

Weekly Compilation of  
**Presidential  
Documents**



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## WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS

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Week Ending Friday, February 3, 1995

**Remarks to the U.S. Conference of Mayors**

*January 27, 1995*

Thank you very much. I'm delighted to be here. I see that half of the Cabinet is here. I guess they've already answered all your questions, solved all your problems. Now they can come solve ours. [Laughter]

Mayor Ashe and distinguished members of the organization, I'm delighted to see all of you. Is Mayor Grant from East Providence here? Your wife told me this was your birthday. Happy birthday. Happy birthday. Just wanted you to know I was checking up on you. [Laughter]

Let me begin by saying congratulations to all of you on the overwhelming passage of the unfunded mandate legislation by the Senate today, 86 to 10 the bill passed. I have not had a chance to look at the final version of the Senate bill. It just passed a little while ago. But I know some very good amendments were added, and I want to congratulate Senator Glenn and Senator Kempthorne. We worked very hard on this bill last year, and I was sorry we didn't pass it then. Both of them did very, very good work. And I believe the bill is a very strong one as it goes to the House. But I have not seen its final form, but I heard it was in good shape. And it must have been pretty good if it passed 86 to 10. And I think that should be reassuring to you; it certainly is to me.

I want to thank you for the resolution you passed on the baseball strike and the action we are taking. We will work very hard on that. I know how important it is to you. I sometimes think that the full economic implications of this whole thing have not been evaluated, not just for the cities that have major league teams but also for the cities that host spring training. This is a big deal, and we're working on it.

I want to thank your international committee for the vote you took on the Mexican

stabilization package that we have offered. As you know, this is not the most popular issue in America today, but it's important. And I thank you for your support. It's in the interest of our working people and our economy. And it's not a gift; it's not foreign aid; it's not even a loan. It's cosigning a note with good collateral. So it's in our interests, and I thank you for that.

When I came here 2 years ago with a mission to restore the American dream for all of the people of this country and to make sure we moved to the next century still the strongest force in the world for freedom and democracy and peace and prosperity, I said then and had said all during my campaign that I wanted a new partnership for the American people. I called it a New Covenant of more opportunity and more responsibility, recognizing that unless we had more of both, we could not hope to do the things that have to be done.

I have sought to essentially focus on three things that I think are critical to making sure we succeed in this new economy: empowering our people to make the most of their own lives, expanding opportunity but shrinking the Federal Government bureaucracy, giving more authority to State and local governments and to the private sector. And I have sought to enhance the security of our people at home and abroad. In all those things you have been very helpful and supportive, both of the specific initiatives of this administration and of your own efforts which fit so well into that framework.

As all of you know, in the last 2 years we've had a lot of successes. We now have the figures in on 1994's growth rate. We know it was the best economic year our country had since 1984. We know that the combined rates of unemployment and inflation are the lowest they have been in 30 years. We know that we have inflation at a 30-year low. We know that, among other things, the African-Amer-

ican unemployment rate went into single digits for the first time in 20 years.

So there is a lot—[*applause*—we've tried to expand more authority to our States and to our cities, and we're bringing the Federal Government down in size and reach where it's appropriate. We already have 100,000 fewer people working for the National Government than we did when I became President. And if nothing else is done, it will shrink by another 170,000. And of course, in terms of security, the most important things we did were to pass the Brady bill and the crime bill, which you were active in and supportive of, and I thank you for all that.

As we look ahead in this year, which promises to be somewhat unpredictable but exciting and I think could be very productive for our country—and I must say this passage of this bill today and the reasonable deliberation in the Senate and the way the amendments were debated in good faith is quite encouraging to me—there are some things that I think we have to do. In terms of empowering our people to meet the challenges of this age, we have to realize our job is still to expand the middle class and to shrink the underclass. And the two main initiatives our administration has this year are the middle class bill of rights and raising the minimum wage.

We want to pass this middle class bill of rights, not only to give tax relief to middle class people who have been working harder for lower wages or for at least no wage increases but to do it in a way that will raise incomes in the short term and in the long term. That's why the focus is on tax deduction for all educational expenses after high school and an IRA with tax-free withdrawal for education expenses or for health care expenses or for the care of a parent or purchasing a first-time home, and why we seek to consolidate the 70 various training programs into one huge block and let people get directly a voucher that they can use if they're unemployed or if they have a low-wage job and they're eligible for training to take to the local community college or wherever else they wish to take it to get the education and training of their choice.

I think it's important to raise the minimum wage, because if we don't next year the buying power of the minimum wage will be at a 40-year low. And the evidence is clear that if you raise the minimum wage a modest amount, it doesn't cause increased unemployed and indeed may bring people back into the job market who otherwise are not willing to come in and go to work. So I would hope you would support both of those things.

In the area of expanding opportunity and shrinking the bureaucracy, we're coming back with a second round of reinventing Government proposals—and perhaps Secretary Cisneros has already talked to you about what we're proposing for HUD—to collapse the 60 programs into 3.

I want to emphasize that we're doing this to strengthen the mission of HUD and to strengthen the partnership that we have with the cities of this country, not to gut the Department's partnership or its capacity to help you do your job.

And so I hope that you will help us as we debate this on both parts, say that you want to support a reduction in the size of the Federal bureaucracy, but you do not want to see the mission of HUD as carried out by the mayors of this country undermined and weakened because you have a job to do.

Finally, let me say some things about the crime bill. I very much hope that we will be able to work through, in this session of Congress, a good faith carrying forward of the crime bill that was passed last year. It became unfortunately embroiled in politics; you know that better than I do. And I think you also know that the prevention programs that were passed were programs that were recommended to us in the strongest possible terms not only by mayors, not only by community leaders but by the leaders of the law enforcement community and that a lot of those prevention programs that were later labeled as pork were cosponsored, the first time they came up, by people who later said they were pork.

Well, all that's behind us now, and the only thing that matters now is, what is the best thing for the people of this country? What will keep our streets safer? What will reduce the crime rate more? What is the most likely approach to actually make the American peo-

ple feel more secure? We must enhance our security at home. At the end of the cold war, I think it's fair to say that most Americans put their children to bed at night more worried about their security concerns at home than abroad.

So what we should seek to do without regard to party or region of the country is that which is most likely to make us most safe and to lower the crime rate. Many of you—I'll bet even a majority of you here—have recorded declines in the crime rate in the last year or so because of the strategies that mayors are adopting with community policing, with prevention programs, with using citizens to work with law enforcement to do things that will reach people in ways that will prevent crime as well as catch criminals more quickly. We have to take these lessons into account.

So as we enter into a second round of debate about the crime bill, I would say there are two or three things that we ought to keep in mind. First, as I said in my State of the Union Address, we should not repeal the assault weapons ban. We should not do that. [Applause] This issue, as you can hear from the response, is not a Republican-Democratic issue, it is not a liberal-conservative issue, it is overwhelmingly an urban-non-urban issue. And what we have to do is to convince all the people I grew up with—[laughter]—that we don't—we don't want to fool with anybody's hunting rifles. We don't want to stop anybody from going to shooting contests. We don't want to interfere with anybody's legitimate pursuit of happiness in the exercise of their right to keep and bear arms. But there is nothing in the Constitution that prevents us from exercising common sense. And people who live in urban settings know that the mortality rate in the emergency rooms of urban hospitals from gunshot wounds has gone up dramatically in the last 15 years because the average body has more bullets in it when it's wheeled into the emergency room. You do not have to be a genius to figure out what's happening.

And so I hope that we can put an end to this war. This is a phony war among the American people. And those of us that respect people's right to hunt and to engage in other appropriate conduct, those of us that

enjoy it ourselves, we ought to be able to ask each other again: What's best for America? And what good is it to pretend that it's a matter of principle to maintain the right of a bunch of teenagers to have Uzis on the streets of our cities.

So I hope you will talk about this in a non-partisan, nonpolitical way and realize this is one of those cultural problems that's gripping America. We got too many of them. They're keeping us apart. But we need to say to the nonurban folks in our society, this is something that—we've got to work this out. This is a fair deal. This is a balanced bill. There are 650 weapons enumerated in this bill that cannot be infringed on by the Government in any way, shape, or form. And so let's let this alone and go on about the business of the country.

I also think we ought to emphasize that at least the Attorney General is doing her dead-level best to make sure that the administration of the crime bill that passed is non-bureaucratic, nonpolitical, and efficient. If you look at what's happened so far, in October, not even 2 weeks into the new fiscal year, we had already funded 392 policing grants that went unfunded last year. Last month, at your recommendation, we gave 631 larger cities the go-ahead to begin recruiting and training more than 4,600 new officers. So they know the money will be there when their applications are handed in.

For the smaller cities, we've streamlined the application process, allowing them to apply more quickly for police with a simple one-page application. I don't know how many one-page applications we've got in the Government now, but I know you can ask for an SBA loan or a policeman with one page. You ought to be able to do more things with one page.

This cops program has now helped more than 1,000 communities to put more than 10,000 more police officers on the street in all 50 States. Within a week, when the announcement is made of the winners of the COPS FAST program, that total will be close to 15,000, well on the way to the 100,000 goal of the crime bill. That would be a 20 percent increase in the strength on the streets.

Now, the crime bills now being considered in Congress have some things that I think may be superficially appealing but need to be thought through. If you scrap the \$8.8 billion cops initiative, as some suggest, and replace it with a \$10 billion block grant which also has to include prevention programs, the good news is you'll have a block grant. The bad news is there'll be a lot less money in it than was provided for.

And keep in mind, to all those who say it wasn't funded, we did not raise one red cent in taxes to pay for the crime bill. We did not take one red cent away from any other program. We simply dedicated all the savings to be gained from reducing the size of the Federal bureaucracy to giving it back to local communities to use to fund the crime bill. That's what was done.

Now, to make matters worse, some have suggested that the \$10 billion block grant to fund police and prevention could only be funded if we first fund \$10 billion in new prisons. So that's a decision that some would make against the unanimous advice of every police officer in the country who has testified. So that—if we make that decision, that would be like people saying, "We don't care what lowers crime; we don't care what makes people safer; we don't care what people in law enforcement who vote Republican and Democrat say. This is what we're going to do. It will make us feel better, and we can claim that it was the best thing to do."

We should not do that. This ought not to become a political issue. That crime bill had a balance of police and prevention and prisons. We shouldn't take all the prevention money away through the back door and put it into prisons. And we shouldn't say that the prisons are more important than the police and the prevention. I had no objection to getting into the business of helping States with their prison construction, even though it was totally unprecedented, but there is no evidence that that is the way to lower the crime rate. The American people want to be safer at night; they want their kids to be safer on the streets and at school. And we ought to be driven by what is best for the American people.

I would also say, just parenthetically, that even last year I was concerned when the

crime bill passed that the conditions on getting that Federal money for prison construction were so restrictive and required such a large State match that a lot of that money might never be used. We cannot permit a cruel hoax to then be written into the law saying, well, you can get this block grant for police and prevention but only after the prison money is spent and then have conditions on spending the prison money so strict that it will never be spent in the first place.

So I urge you to just go up there without regard to your party or region and say, look, let's do what will lower the crime rate; let's do what will keep people safer. The American people will figure that out. They will trust their local leaders; they will trust their local law enforcement people; they will trust them. We can share responsibility now. There need be no characterization that is negative when this process is over. There need be no name-calling. There needs to be no anything. We just need to do what is right to lower the crime rate. And all of us have worked so hard on this.

Again, I would say this is like the assault weapons issue. We've got big issues to deal with. This unfunded mandates is one. Welfare reform is another. How we're going to lower the deficit and provide tax relief is another. There are major positive issues that we're going to have to face. We don't need to reopen an issue and make it worse. So I ask you to help us on that.

Now, let me say one final thing about the baseball strike, if I might. I asked Bill Utery, the Federal mediator, to get the sides back together and report to me by February 6th. Anybody know what February 6th is? It's Babe Ruth's 100th birthday. So it struck me as a good day to settle the baseball strike. I identify with Babe Ruth. He's a little overweight. [*Laughter*] And he struck out a lot—[*laughter*]—but he hit a lot of home runs because he went to bat. You are the people in this country who go to bat. You have to deal directly with people. You have to be accountable, not only for the rhetoric of your speeches but the reality of your actions.

And so I ask you to take this opportunity to join with us, and let's make the decision the American people made last November, a good decision by making it one of shared

responsibility. Let's move what we can back to the State and local level. Let's work to empower people. Let's reduce the burden of Government and increase the opportunity it creates. We can do these things, but it is very important that we not fix what ain't broke and that we not become diverted by issues that can only divide us when there is so much we can do that will bring us together.

Thank you very much.

NOTE: The President spoke at 4:36 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Mayor Victor Ashe of Knoxville, TN, and Mayor Rolland R. Grant of East Providence, RI. This item was not received in time for publication in the appropriate issue.

### **Remarks on Welfare Reform**

*January 28, 1995*

Good morning. I am on my way to Blair House to host an all-day meeting that is a bipartisan working session on welfare reform. We will have Members of Congress, Governors, and local officials there from all across our country. I am determined to work with them to pass welfare reform. I think it is perhaps the most pressing social problem we face in our country, and the time has come for Congress to act.

As I said in the State of the Union, what we need in welfare reform is a New Covenant of opportunity and responsibility. People on welfare who can work should go to work. Parents who owe child support should pay it. Governments don't raise children; people do. And we must have a national campaign against teenage pregnancy and births outside marriage.

If we're going to end welfare, let's do it right. We should require work and responsibility, but we shouldn't cut people off just because they're poor or young or unmarried. We should promote responsibility by requiring young mothers to live at home or in proper supervised settings and to finish school. But we shouldn't put them or their children out on the street. I have worked on this issue since 1980. I know that the people who want to change welfare most are those who are trapped on it.

Yesterday, in preparation for this meeting, I met with four former welfare mothers who have managed to free themselves from the system. I listened again to the stories of people who have had great difficulty in trying to get the kind of support they need to get off of welfare, people who did not want to get on in the first place and were anxious to be off of it. I know that most people who are trapped in welfare will gladly take the work options if we can work out the system in the proper way. I also know that those who don't want to do the responsible thing must be required to do so.

