.3 million. Those kids are better off, not worse off, when their folks get off welfare. So that's what I want to do for the whole country.

MR. BROKAW: In 1992 you said we're going to end welfare as we now know it, as we have been practicing it in this country. But most of your welfare proposals have been reacting to what the Republicans have proposed in the last year or so. There have not been --

THE PRESIDENT: That's not accurate. I started granting these waivers -- I had to write the last welfare reform law, so I knew the President could tell the -- could give states permission to try their own experiments. I started doing this in 1993. And then I sent legislation to Congress which was not adopted in '94, so I just kept on doing the waivers. Then I vetoed the Republican welfare bill and I kept on doing the waivers.

So now three out of four people in America are already on welfare under welfare-to-work experiments. I think you can make a compelling case, as The New York Times, that we have made a quiet revolution in welfare. I'd like to finish it. I'd like to go on and pass welfare reform legislation. But we're clearly moving in the right direction.

MR. BROKAW: We have another question from the Internet about, in fact, foreign policy, and we're going to click on to it right now, even as you watch. We'll see how facile our people are, and they're pretty good. Between the United States and China, what is more important, the economy or democracy? That's especially a concern to people in Hong Kong, obviously --

THE PRESIDENT: Yes.

MR. BROKAW: -- because next year the Chinese take over that --

THE PRESIDENT: Well, I believe over the long run between the United States and China, the thing that's most important is democracy, because I think the freer the people are the more likely they will be to be responsible partners. But the implication of that is, therefore, we should subordinate our economic goals, or we should withhold most favored nation status from them and not treat them like ordinary partners if they're not as democratic as we think they should be. That's what I disagree with.

That is, imposing some sort of economic sanctions will not make China more democratic. I believe they're more likely to become democratic if they progress economically, if we have regular relationships with them, and if we don't pull any punches when we disagree with them if they violate human rights or do other things we don't agree with.

So I believe that economic development and democracy will go hand in hand. And there is some evidence of that. If you look at South Korea, it's more democratic today than it used to be.

It was led by economic advances. If you look at Taiwan, they just had a very raucous election there with a huge turnout, growing out of incredible economic progress in the years before.

So my hope is that we can find a way to deal with the Chinese and be partners with them and agree to disagree, but be honest about that so that we can follow economic and democratic objectives hand in hand. I think that's the way to pursue it.

MR. BROKAW: We have a question. I want to remind everybody that we do have a telephone number. It's 1-888-676-2287. That translates, you'll not be surprised to hear, into MSNBC USA, after the 888 number. We have a call now from Miami, Florida, Mr. President.

Q Hello, Mr. President. It's an honor to be speaking with you. As Mr. Brokaw said, I'm calling you from Miami and we are a community of immigrants and there's two questions regarding this community of immigrants that I'd like to ask. It's a two-pronged question, so please indulge me.

MR. BROKAW: If you could just make it briefly, please.

Q The first one has to do with our Cuban community and we'd like to know whether you are going to enforce the title in the Helms-Burton bill which allows Cuban Americans to sue companies and the investors in Cuba with confiscated properties.

And the other question that I'd like to ask you is about the Nicaraguan community. As you know, there's a lot of Nicaraguans here in Miami, Florida, which have been here for a great deal of time -- many have been here for over 15 years. And there's a limbo as far as to their immigration status goes. Many of them are in great danger because of the Simpson-Smith bill, which is about -- pending in Congress. I'd like to know whether you are leaning towards signing the Simpson-Smith bill and whether any decision at all will come regarding the status of the Nicaraguans. And I'd really encourage you to do so, to make a positive decision. There are communities which have contributed enormously.

MR. BROKAW: Let's let the President answer the first one --

THE PRESIDENT: Let me answer the Nicaraguan question first. The bill to strengthen our hand in dealing with illegal immigration I am strongly inclined to sign if we can get the provision out of there which would require schools all over America to kick the children of undocumented immigrants out of this country, out of the schools. I think that would be a mistake. Every law enforcement group in America has come out against kicking the immigrant children out of the schools.

So we need a bill that would give us some more tools to deal with the problem of illegal immigration. It's out of hand and it's wrong and it's costing the taxpayers too much money, and it's unfair to the legal immigrants who wait in line and do what they're supposed to do.

Now, the Nicaraguans present some special issues, as you pointed out, and we will attempt to resolve those in a fair and honorable way. But, on balance, the country needs this illegal immigration bill.

With regard to the Helms-Burton bill, let me say, first of all, I signed it, as you know, after the Cuban government shot down two airplanes and killed American citizens who were in international waters. We have already begun to enforce vigorously Titles IV of the act, which revokes the travel privileges to this

country from companies that are involved in dealing with confiscated property. I have to make a decision on Title III tomorrow. After this program is over I'm going to have a meeting about it and then I'm going to have another meeting tomorrow. And I will make a decision. I have, as I understand it, three or four different options under the law.