But our job in the end is not to tear anybody down and not to use this issue to divide America, but to build people up, to liberate them, to give them the capacity they need to compete and win in this new economy. The American people want us to put politics aside and to get this done for our country. I am committed to doing it, and I believe the people who are coming to this meeting this morning are committed as well.

Wish us well. Thank you very much.

NOTE: The President spoke at 8:12 a.m. at the South Portico at the White House.

### **The President's Radio Address**

*January 28, 1995*

Good morning. I want to talk to you today about the New Covenant I discussed in the State of the Union. My mission as President is to restore the American dream to all of our people. In the new economy of the 21st century, that requires a New Covenant between the people and their Government and among the people themselves.

This is something I've been talking about for many years, since I ran for President. The New Covenant is grounded in an old idea that all Americans have not just a right but a responsibility to do the hard work needed to rise as far as their talents and determination can take them and to give something back to their community and to their country in return.

Opportunity and responsibility, they go hand in hand. We can't have one without the other, and we can't have a strong community without both. We've worked hard to create

more economic opportunity for our people in the last 2 years, bringing the deficit down, investing in education and new technology, expanding trade. We've gotten more than 6 million—or almost 6 million new jobs, the fastest growth in 10 years, and the lowest combined rate of unemployment and inflation in 25 years. That's good news.

But America's still got a lot of problems. There are still interests of people and values of people that are not being furthered. And there's really no better example of the need for us to build a New Covenant together than the failed welfare system. Today's welfare system doesn't provide enough opportunity, and it certainly doesn't require enough responsibility. It's a system so badly broken that it undermines the very values, work, family, and responsibility, people must have to put themselves back on track. We've got to return those values front and center.

Our job in Government is to expand opportunity, not bureaucracy, and then to empower people to make the most of their own lives. We must not ask, and Government should not provide, what we really must do for ourselves.

I've worked on this issue of welfare reform for a very long time now, since I first became Governor of Arkansas over 15 years ago. I know there are a lot of different ideas about what we should do. But everyone agrees the system is broken and it needs to be fixed. I'm committed to making welfare what it was meant to be, a second chance, not a way of life. I'm committed to making sure that the only goal of the welfare system is to help people get off of it, into a job where they can support themselves and their families. I believe we should give people the opportunity to move from dependence to independence, providing job training and child care if that's what they need for up to 2 years. At the same time, we must demand that people accept responsibility for themselves. After 2 years, anyone who can work must work. And if a parent doesn't pay child support, that person should be forced to pay. People who have children must be prepared to take responsibility for them.

We should require work and responsibility, but we shouldn't cut people off just because they're poor or young or unmarried. We

should promote responsibility by requiring young mothers to live at home with their parents or in appropriate supervised settings and to finish school, but we shouldn't put them and their children on the street. I don't believe we should punish people because they happen to be poor or because of past mistakes. And absolutely, we shouldn't punish children for their parents' mistakes. All of us have made our mistakes, and none of us can change our yesterdays. But every one of us can change our tomorrows. That's what welfare reform should be all about.

And one more thing, Washington doesn't have all the answers. In fixing welfare, as on so many other issues, we have to shift resources and decisionmaking back to States and local communities. The welfare system shouldn't be centralized in Washington, dispensing services through large bureaucracies. We've got to shift more responsibilities back to the citizens of this country.

We've made a good start on this over the last 2 years. We've already given 23 States the right to slash through Federal rules and regulations to reform their own welfare systems. Last year, we introduced the most sweeping welfare reform plan ever presented by an administration. Today at the White House, I'm hosting an all-day working session on welfare reform including Governors, Members of Congress, Democrats and Republicans, people on welfare, and people who have worked their way off. I'm determined to work with all of them to pass welfare reform, and I hope we can make some progress today.

This is a complex and sometimes divisive issue. But if we put partisanship aside, we can come together and solve it around some simple and important values: moving from dependence to independence, from welfare to work, from childbearing to responsible parenting. Let this be the year we end welfare as we know it. And let it also be the year we are all able to stop using this issue to divide America. That should be our commitment. The American people deserve nothing less.

Thanks for listening.

NOTE: The address was recorded at 6:08 p.m. on January 27 in the Roosevelt Room at the White House for broadcast at 10:06 a.m. on January 28.

**Statement on the Death of Jim Grant**  
*January 28, 1995*

It was with deep sadness and regret that Hillary and I learned today of the death of Jim Grant, executive director of UNICEF. Throughout his long career, Jim Grant was a visionary leader, one of the most distinguished international public servants of our time. It was in recognition of Jim Grant's lifelong contributions that I was honored to present him with the Presidential Medal of Freedom last August.

Under Jim Grant's 15 years of leadership, UNICEF has earned a reputation as one of the most effective and esteemed U.N. agencies. UNICEF retains its special place in the hearts of all Americans.

We will remember Jim Grant most for his tireless advocacy on behalf of the world's children and for pioneering low-cost, simple techniques for alleviating disease, poverty, and suffering among the neediest of children. One measure of his legacy lies in the fact that today 80 percent of children in the developing world receive immunizations compared with 20 percent in 1980, when Jim Grant assumed leadership of UNICEF.

Today we have lost a personal friend, an American hero, and champion of children throughout the world. We will all miss him.

**Remarks at the National Governors' Association Dinner**

*January 29, 1995*

Good evening, ladies and gentlemen, and welcome to the White House, again for many of you, and for the first time for some. This is always one of my favorite evenings of the year, one of Hillary's favorite evenings, a chance to see old friends and think about old times and look to the future.

Two years ago, when I had the opportunity for the first time to host this dinner, after having been on the other end of it for 12 years, I pledged to you that I would take the experiences that we had shared together and strive to form a new partnership with the Governors and with the States. After 2 years, I think it's fair to say that we have made good on that pledge. And tonight, I want to renew

that pledge as we debate the astonishing range of opportunities and challenges that are ahead of us.

I also want to thank those of you who have gone out of your way to give me the opportunity to make good on the pledge when you thought we were slipping a little. *[Laughter]* And I want to thank those of you who have acknowledged what you thought we were doing right. In particular, two of the Governors, not of my party, who went through the line tonight and complimented the partnership of the Federal Government and various agencies, I appreciate very much.

I think every American now wants Government to expand opportunity and to shrink bureaucracy, to empower people to make the most of their own lives, to enhance our security but not to do those things which it ought not to do. Working in partnership with us, many of you have pioneered ways to reform health care and to reform welfare, free of Federal rules and regulations which had previously encumbered you. We have done our part to be good partners. We have reduced the deficit; we have reduced the size of the Government; we have reduced regulation in important areas.

We have also done what we could to improve our performance. I cited in the State of the Union, and I cite again, something that those of you who have had the misfortune to have disasters know, which is that the Federal Emergency Management Agency, and all those who work in the disaster area, the Department of Transportation, HUD, and others, are no longer a disaster when disaster occurs. They are there working in partnership with you, and we want to do more of that.

In that spirit now, we begin a new year of debates, working on welfare, perhaps the most important thing we can do from the point of view of all the people of all of our States, without regard to party or region or race or income.

We had a very, very good meeting yesterday with a bipartisan group of Governors, local officials, Members of Congress, and I thank those of you who participated.

The Vice President will also be presenting a second round of reinventing Government proposals which will cut further spending

and reduce the Federal role and give more responsibilities to the State. And as you know, we are proposing a tax relief package which focuses primarily on education and giving people tax reductions in return for educating their children and themselves.

I hope as we go forward, we can agree on the things which we don't think the Federal Government should be doing. And I hope we'll also be agreeing on some things we think we should do. There is a plain national interest in protecting the essential needs of the children of this country. We clearly can do some things right in a non-bureaucratic, creative way. And I think the best example of that is AmeriCorps, our national service program, which has worked closely with many of you in this room tonight.

I want to close by saluting your distinguished chair, Governor Dean, and Judy, and all of you for all you have done. For those of you who have worked with Hillary and with me over the years, and with the members of our Cabinet, particularly those who are former Governors—and I see Governor Babbitt and Governor Riley here—let me say that there is no more rewarding experience than being able to reach across the lines that divide us to feel that we are really making a difference in peoples' lives; that we are giving the American people a government that is leaner, but not meaner; one that really does help them make the most of their own lives. I think that's why we all got into this work, and if we'll just keep that in mind, I think when we're all done, we'll be very proud.

I'd like to propose a toast to the chair of the National Governors' Association and to his fine wife, and to all the Governors and their spouses tonight.

To the Governors and their families, thank you.

NOTE: The President spoke at 8:41 p.m. in the State Dining Room at the White House. In his remarks, he referred to Gov. Howard Dean of Vermont, Chair of the National Governors' Association, and his wife, Judith.

### **Remarks in a Telephone Conversation Congratulating the Super Bowl Champion San Francisco 49ers**

*January 29, 1995*

**The President.** Eddie, can you hear me?  
**Eddie DeBartolo.** Yes, Mr. President, I can.

**The President.** It's nice to hear your voice. Congratulations.

**Mr. DeBartolo.** Thank you so much, sir.

**The President.** I want to say to you and to George and Carmen and to all your wonderful players, it was a—the whole season was thrilling for all of us, and I think the best thing I can say about the 49ers is, I haven't met a single fan anywhere in America who resents all the success you've had. And that's a rare thing. And it's a real tribute to you, to the coach, and to the players in the way you've won and the way you've conducted yourself. We're all happy and proud of you tonight.

**Mr. DeBartolo.** Well, Mr. President, I can't thank you enough for taking this time, and I know from a very busy schedule. And we're all your backers, and I thank you so much from the bottom of my heart.

**The President.** Thank you. Congratulations to all of you.

**Mr. DeBartolo.** Thank you very much.

**The President.** I liked seeing George without his glasses. He looks good.

NOTE: The President spoke at 10 p.m. from the Residence at the White House. In his remarks, the President referred to San Francisco 49ers owner Eddie DeBartolo, head coach George Seifert, and team president Carmen Policy.

### **Remarks at the National Governors' Association Gala**

*January 29, 1995*

Thank you. Well, we want to thank John and Jonathan and Mary Chapin Carpenter. And at least from my part, I know how hard it is to do anything when you're hoarse. [Laughter]

It doesn't get any better than this. You were wonderful. We thank you. It's been wonderful for Hillary and for me to have all of you here. There will be music out in the foyer and a little dancing if you have a little of that spirit.

I will say this: For all of us who come from small towns all across America, I wish I had a nickel for every time I drove through that town you sang about tonight. [*Laughter*]

Thank you all. God bless you, and good night.

NOTE: The President spoke at 10:48 p.m. in the East Room at the White House. In his remarks, he referred to singer Mary Chapin Carpenter and her accompanists, John Jennings and Jonathan Carroll.

### **Remarks to the National Governors' Association Meeting**

*January 30, 1995*

Good morning. First, I want to welcome you back to the White House. For those of you who were here last night, Hillary and I enjoyed having you; it was a great dinner and we enjoyed the conversation and the entertainment and the fellowship.

There are two or three things I'd like to speak about this morning before turning the microphone over to Governor Dean and Governor Thompson and the Vice President. First, let me thank the executive committee for its vote yesterday on our stabilization measure for Mexico. And let me urge the NGA as a whole to support that executive committee recommendation.

The United States has a lot at stake in Mexico. We have hundreds of thousands of jobs that are tied to the success of the Mexican economy. It is now our third largest trading partner—several billions of dollars a year. Our future cooperation and our ability to manage some very significant immigration problems could be affected by what is going on there, and the efforts that we are making to cooperate on the drug issue could obviously be affected by what is going on there.

I want to emphasize that the stabilization initiative is not a gift, not a loan, not a bailout; it is a loan guarantee. We are cosigning a note. We'll have good collateral. We're doing

it because it's in the interest of the United States. I worked on it extensively this weekend, and I realize that it's not politically popular back home, it's a rather complex issue, but it is clearly in the interest of American workers, American businesses, and the United States as a whole. So I thank the executive committee for your vote, and I hope the NGA as a whole will follow the recommendation of the executive committee.

The second thing I'd like to talk about is, very briefly, is the commitment that I made 2 years ago to have a better, stronger partnership with the States, to regulate less, to empower more, to try to push more responsibilities down to the State and local level. The Vice President will say a little more about that, and then tomorrow at the NGA I'll have a chance to speak in greater detail.

But we have worked not simply to reduce the size of the Federal Government, although we have by over 100,000 already; not just to reduce the burden of regulation, although we have in banking and interstate trucking and number of other areas; not just to reduce the cost, although we did, last year was the first time in 25 years when the Congress voted to reduce both domestic and defense spending, obviously, except for Social Security and the health care programs, but also to try to move responsibility to the States.

In the last 2 years, our administration, for example, granted more waivers in the area of health care and welfare reform than in the previous 12 years combined. And we want to do more of that. We also have worked very hard to try to help work through problems that have existed in the past with specific governmental agencies, and we want to do more of that. And as I said, the Vice President will have more to say about that.

We are strongly supporting the move to get unfunded mandates legislation passed in the Congress and are encouraged by the work that was done in the United States Senate where, as I remember, the bill passed 86–10 last week, after a really open and honest discussion of all appropriate amendments. The legislation is now moving through the House. I think there are about 100 amendments pending, but I think they will move

through it in a fairly expeditious way, just as the Senate did.

With regard to the balanced budget amendment, it has passed the House; it is now in the Senate. I will say again what I've said all along here. It seems to me that the State legislators, the people, and the Governors have a right to know what is entailed in the time line if the effort is made. And I would hope that we would continue to take that right-to-know position. You have a right to know what happens. You have a right to know what happens if we protect Social Security. You have a right to know what happens if we protect Social Security and Medicare. You have a right to know what happens in the details of this.

We have cut \$600 billion-plus off this deficit. I am going to give a budget in early February to the Congress which will take over \$140 billion more in cuts. We have eliminated 100 programs; we have cut hundreds and hundreds of others. I want to keep bringing this deficit down, but I think we ought to all go into a change in the fundamental document of this country with our eyes wide open and knowing what the consequences are.

The third thing I'd like to talk about, briefly, is welfare reform. For those of you who were present at the Saturday meeting, I want to thank you again for being there. It reminded me very much of the process that we went through in 1987 and 1988 when we had a Republican President and a Democratic Congress and a bipartisan group of Governors. And we worked in '87 and '88 toward the passage of the Family Support Act.

I thought it worked then; I think it will work now, if we all work in good faith. We agreed that welfare has to be reformed, that the most important thing is to change it from a system which fosters dependence to one that fosters work and independence, that we ought to support education where it is needed, and that we ought to support responsible parenting.

We agreed that, as we try to put more of the operational decisions back to the State and local level, there must be some strong national steps taken on child support enforcement, because so many of those orders

are multi-State in their impact and because we are doing such a bad job as a country now in collecting child support which should properly be paid to children.

We agreed that there must be more State and local flexibility; we agreed that there ought to be an effort to reduce teen pregnancy and out-of-wedlock pregnancy, generally. Governor Carper gave a very moving presentation of what is going on in Delaware, and as you know, I announced in my State of the Union that we would make a national effort on this which we'll have more to say about in the next few days.

We did not reach final agreement on the questions of how the partnership should be structured, what the implications of a block grant would be, and what, in specific terms, the national interest is in preserving the welfare of the children of this country. I have to say that I basically am in favor, as I always have been, of maximum flexibility for the States. I was a strong supporter of the Community Development Block Grant Program, for example, when I served as a Governor. But we do have a national interest in protecting the welfare and the possibilities of our children.

In 1985, for the very first time in our history, at least since we've been keeping such statistics, the elderly became less poor than the rest of the population because of the cost-of-living adjustments and Social Security, because of supplemental security income, because of Medicare. That is something I think we're all proud of.

The flip side of that is that the poverty population itself has stayed the same, or has actually increased, and almost all the poor now are little children and their not very well educated parents, by and large. So we do have a national interest in the welfare of these children and in changing the welfare system so that it promotes responsibility and lifts people up without punishing children who were not the cause of the problems that they face in life. That, it seems to me, is the dividing line that we have to be animated by as we try to forge this new partnership. I'm excited about it; I think we can do it.

We must pass welfare reform this year, and it has got to be real, meaningful, different, and better and broader than anything we've

ever done before. And it ought to give you a great deal of flexibility out of—if nothing else, out of a sense of sheer simple humility that no one has all the answers to deal with these difficult riddles that threaten the stability of our families and the future of our kids.

So I am encouraged by where we are. I thank you again for the executive committee resolution on Mexico. We are going to work with you to further the partnership between the States and the Federal Government. And we must pass welfare reform this year, but it ought to be the right kind with the right results.

NOTE: The President spoke at 9:58 a.m. in the East Room at the White House. In his remarks, he referred to Gov. Tommy G. Thompson of Wisconsin.

### **Remarks and an Exchange With Reporters Prior to Discussions With President Mircea Snegur of Moldova January 30, 1995**

**The President.** Let me say, first of all, it's a real pleasure and an honor for me and for the United States to welcome President Snegur here and the whole delegation from Moldova. They have been a real model of commitment to democracy and to economic reform. And we have been deeply impressed by the work they have done, the progress they have made. And I'm looking forward to my visit with him.

I also want to thank him for sending me the nice Moldovan wine last Christmas, which was very much appreciated here at the White House.

#### **Mexican Loan Guarantees**

**Q.** Mr. President, will you have a Mexico bailout bill ready today? The peso and the bolsa are dropping sharply.

**The President.** We certainly hope so. I worked yesterday for several hours on this and secured again the reaffirmation of the commitment of the leadership of both parties in both Houses to go forward. And we have put out more strong statements today about it.

I think we just—this is something we have to do. The time is not a friendly factor, and

I realize that the Congress had other important measures to debate last week, the unfunded mandates legislation in the Senate, the balanced budget amendment in the House. But this can be resolved fairly quickly, and it needs to be.

**Q.** Mr. President, there's a suggestion by some leaders that support is eroding for the package rather than increasing. Do you—is that the case?

**The President.** Well, I think it will increase again once people look at the facts, if we get a bill out there. We need to—the bill needs to go in. And Secretary Rubin has, and others, have negotiated in great detail and in good faith with the appropriate leaders in the Congress, the committee chairs and others. And I think they're ready for a bill to go forward. And it's time to get it in and go forward.

**Q.** What do you think of critics who say it's a bailout for Wall Street?

**The President.** It isn't a bailout for Wall Street. There are—first of all, helping the economy stay strong down there is more important than anything else for our working people and our businesses on Main Street that are doing such business in Mexico. If they want to continue to grow and to have that as a market, we can't let the financial markets, in effect, collapse the Mexican political and economic structure. Secondly, there are a lot of pension plans and ordinary Americans that have their investments tied up there. Thirdly, we have immigration and narcotics cooperation and control issues here involved. This is something for ordinary Americans. It's very much in our interest, and we don't want to let it spread to other countries and, indeed, to developing countries throughout the world. We're trying to promote countries that are moving toward market reforms and moving toward democracy, not to undermine them. And it's very much in our personal interest to do so. It is not a Wall Street bailout, it's in America's interest to build the kind of future we want.

**Q.** Are you optimistic you'll get a package this week or next?

**The President.** I'm optimistic that we'll pass it because more often than not in very difficult issues the Congress does the right thing. And we've got a new and different

Congress, but I think they'll do the right thing.

NOTE: The President spoke at 12:08 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

### **Joint Statement With President Mircea Snegur of Moldova** *January 30, 1995*

At the invitation of President Clinton, President Mircea Snegur of the Republic of Moldova made a working visit to Washington. During their discussions on January 30, the two leaders welcomed the strong state of U.S.-Moldovan relations, which have expanded considerably since diplomatic contacts were established in 1992.

President Snegur described the substantial progress made toward economic and democratic reform in Moldova. He mentioned that prices in Moldova have been completely liberalized, and reaffirmed his government's commitment to reduce government subsidies and privatize commercial enterprises. Noting Moldova's success over the past year in reducing inflation and maintaining the value of its currency, President Snegur pledged to continue working closely with international financial institutions such as the International Monetary Fund and the World Bank. The Moldovan President reviewed the democratic parliamentary elections conducted in February 1994, and the adoption of a new constitution enshrining respect for democratic government and fundamental human rights.

President Clinton praised Moldova's economic and political development, which has placed that country at the forefront among the new independent states of the former Soviet Union, and reiterated continued U.S. support for Moldovan reforms. President Clinton announced that Moldova will receive \$22 million in technical assistance in fiscal year 1995, targeted primarily on privatization, economic restructuring, health and exchanges. This brings the total of U.S. assistance to Moldova since 1992 to well over \$200 million. President Snegur expressed his appreciation for U.S. assistance over the past

three years and cited the important impact this aid has had on the success of reform in Moldova.

President Clinton and President Snegur discussed the inauguration of new programs in 1995 to assist Moldova in creating its first stock exchange, to help emerging small businesses in the regions outside Chisinau, to expand a program of technical assistance and training in agribusiness development, and to establish a permanent office of the Western NIS Enterprise Fund in Chisinau. President Snegur requested that the United States further its efforts to promote U.S. investment in Moldova, underlining that a favorable legal framework has been established to achieve this goal. The Peace Corps will initiate an Economic Development Program, expanding its current work to include volunteer advisers for small businesses and local entrepreneurs.

Moldova and the U.S. Department of Agriculture are finalizing an agreement for \$10 million in concessional food sales in 1995, and an additional \$2 million in food donations. The Department of Agriculture will also fund at least 16 Moldovan participants in the Cochran Fellowship Program for 1995, which provides training programs in the United States for selected agricultural specialists. President Clinton announced the United States will seek beneficiary status for Moldova under the Generalized System of Preferences (GSP). Such a step is designed to promote greater bilateral trade through tariff reductions on various commercial items. During his visit to the White House, President Snegur and Vice President Gore signed the Globe Bilateral Agreement for Cooperation. The Globe program, initiated by the United States, is an international environmental science and education program that will bring students, teachers and scientists together to study the global environment.

President Snegur discussed with President Clinton the status of negotiations toward a peaceful settlement of the separatist dispute in Moldova's eastern Transdnier region. He assured President Clinton of his commitment to a peaceful, negotiated settlement of the dispute in accordance with international standards and in cooperation with the international community, including the Organiza-

tion for Security and Cooperation in Europe (OSCE). President Snegur described recent progress in negotiations to reestablish economic links between the communities on both sides of the Dniester River, and to formulate a special status for the Transdniester region within a unified Moldovan state. President Clinton lauded President Snegur for Moldova's exemplary approach toward peaceful resolution of this internal political dispute. He reaffirmed the United States' support for the independence, sovereignty and territorial integrity of Moldova and applauded its positive human rights record, particularly its treatment of national minorities. President Clinton reiterated that the United States would continue to promote a settlement of the Transdniester dispute, including through its cooperation with the OSCE.

President Snegur reviewed the status of negotiations between Moldova and Russia concerning the withdrawal of the Russian 14th Army, noting the importance of the October 1994 framework agreement establishing a three-year withdrawal timetable. President Clinton expressed his expectation that Russia and Moldova would implement the terms of the agreement expeditiously and comprehensively, paying particular attention to the withdrawal of military equipment. The two presidents welcomed the OSCE's constructive role in following the implementation of the withdrawal agreement and searching for a lasting political solution of the problems in the eastern part of Moldova, as called for in last month's OSCE Budapest Summit.

President Clinton and President Snegur noted the great strides made in recent years toward overcoming the division of the European continent and opening the way for closer cooperation among the European states. During President Snegur's visit to the Pentagon, he and Defense Secretary William Perry signed a Joint Statement on Future U.S.-Moldovan Defense and Military Relations. President Clinton welcomed Moldova's decision to participate in the Partnership for Peace, an important component in an emerging new security concept for Europe. Under the Warsaw Initiative, the United States will seek to provide Moldova assistance in the next fiscal year to complement Moldova's own resource commitments for Partnership

activities. The two leaders reaffirmed their support for coordinated international efforts, through such structures as the OSCE and the United Nations, to promote peaceful solutions to regional conflicts.

President Clinton and President Snegur expressed the belief that the visit by President Snegur contributed greatly to further strengthening bilateral relations. President Snegur expressed his warm appreciation to President Clinton and the people of the United States for the opportunity to visit.

NOTE: An original was not available for verification of the content of this statement.

### **Remarks to the National Association of Home Builders**

*January 30, 1995*

Thank you very much. Thank you, Tommy, for your introduction, and thank you for all of the hard work you've done as president and the work you've done with us. I also want to send my best wishes to your new president, Jim Irvine. I look forward to working closely with you, Jim, and with your entire association.

Let me begin by doing something I wasn't supposed to do. You know, my staff told me I didn't have time to stay and answer questions, and then the gentleman who preceded me didn't get a chance to answer the question. So I'll answer it the best I can here off the top of my head with regard to the deficit, because it will set up what I want to talk about in a moment.

When you make your income tax check out in April about—well, over a third of it will go to pay interest on the national debt, and about 28 cents of it will go to pay interest on the debt accumulated between 1981 and 1993 in January when I took office, in just that 12 years alone.

To give you some idea of the contrast: only about a nickel of your income tax check would be required to pay for welfare and foreign aid put together. So it is a very serious problem. We estimate within a couple of years interest on the debt will be more costly than national defense every year, which is why I've worked so hard on it.

I thought I'd start by answering a question to see if I could get your attention. I was thinking that, as I was being introduced, of a joke I was told by a college president over the Christmas holidays, when she said that she identified with me when someone said that being a President was a lot like running a cemetery: There are a lot of people under you, but nobody's listening. So I thought I could answer your question and maybe you would.

Let me thank each and every one of you in the National Association of Home Builders for the support you've given to our administration's efforts to get this economy going and to bring the deficit down. Working together, we have made a real difference in the lives of the American people, and I want you to know I appreciate all your hard work to make sure we're a stronger nation as we move into the 21st century and to preserve the American dream, including home ownership for all of our people.

I know Secretary Cisneros spoke with you on Saturday, and I'm especially glad you had a chance to hear from him on my behalf. The efforts he's made at the Department of Housing and Urban Development have been a crucial part of what we've all done together to build up America. Our work is a prime example of the kind of partnership I've tried to build between the public and the private sectors throughout our country. Together, our job is to build a foundation upon which American families can build up their own futures, share in economic prosperity, and keep the American dream alive for another generation.

Our partnership is part of what I have called the New Covenant. When I ran for President, the New Covenant was at the center of my campaign. It's a call for more opportunity and more responsibility, recognizing that you can't really have one without the other, and that unless we have more of both, we can't hope to stay strong at home and remain the strongest force for peace and freedom throughout the world.

To build that New Covenant, I've focused on three things that are critical to making sure we succeed in the new global economy: first, empowering our own people to make the most of their own lives; second, expand-

ing opportunity and shrinking and redirecting the Federal bureaucracy to meet the needs of our people today and tomorrow; and finally, shifting more authority to the State and local levels and to the private sector over those things that they can do better than the Federal Government.

The National Association of Home Builders has been a strong partner in many of these efforts. Throughout the life of our Nation, nothing has been more important as a building block of the American dream than home ownership. And that's been especially true in the second half of this century.

Together, we've worked hard to reinforce that foundation and provide new building blocks, and the results show that our partnership is working. Think about your industry first. America had nearly 1.5 million housing starts last year, the best since 1988. Single-family starts totaled nearly 1.2 million; that's a 13 percent increase over the previous year, the best year of performance since 1979.

Beyond the homebuilding industry, we see strong evidence that our partnership is working as well. In contrast to the 4 years before I took office, we've had almost 6 million new jobs in this economy in just 2 years. Nineteen eighty-four gave us the fastest growth in 10 years and the lowest combined rate of unemployment and inflation in 25 years. And for the first time in nearly a decade, America was rated as having the world's most productive and competitive economy.

We're doing all of this because, first and foremost, we've worked to put our economic house in order. Just 2 years ago, it was an open question whether we would find the strength to cut the deficit that had exploded out of control during the previous 12 years and had driven our interest rates up and our economy down.

Together, thanks to people like you, we were able to change that course. We passed an economic package that's bringing the deficit down by more than \$600 billion. That's about \$10,000 for every family in America. And it's going down 3 years in a row for the first time since Truman was President.

You were one of our biggest supporters in deficit reduction because you knew it would bring down our interest rates and you knew it would get our economy going again,

and I'll always be grateful for your help on that.

Getting the deficit under control was only a beginning. We've also cut the size of Government and focused its efforts where it can really make a difference in meeting today's and tomorrow's challenges.