The criteria is that I must do what I think is in the national interests of the United States and what is most likely to bring democracy to Cuba. And, in general, we believe that putting more pressure on does that.

As you know, we've been severely criticized by our European allies and others for doing this, and I was for signing the bill. But I believe that we have to keep pushing until we get a democratic response and some changes in Cuba. But I've not made a decision on specifically what I'm going to do on Title III, and I can't until I have these meetings tonight or tomorrow. I'll make a decision tomorrow.

MR. BROKAW: Mr. President, we have another question from the Internet on InterNight. Here it is -- what do you admire most about Bob Dole, the man you're likely going to be running against next fall?

THE PRESIDENT: Well, there's more than one thing I admire about him, but I think the thing I admire most about him is I believe he really loves our country. He was hurt very badly in World War II. He could have been embittered. He could have walked away. He could have lived a very different secluded life. He threw himself into politics and public life.

And on several occasions when I had to do unpopular things, even when he disagreed with me he didn't try to stop me. When I tried to help Mexico because I thought it was important -- it was unpopular; he agreed with me. When I tried to support democracy in Haiti, he disagreed with me. When I went into Bosnia, he disagreed with me, but he didn't try to interrupt it because he believed that you could only have one President at a time.

And I believe he really loves America. And I think that's the first and most important thing for anybody who wants to get into public life. And I admire him. I think it's genuine, and I admire it.

MR. BROKAW: What do you think about the issues that your old friend, Richard, Lamm is raising, the former governor of Colorado, and the manner in which he is raising them?

THE PRESIDENT: Well, I haven't -- I don't know about the manner in which he is raising them. I haven't had much time to keep up with the manner in which he is raising them. But I have known him a long time and very well. And many of these issues we've discussed probably for 10 years or more now. And he's a brilliant man, and he's a man with some very strong convictions, and he looks at the world in a unique way. And I'm looking forward to whatever contribution he makes to this debate.

MR. BROKAW: Will Mrs. Clinton have a role at the Democratic National Convention in Chicago? Do you expect that she'll address the delegates?

THE PRESIDENT: I don't know. She didn't -- I don't believe she spoke in 1992. There was a campaign film in which she spoke, but I don't believe she did. And we really haven't made a lot of the final decisions yet.

It's her hometown, and she's looking forward to kind of hosting a lot of things there in Chicago because she always has considered it her home and she still has a lot of friends there from

her childhood, and a lot of them are very active in the convention. So she'll be very active there. But we haven't decided what specifically she'll do.

MR. BROKAW: Here's a question from the Internet, one more -- Independence Day, the movie -- could we really fight these guys off, or what, Mr. President?

THE PRESIDENT: I loved it. I loved it and --

MR. BROKAW: A lot of people did, apparently.

THE PRESIDENT: Mr. Pullman came and showed it. I thought he made a good president. And we watched the movie together, and I told him after it was over he was a good president, and I was glad we won. And it made me wonder if I should take flying lessons.

But, yes, I think we'd fight them off. We find a way to win. That's what America does -- we'd find a way to win if it happened.

The good thing about Independence Day is there's an ultimate lesson for that -- for the problems right here on Earth. We whipped that problem by working together with all these countries. And all of a sudden the differences we had with them seemed so small once we realized there were threats that went beyond our borders. And I wish that we could think about that when we deal with terrorism and when we deal with weapons proliferation -- the difference between all these others problems. That's the lesson I wish people would take away from Independence Day.

MR. BROKAW: Mr. President, we thank you very much for being our first guest here on InterNight -- the new enterprise of MSNBC, which combines cable television, of course, and the Internet and telephones and over-the-air broadcasting as well. We thank you very much. We wish you well, and Bob Dole as well in the coming months.

THE PRESIDENT: Thank you very much.

MR. BROKAW: Our best to your family.

END

8:45 P.M. EDT

THE WHITE HOUSE
WASHINGTON

12-17-96
THE PRESIDENT HAS SEEN

December 16, 1996

Memorandum for the President

From : Mike McCurry *MMC*
Press Secretary

'96 DEC 16 PM 7:21

Subject : Gene Lyons' article

The Gene Lyons' article you cited has been helpful in our work with reporters. I have used it in my dealings with ABC's Nightline and I am recommending that Lanny Davis and David Eichenbaum at the DNC use it as a resource tool as well.

*To Lanny Davis
If you don't have time
you should get all the
of his pieces - Bruce Lindsey
probably has ~~the~~ copies -> Gary Sydnor
to -
R*

cc : Lanny Davis
David Eichenbaum

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