We've already cut the bureaucracy by more than 100,000, and we're on our way to cutting 272,000 positions over a 5-year period without regard to anything else that happens in this Congress. So the Federal Government is already going to be at its smallest size in 30 years.

Look at HUD. We closed all the regional offices, eliminating an entire layer of bureaucracy. We cut the Department's work force by 10 percent to make their work, and we hope your work, more efficient. And HUD wasn't the only Department. We're closing 1,100 Agricultural Department offices and doing a lot of other things that I think all of you would approve of. But cutting the Government is only part of the job. We're also making the Government we have work better for our people. We've streamlined many, many programs and given local communities more flexibility to solve problems at the grassroots where they can get the job done most effectively.

In the area of welfare reform alone, for example, we have given two dozen States permission to get around cumbersome Federal regulations, to try new and exciting ways to move people from welfare to work.

In the housing field, under the leadership of Secretary Cisneros, the Federal Housing Administration has already lowered costs and changed rules to help home buyers. After the reforms FHA has made, today it takes just 3 to 5 days, not 4 to 6 weeks as it used to, to get an FHA single-family loan endorsement. That's why FHA insured 1.3 million new loans last year, including 450,000 for first-time buyers. That's the second best year in its 60-year history.

Now we're moving to strengthen our efforts. We propose to consolidate 60 different narrowly focused housing programs into three flexible funds. We want to transform the Federal Housing Authority into an entrepreneurial, Government-owned corporation. And we propose phasing out direct subsidies

to housing authorities and to end public housing as we know it.

Instead of subsidizing bureaucracies, we want to give money directly to residents so that they have the opportunity to take more responsibility for their own lives. This is progress all of us can be proud of. Our partnership is working. But as much progress as has been made, you and I know it's not enough.

Too many people are working harder for less. They have less security, less income, less certainty they can even afford a vacation, much less the downpayment on a new home. That's why I proposed a middle class bill of rights, which could be called, and probably should be called, the middle class bill of rights and responsibilities, because for every opportunity it offers, it requires responsibility in return.

The middle class bill of rights is about ensuring that the American dream stays alive for everyone willing to take responsibility for their future. It will help with your piece of the American dream and with a lot of others as well. To foster more savings and personal responsibility, the middle class bill of rights will enable people to establish individual retirement accounts and then to withdraw from them, tax free, for the cost of education, health care, the care of a parent, and to buy a first home.

Because of our work in the last 2 years, we've already seen the home ownership rates for young families actually go up for the first time in more than a decade. The middle class bill of rights will help even more Americans to buy a home. It says to our young couples in particular, owning a home is not out of your reach. There is a reason to save and real hope that your hard work and responsibility will pay off for your family.

Education is another critical building block in the strong foundation for our country. And the middle class bill of rights also includes a deduction for education and training costs after high school. That eases the burdens on families by helping them to educate themselves and their children. Furthermore, the middle class bill of rights offers a \$500 tax break for families with young children and collapses nearly 70 different Federal job training programs into a grant which

will provide for direct vouchers to unemployed workers or low-wage workers who are willing to go back to school and learn more skills so they can earn more money.

Now, all of this will be an important part of keeping the American dream alive. And I should emphasize that this middle class bill of rights is fully paid for by spending cuts and that I will send Congress more than twice as many cuts as are necessary to pay for the middle class bill of rights, so we can keep driving the deficit down.

In the housing field, we want to do even more. As you know, I set a national goal of boosting home ownership to an all-time high by the end of the century, to forge a national home ownership strategy. Secretary Cisneros has been doing a great job to put those goals into action, working with you, with mortgage lenders, with Fannie Mae and Freddie Mac, with the U.S. Conference of Mayors and the National League of Cities, and with national civic organizations and advocacy groups. The strategy will aim to lower regulatory barriers so we can step up construction of starter homes. It will give communities more power to rebuild themselves. And it will give citizens more information so they can take hold of their opportunities.

Secretary Cisneros will submit the strategy to me in March, and I look forward to working with you to act on it and to make the dream a reality for more Americans. The key to our success with this new strategy will be strengthening the same partnership that has served us so well, so far. We've shown how we can succeed for the American people when we work together to bring the deficit down and get the economy going again.

I was eager to talk with you today because I believe that we must recommit ourselves to building a stronger America and to giving our people even more opportunities in the years to come. That's what the new national home ownership strategy is all about. It's what the middle class bill of rights is all about. It's what the New Covenant is all about.

We have to keep the recovery going; we have to increase opportunity; we have to support more responsibility from all of our people. These building blocks will build a stronger future for our children. Together, we've

built a strong foundation. This country's in better shape than it was 2 years ago. Now, let's move forward to finish the job for America and for the American people.

Thank you, and God bless you all.

NOTE: The President spoke by satellite at 1:02 p.m. from Room 459 of the Old Executive Office Building. In his remarks, he referred to Tommy Thompson, president, National Association of Home Builders.

**Executive Order 12948—  
Amendment to Executive Order No.  
12898**

*January 30, 1995*

By the authority vested in me as President by the Constitution and the laws of the United States of America and in order to amend Executive Order No. 12898, it is hereby ordered that section 1-103(e) of that order is amended by deleting the phrase "Within 12 months of the date of this order," and inserting the phrase "By March 24, 1995," in lieu thereof and by deleting, in the second sentence of section 1-103(e), the phrase "During the 12 month period from the date of this order," and inserting the phrase "From the date of this order through March 24, 1995," in lieu thereof.

**William J. Clinton**

The White House,  
January 30, 1995.

[Filed with the Office of the Federal Register,  
10:39 a.m., January 31, 1995]

NOTE: This Executive order was published in the *Federal Register* on February 1.

**Message to the Congress  
Transmitting the Department of  
Health and Human Services Report**

*January 30, 1995*

*To the Congress of the United States:*

In accordance with section 540 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360qq) (previously section 360D of the Public Health Service Act), I am submitting the report of the Department of Health

and Human Services regarding the administration of the Radiation Control for Health and Safety Act of 1968 during calendar year 1993.

The report recommends the repeal of section 540 of the Federal Food, Drug, and Cosmetic Act that requires the completion of this annual report. All the information found in this report is available to the Congress on a more immediate basis through the Center for Devices and Radiological Health technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

**William J. Clinton**

The White House,  
January 30, 1995.

**Message to the Congress  
Transmitting the National Institute  
of Building Sciences Report**

*January 30, 1995*

*To the Congress of the United States:*

In accordance with the requirements of section 809 of the Housing and Community Development Act of 1974, as amended (12 U.S.C. 1701j-2(j)), I transmit herewith the annual report of the National Institute of Building Sciences for fiscal year 1993.

**William J. Clinton**

The White House,  
January 30, 1995.

**Remarks to the Democratic  
Governors Association Dinner**

*January 30, 1995*

Thank you very much. I appreciate your enthusiasm. Chris Dodd has that effect on everyone. [Laughter] Governor Carnahan and Jean, thank you very much for your service here and for your success tonight. I really would like to say a special word of thanks to my neighbor, Mel Carnahan. He helped me when I ran for President. He helped me even when he was in the midst of a tough primary when it could have done him no

good at all to be for anybody running for President. But he survived me, and he got elected—[laughter]—and then I got elected. We worked together fighting floods, reforming welfare, doing a lot of things, and I am honored to be his friend and his partner.

I want to say a special word of appreciation, too, to the DGA vice chair, Governor Caperton, and Rachel. I have been their friend for a long time, and I'm looking forward to working with them.

I also want to say a personal word of appreciation to your outgoing chair, Evan Bayh, and to Susan. They did unbelievable work with the help of a lot of you in a very, very difficult year, and I will never forget all the efforts Evan Bayh made. And you know, where I grew up, we always say, "It's a long road that doesn't turn." And when the road turns, don't forget that Evan Bayh was there for us when it was tough, and he did his part.

I thank Katy Whelan and Mark Weiner for the wonderful work that they have done for the DGA. They have really been terrific.

I'm sure glad to see all of you. And you're so quiet. You know, over New Year's I was talking to a lot of interesting people, and a lady came up to me who was a college president, and she said, "You know, I really identify with you. Being President is just like running a cemetery. There's a lot of people under you, but nobody's listening." [Laughter] Well, I've had that feeling for the last couple of years from time to time, but I think that also is beginning to change. Lord knows, I gave it a good test last Tuesday night in the State of the Union—[laughter]—and it turned out the American people were listening.

I want to express my appreciation also to Chris Dodd and to Don Fowler, to Debbie DeLee for leading our Democratic Party. I thank Chris and Don especially for being willing to come on at this time and to help us remember who we are and why we are Democrats and what it is we're supposed to do now, and I thank them. They've done a wonderful job.

You know, there are days when I really miss being a Governor. [Laughter] I loved it. I mean, we also had public housing and security, and people called us by something other than our first names. But nobody ever

sprayed the front of the Governor's mansion with an assault weapon or tried to land a plane in my back yard. [Laughter] But most days, I am profoundly happy to have the chance to wage these battles, and every day I am honored for the opportunity and the obligation to do it.

You know, it's kind of fashionable now for our colleagues in the other party to quote Franklin Roosevelt. They like his words, you know; it's optimism and hope and everything. And when they do it, they have a little spin on it. They say, "Now, Roosevelt was the right person for his time, and the Democrats were right for their time." If you really read between the lines, they basically say, "Okay, okay, everything that was worth doing in the 20th century, the Democrats did." I agree with that. But their line is something like, "Well, the reason that's so is, that in the 20th century, we had an industrial age dominated by large, powerful organizations, and we needed a Democratic Party that was the party of National Government to protect the common people and the little children and the elderly and others from abuse by large private organizations. But in the 21st century, the world will be very different. It will be more rapidly changing, more entrepreneurial, less bureaucratic, the age of the PC, not the mainframe." You've heard all that stuff. "And therefore, we don't need the Democrats any more. They're an anachronism. But we like Roosevelt's words."

Well, I say to them, I know the world is changing, and I know we need to reduce the size and reach of much of the Federal Government's activities. As a matter of fact, we started that. We're glad to have their help in going forward with it. But the issue facing America is the issue that has faced America from the beginning and, certainly, the issue that has faced America repeatedly in the 20th century, as we stand at the dawn of a new era. It is still: Can we really guarantee the American dream for all Americans willing to work for it? And can we find ways with all of our incredible differences to come together as a people to do what we have to do? If you go back through the 219 years of American history since the issuance of the Declaration of Independence, you find those challenges over and over and over again. Will

we do what it takes to expand the American dream and keep it alive for all of our people? Can we find a way, with all of our differences, to come together because we know that's the only way we're ever profoundly strong? I say to you that there is still something for the Democratic Party to do.

Consider, consider the differences in their Contract and our Covenant. Consider what is good about what they want to do and what is good about what we want to do and what is sort of open to question. And you will see where we should go. Because there is no question that if we really want to guarantee the American dream in this new economy for all of our people, what we have to do is to empower people to make the most of their own lives, to find a way to continue to enhance opportunity even as we shrink the bureaucracy, and to strengthen our sense of citizenship and community as a fundamental condition of America's security, opportunity, and responsibility. Yes, yes, yes, we must change the Government. Yes, we have to shrink it. There's 100,000 fewer people working for the Federal Government than there were on the day I became President, and there'll be another 170,000 more leaving if no new laws are passed by this Congress.

But what about empowerment? Which party wanted family and medical leave? Which party wanted to immunize all the children in this country against serious disease? Which party said, "We can't afford to keep wasting money on the college loan program. Let's cut the cost of it, make it available to more Americans, and make it cheaper for students"? The Democratic Party did that.

Yes, we should reduce the tax burden on people that are paying all they can afford. You know, that's the only secret I kept from the press the last 2 years. We cut taxes on 15 million working families, kept it a total secret from the American people. [Laughter] I'm still trying to figure out how we did it, but it's not too late to let them know. [Laughter]

Yes, we have to do better. But there is the right way to do it. Our middle class bill of rights could more properly be called the bill of rights and responsibilities because you can't get the tax break unless you're trying

to raise your kids or educate them or educate yourselves or take care of your families.

In other words, we reward by reducing the tax burden people who are carrying on the work of citizenship and making the country stronger for everybody. We lower people's taxes and raise their income in the short run in a way that will also raise their income in the long run. That's why we ought to have a tax deduction for education costs after high school. That's why we ought to have an IRA that can be drawn on for education or health care or care of an elderly parent. That's why we ought to lower the cost of raising young children. That's why we ought to collapse all these terrible plethora of programs, and instead of letting people sign up for a Government program, give them a chip worth cash that they can take to the local community college when they're unemployed or they need job training. Yes, we have some good ideas. Let's cut the taxes, but let's do it in a way that raises the economic power of America in the long run and helps middle class families to build their lives.

And while we're at it, let's not forget that the last time the country got in a total fever over tax cutting, we overdid it, and we wound up with a terrible burden. And the Democrats are not blameless, because then there was a Republican President and a Democratic Congress. And when power is divided, one of two things can happen: You can either share the responsibility and say both have to be responsible and move forward, or you can point the finger of blame and hope that everybody can escape responsibility.

Well, we tried it the second way, folks, and it didn't work out very well. When you make out your checks to the Federal Government to pay taxes in April, remember this: Interest payments on the Federal debt will require the amount equal to 36 percent of your personal income tax. And 27 percent of it, 27 cents, more than a quarter of every dollar you pay to the Federal Government in personal income taxes, will be required to pay interest on the debt run up between 1981 and the day I became President.

So yes, it's okay to cut taxes if we do it in the right way, but let's pay for these tax cuts with spending cuts. Let's don't put more

debt on our children and more burdens in that budget.

So, we have an agenda: to empower people, pass the middle class bill of rights and raise the minimum wage, and reform the welfare system so people can go to work. And we have an agenda to reduce Government more. The Vice President's coming back with another round of reinventing Government. And we're going to make it smaller, and we're going to have it do better.

Look at the way the emergency management programs work now. I just talked to the homebuilders today in Houston, and I reminded them that Henry Cisneros, since he's been head of the Housing and Urban Development Department, has reduced the size of that Department by 10 percent, eliminated all the regional offices, and cut the time for loan processing from 4 to 6 weeks down to 3 to 5 days. That's a Democratic way of reinventing Government that serves better with less.

You can say, "Well, maybe this won't work." Well, maybe it won't, but it's worked pretty well for 2 years. We have almost 6 million jobs more than we had 2 years ago. We've reduced the debt on our families by over \$600 billion, about \$10,000 a family. We've seen in the last week that 1994 was our best year economically in terms of growth and in terms of personal income increases in 10 years. And we also had the lowest combined rates of inflation and unemployment, what President Reagan used to call the "misery index," the lowest in 1994 it's been in 25 years.

But we have a long way to go, because we all know that our rising tide is not lifting all boats. We know that a lot of people are not doing better economically. We all know there are still challenges ahead. But let's keep our eye on the goal: What's best for the American people? Empower them to compete and win. Do what we can to give them a Government that offers more opportunity with less bureaucracy. And finally, let's not forget that for those who are willing to be responsible, this country is best when it works together, when there's a sense of partnership, a sense of citizenship, a sense of community.

We have worked with innovative Governors in this room and their predecessors in health care, in welfare reform. We've worked with Governors like Governor Chiles, Governor Kitzhaber, Governor Dean on health care reform, and we're not through with that issue. We plead guilty to wanting to get the 40 million Americans, most of them in working families, who can't have health insurance—we think we ought to have it for them, and we think there must be a way to do it that all Americans can agree on. We plead guilty to believing that when people change jobs, they ought not to lose their family's health insurance. We believe that. That's what we believe. And we can do these things in ways that build our community.

Watch the debate on welfare reform. Should we require responsibility? You bet we should. Should we just give people a check forever and a day, no matter how they behave or what they do? No, we shouldn't. No, we shouldn't. But the focus ought to be on liberating people, moving them from welfare to work, moving them from having children to being the best possible parent. It should not be on punishing people because they're poor or because they made a mistake. If that were the criteria, a bunch of us were once poor, and all of us have made mistakes. And none of us want to be punished for either one.

So, let us approach this welfare debate with a sense of excitement and determination but also a little bit of humility. If anyone knew the answer to this problem, it would have been fixed by now. But the welfare debate embodies all the things that are going on in our culture now: our worry that Government doesn't give us our money's worth; our fear that our profoundest problems are really cultural, not political or economic, that something is amiss in our society and we've got to get our values right again; our deep understanding that we don't really have anybody to waste, and when people aren't being as productive as they ought to be, it hurts the rest of us and our economic future as well. All of this is there in this debate.

Now Saturday we had a very good meeting with Republicans and Democrats, from the Congress, from the Governors, from the local governments around the country. And on Friday, I got ready for that meeting by

spending an hour with four women who had worked their way off welfare. And I'm telling you, what I heard Friday is what I have heard now for 15 years. The people who know how broke the system is, best, are those who've been on it, who've been trapped by it, who regret it, who've resented it, who struggled and worked and slaved to get out of it. It is that, that we should tap into.

We are the party of change. We brought the deficit down. We reduced the size of the Government. We put welfare reform and health care reform and aggressive expansive trade on the world's agenda and on America's agenda. It was our administration that first had a Commerce Secretary like Ron Brown that went around selling American products all over the world, not the Republicans.

So I say, let's extend the hand of partnership to those in the other party. Let's say, "We hear you. You want to reduce the size of Government? You want to reduce regulation? You want to give more authority to the States? You want to privatize those things which can be privatized? So do we."

But our contract is a covenant. We want to create opportunity, not just bash Government. We want children to have a future no matter where they come from, what their roots are, what their disabilities are by virtue of their birth. We believe that America works best when everybody's got a chance at the brass ring. That is our credo, and it will always be. And that's why the Democrats are coming back.

Thank you, and God bless you all.

NOTE: The President spoke at 9:06 p.m. at the Omni Shoreham Hotel. In his remarks, he referred to Gov. Mel Carnahan of Missouri and his wife, Jean; Gov. Gaston Caperton of West Virginia and his wife, Rachel; Gov. Evan Bayh of Indiana and his wife, Susan; Katherine Whelan, executive director, Mark Weiner, treasurer, Democratic Governors Association; Gov. Lawton Chiles of Florida; Gov. John Kitzhaber of Oregon; Gov. Howard Dean of Vermont; Senator Christopher Dodd, general chairman, Donald Fowler, national chairman, and Debra DeLee, former interim chair, Democratic National Committee.

**Letter on Withdrawal of the  
Nomination of Robert Pastor To Be  
Ambassador to Panama**

*January 27, 1995*

*Dear Bob:*

I received with regret your request that I not resubmit your nomination as Ambassador to Panama to the Senate. I am certain that you would have served your country with great distinction and honor in that important post.

Throughout your career you have made important contributions to American foreign policy in Latin America and the Caribbean. During your service on the National Security Council, you helped to fashion a human rights policy consistent with fundamental American values that advanced the cause of freedom throughout the hemisphere. At the Carter Center, you have continued to foster democracy and peace with great skill and dedication, most recently contributing to the restoration of democracy in Haiti.

I applaud you for these outstanding contributions and look forward to your continuing advice and assistance.

Sincerely,

**Bill Clinton**

NOTE: This letter was released by the Office of the Press Secretary on January 31.

**Remarks to the National Governors'  
Association Conference**

*January 31, 1995*

Thank you very much, Governor Dean, Governor Thompson, fellow Governors and ladies and gentlemen. It's a pleasure for me to be back here. I have enjoyed our visits in this meeting. I was delighted to have you at the White House on Sunday evening, and I have very, very much enjoyed our discussion yesterday, our discussions of welfare reform and a whole range of other issues.

Last year, you may remember when I was here, Governor Carroll Campbell and I both lost our voices before our talks, making collectively millions of people in both parties happy. [*Laughter*] Unfortunately for you, I am fully recovered this year, and I would like

to begin, if I might, by thanking you for your vote just a few moments ago on the Mexico stabilization package. I want to underline the critical nature of the financial problem in Mexico. All of you understand it, and I applaud your vote across party and especially across regional lines, because a number of you are not in the moment as directly affected as others are.

This crisis poses, however, great risks to our workers, to our economy, and to the global economy, and it poses these risks now. We must act now. It has gotten worse day by day since I asked for legislative action about 2 weeks ago. Rather than face further delay, I met with the congressional leadership this morning and told them that I will act under my executive authority, and I have asked for their full support. We cannot risk further delay, and I tell you today, frankly, that your strong support is very, very helpful and very welcome.

The situation in Mexico continues to worsen. But the leadership advised me that while they believe Congress will—or at least, might well eventually act, it will not do so immediately. And therefore, it will not do so in time. Because Congress cannot act now, I have worked with other countries to prepare a new package. As proposed now, it will consist of a \$20-billion share from the United States Exchange Stabilization Fund, which we can authorize by executive action without a new act of Congress; \$17.5 billion from the International Monetary Fund; and in addition to that, there will be a short-term lending facility of \$10 billion from the Bank of International Settlements. That means that in the aggregate, we will be able to have an action that is potentially even more aggressive than the \$40 billion one I originally proposed, with more of the load being taken by international institutions and our trading partners around the world which I applaud, but with a significant part of the burden still being borne by the United States.

This is in the interest of America, contrary to what some have said, not because there are large financial interests at stake but because there are thousands of jobs, billions of dollars of American exports at stake, the potential of an even more serious illegal immigration problem, the spread of financial in-

stability to other countries in our hemisphere and indeed to other developing countries throughout the world, and the potential of a more serious narcotics trafficking problem. All these things are at stake in the Mexican crisis, and therefore, I will act to protect our interests. I have asked the bipartisan leadership of Congress to support these actions, and I hope and believe they will at some later point today.

The risks of inaction are greater than the risks of decisive action. Do I know for sure that this action will solve all the problems? I do not. Do I believe it will? I do. Am I virtually certain that if we do nothing, it will get much, much worse in a hurry? I am. This is the right thing to do. You have understood it, and I thank you very, very much for your vote a few moments ago.

Since our first meeting 2 years ago, we have enjoyed unprecedented cooperation, which have included 7 major waivers in the health care reform area and 24 in the welfare reform area, a partnership and a successful fight for the crime bill last year which, as you know, reduces the Federal Government and gives all the money back to State and local communities to fight crime at the grass-roots level. We have had innovative and more comprehensive agreements with the States of West Virginia and Indiana in the area of children and families and the remarkable agreement that we signed recently with the State of Oregon and seven of our Cabinet Secretaries, ending Federal micromanagement across a whole range of areas in return for the statement by the State of Oregon of clear goals and performance measures for the future.

This is the kind of thing that we need to be doing more of. It is the kind of thing that I believe we are in the process of doing on welfare reform. I was informed of the Speaker's remarks just a few moments before I came here, and I applaud them and I think we have a real chance now to have a partnership between the White House and the Congress, the Governors and others who care deeply about this issue.

Our next goal must be to dramatically restructure the relationship between the Federal Government and the States, to create a stronger partnership on behalf of our people that goes to the heart of what I have

called the New Covenant of opportunity and responsibility. I believe the Federal Government's job is to expand opportunity and shrink bureaucracy. And therefore, I think it is clearly the thing for us to do to try to shift more responsibility to the States, to the localities, and where appropriate to the private sector and therefore give you the opportunity to solve problems, working with your people, that have eluded all of us for too long.

The system we inherited was based, fundamentally, on a kind of a benign distrust, from an era when, let's face it, in decades past, States might not have always done what they should have done to protect their citizens. As a Southerner, I can tell you that I don't know what we'd have done if the Federal Government hadn't been willing to take some of the actions that it took in civil rights and in some other areas to help poor children in my State and others.

So we cannot and we need not condemn the past to say that the whole nature and character of State government, the expertise that's there, the knowledge that's there, the connections that are there with volunteer groups, with community groups, with the nonprofit groups, is totally different than it used to be. And the nature of the work to be done and the problems to be solved are different than they used to be. Therefore, the system we have inherited needs a searching re-examination, and where it is yesterday's Government and not tomorrow's, it ought to be changed.

We have tackled this problem with energy and with some success. We have done it with real support from the Cabinet and some opposition from some within the bureaucracy that have been there through Republican and Democratic administrations alike and some in our Congress who have questions about what we are doing.

But I have spent too many years of my life around this table to have forgotten what I learned there. I think I came to this office with a profound understanding of the challenges that you have faced in working with the Federal Government. To build on that understanding is part of the reinventing Government initiative. The Vice President, who came with me here today for this announcement because he's worked so hard to make

it possible, has talked literally to thousands of State and local government workers, and they have been among the most helpful in shaping our reinvention blueprint.

The message is loud and clear: They want us to stop the micromanagement, trust them to do their jobs, hold them accountable for results where Federal money and national interests are involved. That's why we wish to create a new Federal Government and a new partnership, based on trust and accountability. You know better than anyone that a great deal of what our National Government does is already carried out by States, by counties, by cities. That's why we must change the relationship and trust them more. I believe we should ship decisionmaking, responsibility, and resources from bureaucracies in Washington to communities, to States, and where we can, directly to individuals.

Part of my job is to keep pushing the focus of the National Government back to grass-roots America, where we can solve so many of our problems more effectively. We have begun that work, first by cutting the size of the Federal Government. We have already cut over a quarter of a trillion dollars in spending, more than 300 domestic programs, more than 100,000 positions from the Federal bureaucracy. Those cuts will ultimately total, if no more laws or budgets are passed, more than 270,000, making, when the process is finished, your Federal Government the smallest it has been since the Kennedy administration.

But cutting Government isn't enough. We also have to make it work better, and we've done that too, in many ways. We streamlined the Agriculture Department, closing 1,200 field offices. We've moved FEMA from being a disaster to helping people in disasters. The Department of Transportation worked with private businesses and helped to rebuild southern California's fractured freeways in record time and under budget, also with a partnership from the State, by changing the laws and the procedures and making it work. We've cut an SBA loan form from an inch thick to a single page. We've cut the time it takes to get an FHA loan endorsement from 4 to 6 weeks to 3 to 5 days. We've reformed the procurement system of the Government so that Governments can

buy the way businesses do, putting an end to the Vice President's opportunity to go on the Letterman show and break \$10 ashtrays that ought to cost a dollar and a half. [Laughter] We have reformed the college loan system. The direct loan program will literally save the taxpayers billions of dollars, lower interest rates and fees, and improve repayment schedules for students, and lower paperwork, bureaucratic time for our institutions of higher education.

Much of this work is simple common sense. The Bureau of Reclamation used to require 20 people to sign off on building special fish ladders in northern California, taking 3½ years. The fish were dead by then. But at least the ladder was approved. Well, we removed 18 approval layers and cut the time down to 6 months, in time for the fish to spawn, to their great relief. [Laughter] I say this to make the point that a lot of this is common sense and an enormous amount of this still remains to be done.

I suppose I have gotten more comments from you in these last 2 days, pro and con, about the process of Federal regulation than anything else. Some of you have said, "Well, I'm getting better cooperation from the EPA than ever before; thank you very much." Others have said, "What the policy is sounds good, but there's nothing happening in our State to make it better." And we have a long way to go, but we can do this. And we ought to do it not simply with general rhetoric but also taking these issues one by one by one, until we make it right.

I've asked the Vice President in phase two of his review to continue to shrink Federal departments, and we're making sure that the remaining Government will be more economical, more entrepreneurial, less bureaucratic, and less dictatorial.

A year ago I signed an Executive order to encourage creative partnerships with the private sector in the ownership, financing, and construction of infrastructure, responding to your insistence that you needed the same kind of flexibility the private sector has when you raise funds for major infrastructure projects. Today I'm happy to say that Secretary Peña is announcing a series of 35 new infrastructure projects in 21 States that will mobilize almost \$2 billion in investment cap-

ital to build roads, bridges, and other infrastructure, relying on trust and accountability, not rules and bureaucracy.

Tens of thousands of new jobs will be created this year, not by rocket science but by simply adopting the financing techniques the private sector uses all the time. We wouldn't have any of these projects if we followed the old rules and allowed them to get in the way of innovation. In the budget I'm submitting to Congress I will propose turning this approach into national policy by building performance partnerships with State and local governments. We want to consolidate categorical funding and call on you to take responsibility for meeting the performance standards. Trust and accountability are the foundation of these new partnerships. We have to trust you, our partners, to make the right choices in spending public funds. And even though you'll have more flexibility to solve your problems, you must be held accountable for how you spend the Federal money.

I'm excited because this approach gives us a new opportunity to work together, to move forward. On Saturday, Governor Engler captivated the Nation by rolling out a list of 335 programs on parchment, sacred programs he wanted to put in the block grant, that he could write on a piece of notepaper. He didn't know it, but next week, we want to announce plans that we've worked on for months to consolidate 271 programs into 27 performance partnerships. And a lot of those were on Governor Engler's list. I'd like to help him cut it shorter. [*Applause*] Thank you.

One of those I've already announced is the new performance partnership for education and job training, part of our middle class bill of rights. We propose to collapse 70 separate programs to make them more efficient and effective, a GI bill for America's workers who need new skills to meet the demands of changing times. State and local governments will have broad flexibility to help meet those needs, but we propose not just to give this money back to State training programs but instead to let the workers themselves get a voucher and choose where they want to go. Almost every American is now within driving distance of a community college or some

other kind of high training program with a proven rate of success far better than anything we need to design. So we ought to put more power not only back to the local level but also directly into the hands of citizens for the purposes that are plainly in the national interest.

In public health, we want to consolidate 108 programs into 16 performance partnerships, to abolish a dozen environmental grants and give you more power to achieve environmental goals. And I guess in parenthesis, I thank Governor Carper for his repeated lectures to me on that subject, citing the Delaware example. We want to continue to combine the 60 HUD programs into 3. The Federal Government has worked in one way for decades. Now it is time to try a new way, a way that is proven in its performance in the private sector. It's time for these and other changes, and many of them are drawn directly from your own experience in your own laboratories of democracy.

When our country was founded, the Founders rejected Government based on central control and distrust of people. Our Constitution provides a few profound guiding principles. It puts deep trust in the American people to use their common sense to create a shared vision, not a centralized vision, and to give life to those ideals. We have to take advantage of this rare moment to renew that idea, to reshape the relationship between the National Government and the States. The American people have voted twice in the last two elections for dramatic change in the way our country works. They want more for their money: better schools, safer streets, better roads, clean environment. But they want a greater say in how this work is done, and they don't want the Federal Government to do what can better be done by private citizens themselves or by government that is closer to them.

They also have a deep feeling about our national commitment and our national responsibilities and our national interest, the things like the welfare of our children, the future of our economy, our obligations to our seniors. They know that we can meet these national obligations and pursue our national interest with a dramatic devolution of power and responsibility and opportunity to the

State governments of this land. I look forward to making all this happen with you.

Thank you very much.

NOTE: The President spoke at 11:15 a.m. at the J.W. Marriot Hotel. In his remarks, he referred to Gov. Howard Dean of Vermont, Gov. Tommy G. Thompson of Wisconsin, Gov. Carroll W. Campbell of South Carolina, Gov. John Engler of Michigan, and Gov. Tom Carper of Delaware.

### **Statement With Congressional Leaders on Financial Assistance to Mexico**

*January 31, 1995*

We agree that, in order to ensure orderly exchange arrangements and a stable system of exchange rates, the United States should immediately use the Exchange Stabilization Fund (ESF) to provide appropriate financial assistance for Mexico. We further agree that under Title 31 of the United States Code, Section 5302, the President has full authority to provide this assistance. Because the situation in Mexico raises unique and emergency circumstances, the required assistance to be extended will be available for a period of more than 6 months in any 12-month period.

The United States will impose strict conditions on the assistance it provides with the goal of ensuring that this package imposes no cost on U.S. taxpayers. We are pleased that other nations have agreed to increase their support. Specifically, the International Monetary Fund today agreed to increase its participation by \$10 billion for a total of \$17.8 billion. In addition, central banks of a number of industrial countries through the Bank for International Settlements have increased their participation by \$5 billion for a total of \$10 billion.

We must act now in order to protect American jobs, prevent an increased flow of illegal immigrants across our borders, ensure stability in this hemisphere, and encourage reform in emerging markets around the world.

This is an important undertaking, and we believe that the risks of inaction vastly exceed any risks associated with this action. We fully support this effort, and we will work to ensure that its purposes are met.

We have agreed to act today.

NOTE: The statement was announced jointly with Newt Gingrich, Speaker of the House of Representatives; Bob Dole, Senate majority leader; Thomas Daschle, Senate minority leader; Richard Armey, House majority leader; and Richard Gephardt, House minority leader.

### **Statement on the Terrorist Attack in Algeria**

*January 31, 1995*

The United States condemns in the strongest possible terms the terrible atrocity in Algiers yesterday which took the lives of dozens of innocent Algerians and wounded hundreds more. On behalf of the American people, I want to express my deepest sympathy to the Government of Algeria and to the families of the victims. Such indiscriminate and senseless terror cannot be excused or justified. It can only serve to deepen the profound crisis and increase the suffering through which Algeria is now living.

This outrage comes just one week after a similar terrorist bombing in Israel. Whether in Netanya or Algiers, extremism, violence, and terror must not silence the voices of those who work for peace and reconciliation. It is our profound hope that reason and dialog can transcend violence and hate and that a better future can be realized for all the people of Algeria.

### **Statement on the Observance of Ramadan**

*January 31, 1995*

I want to offer my greetings and sincere best wishes on the occasion of the holy month of Ramadan.

The crescent moon symbolizes Islam and with the sighting of the crescent which heralds Ramadan millions of Americans will join Muslims around the world in observing this most sacred of times. During the next month, those who follow the Islamic religion will fast and abstain from the normal routines of life in order to better devote themselves to understanding and following their faith. It is a time not just for inward reflection but for rededication to the needs of the wider com-

munity and the requirement of service to others.

At this time of spiritual peace, when recognition of the ties which bind people of good will is paramount, it is fitting to recall the strides which have been taken to bring peace to the Middle East. As enemies reconcile and dialog replaces confrontation, this is a time for reflection on the hopes and dreams of a better life and a better world shared by those of all faiths.

Let us take pride in what has been accomplished toward realization of this noble vision. But for the sake of our children—our future—let us all renew our determination and work to make this moment of peace a lasting testament to a more peaceful world for all.

NOTE: Ramadan began on February 1.

### **Message to the Congress on Libya** *January 31, 1995*

*To the Congress of the United States:*

I hereby report to the Congress on the developments since my last report of July 18, 1994, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On December 22, 1994, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, all trade with Libya is prohibited, and all assets owned or controlled by the Libyan government in the United States or in the possession or control of U.S. persons are blocked.

2. There has been one amendment to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (FAC) of the Department of the Treasury, since my

last report on July 18, 1994. The amendment (59 Fed. Reg. 51106, October 7, 1994) identified Arab Hellenic Bank (AHB), an Athens-based financial institution, 4 other entities, and 10 individuals as Specially Designated Nationals (SDNs) of Libya. (In addition to the recent SDN action against AHB, the Greek central bank has recently announced that AHB's banking license has been revoked.) Included among the individuals are three Italian shareholders in Oilinvest (Netherlands) B.V., who increased their positions in the Libyan government-controlled firm shortly before United Nations Security Council Resolution (UNSCR) 883 directed a freeze on certain Libyan assets owned or controlled by the Government or public authorities of Libya.

Pursuant to section 550.304(a) of the Regulations, FAC has determined that these entities and individuals designated as SDNs are owned or controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Libya, or are agencies, instrumentalities, or entities of that government. By virtue of this determination, all property and interests in property of these entities or persons that are in the United States or in the possession or control of U.S. persons are blocked. Further, U.S. persons are prohibited from engaging in transactions with these individuals or entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State and announced by FAC in notices issued on June 17 and July 22 and 25, 1994. A copy of the amendment is attached to this report.

3. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing 136 licensing determinations—both approvals and denials. Consistent with FAC's ongoing scrutiny of banking transactions, the largest category of license approvals (73) concerned requests by non-Libyan persons or entities to unblock bank accounts initially blocked because of an apparent Government of Libya interest. The largest category of denials (41) was for banking transactions in which FAC found a Government of Libya interest. Three

licenses were issued authorizing intellectual property protection in Libya.

In addition, FAC issued eight determinations with respect to applications from attorneys to receive fees and reimbursement of expenses for provision of legal services to the Government of Libya in connection with wrongful death civil actions arising from the Pan Am 103 bombing. Civil suits have been filed in the U.S. District Court for the District of Columbia and in the Southern District of New York. Representation of the Government of Libya when named as a defendant in or otherwise made a party to domestic U.S. legal proceedings is authorized by section 550.517(b)(2) of the Regulations under certain conditions.

4. During the current 6-month period, FAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The FAC worked closely with the banks to implement new interdiction software systems to identify such payments. As a result, during the reporting period, more than 210 transactions involving Libya, totaling more than \$14.8 million, were blocked. As of December 9, 1994, 13 of these transactions had been licensed to be released, leaving a net amount of more than \$14.5 million blocked.

Since my last report, FAC collected 15 civil monetary penalties totaling more than \$76,000 for violations of the U.S. sanctions against Libya. Nine of the violations involved the failure of banks to block funds transfers to Libyan-owned or -controlled banks. Two other penalties were received for corporate export violations. Four additional penalties were paid by U.S. citizens engaging in Libyan oilfield-related transactions while another 76 cases of similar violations are in active penalty processing.

In October 1994, two U.S. businessmen, two U.S. corporations, and several foreign corporations were indicted by a Federal grand jury in Connecticut on three counts of violating the Regulations and IEEPA for their roles in the illegal exportation of U.S. origin fuel pumps to Libya. Various enforcement actions carried over from previous reporting periods have continued to be aggres-

sively pursued. The FAC has continued its efforts under the Operation Roadblock initiative. This ongoing program seeks to identify U.S. persons who travel to and/or work in Libya in violation of U.S. law.

Several new investigations of potentially significant violations of the Libyan sanctions have been initiated by FAC and cooperating U.S. law enforcement agencies, primarily the U.S. Customs Service. Many of these cases are believed to involve complex conspiracies to circumvent the various prohibitions of the Libyan sanctions, as well as the utilization of international diversionary shipping routes to and from Libya. The FAC has continued to work closely with the Departments of State and Justice to identify U.S. persons who enter into contracts or agreements with the Government of Libya, or other third-country parties, to lobby United States Government officials or to engage in public relations work on behalf of the Government of Libya without FAC authorization. In addition, during the period FAC hosted or attended several bilateral and multilateral meetings with foreign sanctions authorities, as well as with private foreign institutions, to consult on issues of mutual interest and to encourage strict adherence to the U.N.-mandated sanctions.

5. The expenses incurred by the Federal Government in the 6-month period from July 7, 1994, through January 6, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$1.4 million. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the

Security Council in UNSCRs 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States continues to believe that still stronger international measures than those mandated by UNSCR 883, possibly including a worldwide oil embargo, should be imposed if Libya continues to defy the will of the international community as expressed in UNSCR 731. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

**William J. Clinton**

The White House,  
January 30, 1995.

**Remarks and a Question-and-Answer Session With the Mayor's Youth Council in Boston, Massachusetts**

*January 31, 1995*

**The President.** Let me just begin by—let me make a couple of comments, and then I'll answer your questions. First, I want to congratulate all of you and the mayor on this remarkable project. I wanted to do this for a couple of reasons, but one is I think this might spread across the country as more people, through the news media, hear about it. I think this is a wonderful idea that every city in the country could profit from copying.

I also want to say I'm glad to be here with your mayor, with Mrs. Menino, but also with Senator Kennedy and Senator Kerry, who flew up here with me from Washington. We're going to dinner tonight, but they wanted to come over here and see you. And I think that's a great tribute to you and what you're doing.

Let's talk about the dropout rate a little bit and especially as it applies to teen parents. This is a big issue. We've just been discussing

this down in Washington now as a part of what we call the New Covenant. You mentioned that. The New Covenant is, for me, the obligation that we have to create more opportunity and people and citizens have to exercise more responsibility. It means that we in Government have to try to help give you the tools you need to make the most of your own lives, and then all of you have to do the most you can with your lives and help your fellow citizens. That's the big reason I wanted to come here today, because I think it's so remarkable that you're committed to doing this.

Now, we know that a lot of people who have children drop out of school, and one of the things I said to the Nation and to the Congress the other night in my speech is that as we reform the welfare system our goal ought to be to prepare people to go to work, to get them in jobs, to keep them in jobs, and to do it in a way that helps them be better parents. So, what I'm trying to do is to work with the States all across the country to structure welfare systems where there are always incentives for young people to stay in school and, if they have little children, that the children should be given appropriate child care and other kinds of support.

And I think one of the things that you can do is to hammer home to people that if they can, if they have enough to get by, they ought to stay in high school before they leave and go to work, because in the world that we're living in, all the people who live in Boston and all the people who live in Massachusetts are competing with people all around the world for jobs and for income. And there's been a huge decline in the earnings of younger workers who are high school dropouts. When you make adjustments for inflation and the cost of living going up year in and year out, younger workers without a high school education are making probably 20 percent less than they were just 10 or 15 years ago.

So you need to go out and tell people, look, I know it's hard right now, but you need to be thinking about the long run. One of the things we've got to do that you can do for your peers, for other young people, that I can't do as well as you can is say to people, "Hey, the future is not what happens in an

hour, it's not what happens tomorrow, it's not what happens next week. It's what happens 5 years from now or 10 years from now." And you'll always have to think about not just now but the future. You've got to always be thinking about your future. That's what you have to do when you're young. And I know it's hard when you've got a lot of responsibilities and a lot of problems, but we have simply got to get more of our young people to realize that if they don't stay in school, then the future won't be what it otherwise could be.

*[At this point, a participant stated the need for stronger laws to punish people who sell guns to children.]*

**The President.** Well, in the crime bill that we passed last year we stiffened penalties under Federal law for all gun-related offenses, particularly those that affect young people. And I see it already, we get reports, I get reports from the U.S. attorneys around the country that they're beginning to bring cases under all these new laws with stronger penalties. What I think you need to look at is the fact that most laws that deter crime are passed in the State level, by the State legislature. And most laws then have to be implemented as a matter of policy by local police organizations. So what I think you need to do is to have someone who knows more about that than I do give you a report on what the laws are in Massachusetts and evaluate whether you think the laws are strong enough, then look and see if you think they're being properly enforced.

And let me make one other point, because this goes back to something you can do. I've worked in the area of law enforcement longer than most of you have been alive. I was elected attorney general in my State in 1976. I took office in January of 1977. And I have seen the crime wave rise and fall and rise and fall in my home area.

I lived in a neighborhood, a real old neighborhood in Little Rock when I was the Governor of my State. And I saw the crime rate rise and fall and rise and fall. And the most important thing that drove the crime rate down was neighborhood councils like this council. If there were citizens groups working the neighborhood, working with the po-

lice, calling the police there were strangers in the area, calling police when they said there are people here selling guns to kids, there are people here pedaling guns out of the back of their cars, it was amazing how much the crime rate could be driven down.

So I think you should look at the laws at the State level, talk to the mayor's people here at the local level about how they're being implemented but also see whether or not the young people are willing to organize themselves in these neighborhood councils in the high-crime areas. I'm talking—it does more than anything else I've ever seen to lower crime.

*[A participant asked how the President could help them to convince the media to present a more positive image of young people.]*

**The President.** I don't know that I'm the best one to ask about negative portrayals. *[Laughter]* I tell you—well, one thing about being here, I think it helps, and I came here because you're doing something positive, and it's newsworthy, and it's different. If you want some advice about it, I'll tell you—I'll give you my advice. I think you have to follow the same advice that Senator Kennedy or Senator Kerry or Mayor Menino or the President has to follow. You have to always be looking for new ways to manifest the idea that most young people are good, most young people are in school, most young people are obeying the law, most young people care about their friends and neighbors. And every time you do something to manifest that, then that's new. That is—let me just give it to you in crass terms, because you can't blame them for this. If you start a program and it's a good program and you do it every day for 2 years, it's an important thing to do, but it may only be news the day you start it and then when you have your anniversary. But every time somebody holds up a liquor store or shoots somebody on the street, that's a new and different story. See what I mean?

So you may—you've got a lot more good people, but it might not be a new thing. So I think one of the things you ought to do is to think about, in this youth council, how many different things are now going on in Boston that are good news, that show young people in a positive light. And how many of

them have been written about in the papers? How many of them have been on the local news? What can you do to get the positive story out there?

And you ought to have one person on your council who's job it is to always be thinking of some new thing you're doing that hasn't yet been portrayed. And what you will find is that over time—you can't turn this around overnight—but over time, if you're steady about it, you will slowly balance the scales, and people will say, "Hey, we've got a problem, but most of our kids are good kids."

[A participant asked if the President could give more priority to school-to-work programs.]

**The President.** The answer is, I will. And you have to ask the Congress to do that same. Senator Kennedy and Senator Kerry and I were talking on the way up here. We have cut a lot of spending from the Federal budget, a lot. But we've tried to spend more money on education and on job training programs, starting with Head Start and including more affordable college loans and these school-to-work programs, which train young people to move into jobs and get education while they're doing it. And we're just now—we just started that program last year, and we're just now expanding it. And I'm really hoping that the new Congress will agree to this approach. Cut the inessential spending, but put more money into education, because that's really the key to our economic future as a country.

[A participant stated that many after-school programs to keep children away from drugs and gangs were oriented toward boys rather than girls and asked about planned support for these programs.]

**The President.** Well, most of those decisions have to be made by the local school districts and the local communities. What we do is to try to provide the funds, like, for example, in the crime bill, one of the more controversial parts of the crime bill, were the funds that Congress voted for and that I supported to provide cities, for example, monies that they could use in after-school programs and other preventive programs, to try to give young people something positive to do.

The content of those programs, exactly whether there are enough programs for girls and they're as good and fair as the ones for boys and all that, all those are things that you have to work out here. So my answer to you is, that's what this youth council's for. You should—if the city controls the programs, talk to city about it. If there are local groups who make the decision, but they don't work for the mayor, call them into your council and ask them to come testify. Tell them what you don't like about the program.

In other words, use the power of this council. You're talking about making news; you've got a forum now. Next time you call a council meeting, these folks will come cover you. I won't have to be here. [Laughter] The mayor won't have to be here. And bring them in and say, "Look, these after-school programs are fine, but they're not good enough. There's this preconception that only boys need it, and girls do, too, and here's what we need." You ought to use the power of this council. You ought to think about everything you would change in here, in this community, if you could wave a magic wand, and remember that you have a public forum to do it. Now, that's what the mayor's giving you.

**Q.** Mr. President, I was just wondering if you—I was recently accepted at Oxford, and I was just wondering if you could tell me what it's like over there. [Laughter]

**Mayor Thomas Menino.** Tell him what high school you went to. Tell them the background of high school.

**Q.** I go to ACC—which is a—[inaudible]—

**The President.** And you're going to—and you're to start over there next year?

**Q.** Yes.

**The President.** What college will you be in?

**Q.** [Inaudible]

**The President.** Good for you. I know right where it is. I think you'll like it a lot. They're very nice people. The programs generally involve more reading and more essay writing and less conventional classroom work than the American programs do, so that young people coming out of American high schools, even out of very good programs, sometimes have to work harder to sort of discipline

themselves to do more reading alone. So you'll have to find some friends and make sure that you do all that, because in general the system requires you to do more work on your own. But when you come back you'll be a greater writer. You'll be able to write real well.

[Mayor Menino asked the participant to explain the ACC program.]

**The President.** What do you want her to explain, Mayor? [Laughter]

[The mayor indicated that the young woman was reluctant to talk about her accomplishment.]

**The President.** You're being very modest. That's what he's saying.

[The mayor explained that the young woman had achieved a goal that few students would attain. Another young woman then explained the ACC curriculum and some of its requirements.]

**The President.** So they did prepare you well, didn't they? [Laughter]

Who's next?

[A participant stated the need for more police officers trained to deal with the different cultures in the cities. The mayor then thanked the President and the Massachusetts Senators for obtaining funding for a program to put bilingual police officers in Boston.]

**The President.** It's a huge challenge, though, because a lot of our urban areas now have so many different racial and ethnic groups. Los Angeles County, our country's biggest county, in one county alone, have people from over 150 different racial and ethnic groups.

So it's going to be a big challenge for us to make sure we train our police officers not just in the language, but also in the ways of thinking of people, because it's so easy for people who have different ways of relating to each other to misunderstand one another. And it's very important that our police officers get that kind of training. We're going to have to work hard on that.

[The mayor discussed several programs that the city provides which teach English as a second language. A participant then told the

President that regarding the November elections, her father wanted him to know, "This too shall pass."]

**The President.** I'm glad to hear that. [Laughter] Tell your dad he can send me a message anytime. [Laughter]

[The participant asked the President to urge other colleges to create scholarship programs designed to help inner-city children go to college, as Northeastern University has done in Boston. The mayor described the city program which Northeastern University had recently begun participating in and advanced with additional funds.]

**The President.** First of all, let me say I applaud Northeastern for doing it, because the cost of a college education has gone up quite a lot in the last several years. And I'm doing what I can to make it more affordable.

Let me tell you the two things that we have done and what we've tried to get others to do as well. The first thing we did was to take the existing student loan programs, and Congress passed a bill that enables us to let that student loan program be administered in a different way, directly by colleges like Northeastern, so that the interest rates would be lower, the costs would be lower, and your repayment terms would be better. A lot of young people don't want to borrow money to go to college because they think, gee, if I get out and I just make a modest wage, I won't even be able to repay the loan. So under the new rules, you can borrow money to go to college, and then you can limit the amount of your repayment every year to a certain percentage of your income. So we've made available more loans.

In addition to that, through the national service program—you see a lot of these young people in the city or around here, some of them are affiliated with our national service program, and they're earning almost \$5,000 a year for every year they work in the service program for their college education. Now, what we've done is to try to challenge the colleges and universities around the country to match that. And this year, I'm trying to pass, and I hope the Congress will pass, a bill that provides for the reduction from a person's income taxes for the cost of paying tuition to any institution

of education after high school, 2-year or 4-year.

So these are the things I'm trying to do to make college more affordable. When we do these things, that makes it more possible for colleges like Northeastern to go out and take their own initiatives and to do more. Like that has to be done basically State by State and college by college, because as the President, what I have to do is to try to set up a network of things that will work everywhere in the country.

*[The mayor indicated that many law firms in Massachusetts had set up programs to help put young people through college.]*

**The President.** It's the best money you'll ever spend.

*[A participant thanked the President for his efforts in helping all college-bound youth obtain financial aid.]*

**The President.** Well, I thank you. But let me just say one other thing about this. You know, I said this before in a different way. Having a college education has always been an advantage. When Senator Kerry and Senator Kennedy and I went to college, it was an advantage. But it's a much bigger advantage today than ever before, because in the information age, there are fewer jobs that you can perform with no education and just a willingness to work hard.

It's also true—I want to emphasize this because one of you talked about this earlier—even for the young people who don't go to 4-year colleges, they need to be in the school-to-work program. There needs to be something that gives almost everybody, nearly 100 percent of the young people, the incentive to get out of high school and then get 2 more years of some sort of education and training.

And meanwhile we'll keep doing everything we can to make college more affordable, because I think the great advantage this Nation has, and Boston has certainly seen it because you have such a wonderful array of institutions of higher education, is that we have a higher percentage of our people going to these institutions of higher education than any other country in the world. And they're higher quality. And what we've got to do is figure out how to make it possible for young

people to know about it, to believe in themselves, and then to have money necessary to go.

**Q.** Thank you, Mr. President.

**Mayor Menino.** We have—Marcos' birthday is today.

**The President.** It's your birthday, right? Your 18th birthday?

**Mayor Menino.** You'll register to vote today, too, right? *[Laughter]* We need you next time.

**The President.** Good for you. Happy birthday.

**Mayor Menino.** This woman here has a question, Mr. President. Ask the question.

**Q.** You just put me on the spot. Actually, I do have a question. Do you actually see letters—well, besides the—*[laughter]*.

**Q.** She was worried all this afternoon. *[Laughter]*

**The President.** The answer is, as you might imagine, with a country with 250 million people I do not see personally all the letters that come in. And we have so many letters coming into the White House that it requires literally—we have hundreds of volunteers working at the White House who help to sort our mail, who help to read our mail. A lot of retired military people come in every day and help us. We have a whole group of people who know my positions on certain issues, who help to write our letters when people write us about certain issues.

But, what happened to your letter is this: I have—I mean, before I was coming here, what happened to your letter is I have a—in my correspondence operation, every week they pull out a certain number of letters that are either especially moving because of the personal stories involved or that represent a large number of letters I'm getting on a certain subject, so that even though I'm President and I've got, you know, millions of people writing to me all the time, I have a good feeling for what's going on.

I also get a summary every week of how many letters came in, what the subjects were about, what people said, whether they were pro or con a certain issue. But the most—the thing—every week, I love reading the mail that I get sent. And I read the letters and sign them and in that way try to really stay in touch with what people are thinking.

**Mayor Menino.** Why don't we have Kristy read the letter.

[The participant then read a letter she had written to the President, thanking him for answering a previous letter she had written to him about violence and for showing that he cared. Another participant asked if the President would videotape a message for their youth summit in March.]

**The President.** Sure.

**Q.** If there's any way possible for that.

**The President.** Were you trained in Senator Kennedy's office? [Laughter] Yes. I'd be happy to. We'll do it while we're here, maybe we can do that.

**Mayor Menino.** Is there any other—you have the President now. [Laughter] How many young people of America have the President in front of them? What's the other—any other question you have to ask, really would like to ask?

**Q.** I have really a general question.

**The President.** What's your name?

**Mayor Menino.** Catch up with this guy here.

**Q.** He wants your job. [Laughter]

**The President.** Some days I'd like to give it to you. [Laughter] But not most days.

**Q.** As President of the United States, most of us know and we've heard the story of how you wanted to shake President Kennedy's hand. What advice would you offer to other young adults that are aspiring to become involved in politics?

**The President.** I would recommend that you do three things. You're probably doing all three of them already. I would recommend, first of all, that you do everything you can to develop your mind, that you learn to think, and you learn to learn. That is, some of you may be strong in math, maybe you're strong in science, maybe you like English, maybe you like history. There's no—contrary to popular belief, in my view, there is no particular academic discipline to get, to have to be a successful public servant. But it's important that you learn to learn because you have to know about a lot of different things that are always changing.

The second thing I would recommend you do is more what you're doing here. I don't think, over the long run, people do very well

in public service unless they like people and are really interested in them, different people, people who are different from you. Find out what you have in common, what your differences really are.

And the third thing I would recommend that you do is look for opportunities to be a leader, working in this group, working in your school, working for people who are running for office, working in the mayor's next campaign.

These things really matter. That's what I did. I mean, I came from a family with no money or political influence, particularly. I had a good education. I had a lot of wonderful friends. I was interested in people. I had a chance to work in campaigns and to do other things that gave me a chance to get started. This is a great country that is really open to people of all backgrounds to be successful in public life. But you need to learn, you need to care about people, and then you just need the experience.

**Ms. Eugenia Kiu.** Thank you, Mr. President. At this time, we would like to give you a token of our appreciation.

**Q.** On behalf of the Mayor's Youth Council of the City of Boston and—[inaudible]—and we'd like to present you with this cap. And Kristy is also going to present you with a sweatshirt. [Laughter]

[At this point, the gifts were presented.]

**The President.** Now, let's get everybody up here.

**Q.** Oh, I have something to say. I would like for you and Mr. Menino to sing me "Happy Birthday."

**The President.** Let's do it.

[At this point, the group sang "Happy Birthday."]

**The President.** Well, it wasn't the sweetest sound I ever heard. [Laughter]

NOTE: The President spoke at 4:11 p.m. at Parkman House. Eugenia Kiu is chair of the Mayor's Youth Council.

## Remarks at the New England Presidential Dinner in Boston

January 31, 1995

Thank you very much. You know, for a President who has been derided from time to time on the pages of the Wall Street Journal and other places for being too concerned with diversity, I feel that I should apologize tonight for giving you such an overconcentration of Irish blarney in the last three speakers. *[Laughter]* I hardly know what to say. And even if I do, I'll just repeat something. *[Laughter]*

They were wonderful. I want to say, first to Senator Kerry, I thank you for your leadership and your wise counsel to me on so many things; for your occasional constructive criticism, which is always helpful—*[laughter]*—and for always thinking about how we can reach out to people who aren't in this room and who have been vulnerable to the siren's song of the other party. We should do more of that, because we're working hard to represent them and to help them.

I also want to say that when you introduced Theresa tonight I was sitting here thinking that next only to the President of the United States, you're about to become the most over-married man in the whole country. *[Laughter]* And I congratulate you both, and I wish you well and Godspeed.

I want to say how elated I was to be a part of a couple of events for Senator Kennedy up here in the last campaign. Whatever labels you put on Democrats, the truth is that all elections are about two things: whether a majority of the people identify with you and think you're on their side and whether you've got a message for the future. In this last election, without apology, with great energy and gusto and courage, when all the national trends were going the other way and when no one could any longer seriously claim that Massachusetts was just a different State, Ted Kennedy told the people of this State what he stood for, what he had done, and most importantly of all, why he wanted another term. He made the election about the future and the people of Massachusetts, and he won. And if the Democrats will make the elections of 1996 about the people of the

United States and the future of our country, we will win as well.

I want to thank Alan and Fred and all the others on the committee. They're the only people I know who are more indefatigable than I am when it comes to trying to push our party's agenda and move this country forward. They're the sort of "Energizer bunnies" of the national Democratic Party, and I am grateful. *[Laughter]*

I wish I could put them on television the way Mario Cuomo and Ann Richards were. Did you all see them on the Super Bowl? *[Laughter]* I don't know about you, but I've had three dozen bags of Doritos since then. *[Laughter]* I can hardly walk. And I want them to stay on. I mean, write Doritos and tell them you ate lots of those Doritos and that's the only way we can get equal time with the Republicans on the air waves. *[Laughter]*

I want to thank your party chair, Joan Menard, and Reverend Charles Stith, my longtime friend; your secretary of state, President Bill Bulger; Speaker Flaherty; and Attorney General; all the others who are here; and a special word of thanks to your wonderful mayor, Tom Menino, for making me feel so welcome here today.

You know, when Senator Kerry and Senator Kennedy and I went with the mayor to meet with that youth council today and they had a young person from every part of this great city from all different ethnic backgrounds, and obviously different sets of personal conditions. And we were sitting there just having a family conversation about what these young people were interested in. And they kept asking me, "Well, here's a problem." But they didn't ask me, "What are you going to do about it?" They said, "What do you think we can do about it?" It was astonishing. Over and over, "What do you think we can do about it?" And I thought to myself, if we had enough kids like this all over America, our country is in pretty good shape. And it's a great tribute to Boston and to the ethic of citizenship and service, which is vibrant and alive and burning here.

I was so glad to—appreciate what Senator Dodd said about the national service program. I know all of you must be very proud of Eli Segal from Boston for the way he has

run that program. It is a brilliant thing that is lining up possibilities all across our country: immunizing children in south Texas; rebuilding housing projects in Detroit; helping people in all the natural disasters in California; restocking the salmon in the Pacific Northwest. You cannot imagine what those young people are doing all across this country. And I have to tell you that if it hadn't been for Eli Segal I'm not sure we ever could have done it the way he conceived it and executed it. And the next time he comes home to Boston give him a pat on the back, because he's been magnificent.

I want to thank my longtime friend Don Fowler for agreeing to join this team with Senator Dodd. The real reason Don came up here tonight is so there would be two southern rednecks book-ending all these Irish guys when they were talking. [*Laughter*]

Don understands what part of our problems are. Everybody talks about change, but Clinton's ninth law of politics is, everyone is for change in general but against it in particular. [*Laughter*] Everybody is for lowering the deficit. The problem is when you have to lower it—that's what Senator Kennedy was talking about—we didn't get much help when we actually had to do it. It's kind of like everybody is for going to the dentist, but if I tell you I made you an appointment for 7:30 in the morning, you'd have second thoughts. [*Laughter*]

So to whatever extent I bear a responsibility for some of our party's difficulties because I had a drill to the tooth of America for the last 2 years, trying to whip this thing back in shape, I regret that. But I don't regret the fact that we do have the economy back on track; we do have the deficit coming down; we do have this country in a position now where we can think about how to give tax relief to hardworking Americans and invest in education and still continue to bring the deficit down. I don't regret that. It was tough. It was hard. And I thank the people of the Congress who did it.

You know, Don and I come from part of the country where it's been hard to be a Democrat for over 20 years now. And part of it is this whole deal, everybody is for change in general but against it in particular.

One of my favorite stories from my previous life as Governor of Arkansas was going to the 100th birthday party of somebody with my junior Senator, David Pryor. We went up to this guy. We were amazed at what good shape he was in—astonished. I said, "You know, you have all your faculties. You hear well. You see well. You speak well." He said, "Yeah." And I said, "You're really just in great shape, aren't you?" He said, "I am." And I said, "Boy, I bet you've seen a lot of changes." He said, "Son, I sure have, and I've been against every one of them." [*Laughter*] The more you think about that, the sadder it'll get. But anyway, there it is. [*Laughter*]

There is some of that out there. But our people also really do want change. They want us to stick up for the principles of the Democratic Party, but they also want us to reach out a hand of partnership. And as your President, I have to be the leader of our party and the leader of our country. I feel very indebted to Chris Dodd and to Don Fowler for being willing to put aside a lot of their other activities to take the time to help to rebuild and reinvigorate and revitalize our party.

I know—I know in my bones—I can feel it, that if we can stay true to our principles and clarify our vision for the American people and say what we are doing and where we want this country to go, that the fact that we honestly represent and care more about the vast majority of the American people will manifest itself, not simply in Massachusetts but throughout the United States within the next 2 years. And that should be our common commitment and our common cause.

The whole purpose of politics, after all, is to improve the life of people. Read the Declaration of Independence. As I said in the State of the Union, nobody's really done any better than that. We pledge our lives and our fortunes and our sacred honor to the idea that all of us are created equal and endowed by God with the rights of life, liberty, and the pursuit of happiness, not a guarantee of happiness but the right to pursue it, the right to succeed, the right to fail.

For 200 years, we've had to work to refine that phrase like a piece of steel. And we reach a certain point and we realize, oh, we've got

a whole new set of circumstances or our understanding was painfully limited. That's what the Gettysburg Address was all about.

I don't know if you read Gary Will's terrific book, "Lincoln at Gettysburg," but he basically argues that Mr. Lincoln rewrote the Constitution with the Gettysburg Address by making the spirit of the Constitution the letter. That's what it was all about. He said: How could we be so dumb to have slavery and say all people are created equal, so from now on, that's what this means.

And you look what happened when Theodore Roosevelt and Woodrow Wilson tried to redefine the obligations of our National Government to protect the American people from the abuses of the industrial age, or when Franklin Roosevelt ran on a platform of limited government and balancing the budget but realized that he couldn't let the country go into the tubes, that he had to lift people's spirits and lift their circumstances and give them ways to work together.

If you look at some of our most difficult times, they're the times of transition when we're moving from one era to another and people can't give you a clear road map. In the middle of the Depression, I remember my grandfather telling me as poor as people were, there was a certain happiness of spirit people felt after Roosevelt got in, and everybody knew that they were working together and they were going somewhere.

I told a lot of people over the last month I'd just been astonished every time I go to California and I see those poor people. They've had an earthquake. They've had floods. They've had fires. Some of the happiest people I've ever met are people in those relief shelters in California. They get together from all walks of life. I was in one of those flood relief shelters the other day in northern California in a little unincorporated town called Rio Linda where Mr. Limbaugh had his first radio program. [Laughter] And I was in a little Methodist church talking to all these people and this old gal came up to me and put her arm around me, and she said, "Mr. President, I'm a Republican, but I'm sure glad to see you." Like I was going to fall out or something. Why? Because they were there, they didn't care what their party was or their philosophy.

They were there trying to do something good. And they felt that they were part of something bigger than themselves.

In a period of transition like this, we're going from the cold war era and the industrial age to the post-cold-war era and an information age. We're going through enormous changes in the way work is organized and the way the society works. We've got all these cultural tensions in our country just eating people up. In times like this, people tend to be disoriented and out of focus. And it is difficult for them to do the work of citizenship and to believe that we can come together and do the things we ought to do. And we have to find ways to recreate in ordinary, normal circumstances the spirit that I see when adversity strikes America. That's what the mayor did by bringing those kids into that youth council today. And that's what we have to do as Americans.

The Democrats need to forthrightly say, we believe, even in the 21st century, even in the information age, even when we trade in our mainframes for our PC's, there is a role for us working together as a people; that the market is a wonderful thing and we want it to work, but it won't solve all the problems; that we still need the public sector to expand opportunity even as it shrinks bureaucracy; to empower people to make the most of their own lives, no matter what their circumstances; to enhance our security at home and abroad.

And we don't have all the answers because a lot of the problems are new. But we know that if we are guided by what I call the New Covenant, the idea that we will create opportunity and challenge the American people to be more responsible, and that's how we'll build our communities and restore citizenship, we can do quite well.

It's amazing how many things I've had to do as President that I knew would be unpopular, like that economic plan. It wasn't unpopular in Massachusetts because Ted Kennedy defended his vote. And if everybody else had done that, they'd have found the results more satisfactory. I remember when—but we had to do that. We couldn't just keep ballooning the deficit. We'd never have gotten interest rates down in 1993. We would never have gotten this economy going

again. We had to do it. And we have to continue to do things that are unpopular.

It was unpopular to say that the time had come for the dictators in Haiti to go, but it had to be done. We had to stand up for freedom in our hemisphere. We couldn't deal with the consequences of walking away from that and the commitment we had made. We had to do it. It was unpopular, but it had to be done.

And I know the surveys say that by 80 to 15, or whatever they said, the American people either didn't agree or didn't understand what in the world I'm up to in Mexico. But I want to say to you, it might be unpopular, but in a time of transition it's the right thing to do. Today, 2 weeks and a few days after the Mexican crisis presented itself, after meeting with the leaders of both parties in the Congress, I decided to commit to a loan guarantee of \$20 billion, not \$40 billion, from the Emergency Stabilization Fund, something within the control of the President, with the support of the leaders of Congress of both parties.

We've now gotten countries, other countries through the International Monetary Fund, to kick in about half what we need, which is a good thing. But we couldn't wait for 2 more weeks of congressional debate. I don't blame the Congressmen for wanting to ask questions. I don't blame them for not wanting to vote on this. It's a hard sell. It's pretty hard to explain in south Boston or up in Dover, New Hampshire, why this is a good deal for people in New England.

But here's the basic problem. Those folks got into a little economic trouble, but they didn't deserve as much as they got because a lot of the international financial markets today are controlled by a hundred thousand different forces, and when a speculative fervor starts in one direction, sometimes it's hard for it to stop when there's been some proper economic balance struck. But they've got a good democracy. They believe in free market economics. They buy tons of our products. They're our third biggest trading partner.

Why is this in the interest of the people of New England? Well, New Hampshire's unemployment rate was 7.4 percent when I took office, and it's 3.8 percent now. And

a big reason is they're exporting more. That's just one example.

So our third biggest trading partner is in trouble. And they didn't ask us for a grant. They didn't ask us for a loan. They didn't ask us for a bailout. They said, "Would you cosign this note? And by the way, if we get in trouble and can't pay, we've got a whole bunch of oil, and we'll give you some. You can sell it and put the money in the bank." That's pretty good collateral. Near as I can figure, even 10 years from now we'll still be burning oil. We'll be able to use it. We'll be able to turn it into money. It will be worth something at the bank. And they said, would you help? So we got a \$40 billion trading arrangement. It's jobs for Americans, folks. Those who say, "Well, Clinton is just bailing out rich investors on Wall Street; most of them will do just fine." But if we lose markets, if we lose possibilities—a lot of people here have built factories and shut them down. They're hard to start up again when you've shut them down. You've got to go through up and down times, but it's an important thing. It's American jobs.

We share a vast border down there. We have problems along that border, illegal immigration and narcotics trafficking. This government's trying to help us with both. If you have an economic and a political collapse, we have more illegal immigration, more narcotics trafficking, more misery on the streets of America, more anxiety for American taxpayers.

This is the right thing to do, and I was glad to take responsibility for it. And I know it's not popular, but in a time of change not all decisions which have to be made when they have to be made can possibly be popular. So I hope you will support it anyway. It's in the interest of building the future of the United States. *[Applause]* Thank you. Thank you. Thank you very much.

So much as been said tonight; there's no much more for me to say. But I want to make a couple of points about what I hope to achieve this year in this new environment for all of our people. And I'd like to begin by telling you a story.

When my last Secretary of the Treasury, Lloyd Bentsen, was at his last Cabinet meeting, preparing to go home to Texas after

more than three decades of public service to a well-deserved retirement, with the reputation of being not only one of the wealthiest members of my Cabinet but one of the most conservative—a man who inspired great confidence all over the world for his policies and his personal strength—he said to us as he left, “You know what I’m most worried about? Here I am in my seventies, having had the chance to work for my country all these years, having enjoyed all the successes America could bring in the private sector and the public sector. You know what I’m most worried about? I’m worried about the growing inequality in America and the fact that so many Americans are working harder and harder and harder and falling behind. And I don’t know how we can preserve our country as we know it unless we can figure out a solution to this problem. And I wish that I had left you with one before I retired.” Everybody in that Cabinet room was just almost dumbstruck. What did he mean? He meant that something has changed since President Kennedy said, “A rising tide lifts all boats.” It doesn’t.

I’m honored by the fact that in 1994 we had the best growth in 10 years, the best personal income growth in 10 years, the lowest combined rates of unemployment and inflation in 25 years. That is a very good thing. We should be proud of that. And the economic management and discipline of this administration certainly had something to do with it. And the dramatic improvements in productivity of American businesses and working people had the lion’s share to do with it. And the fact that we’re opening new trading opportunities had something to do with it. And the fact that our Commerce Department and others, as has been said, are trying to sell American products and services—it all had something to do with it.

But the hard, cold fact is, people say, “Well, why doesn’t the administration get credit for this?” Senator Kennedy alluded to it. Well, one reason is a lot of people are still working a longer work week than they were 15 years ago. They’re spending more for the essentials of life, but their wages haven’t kept up with inflation. Another million Americans in working families lost their health insurance last year, once again making

us the only—and I reiterate—the only advanced country in the world with a smaller percentage of working families with health insurance today than had health insurance 10 years ago.

There was even a study last week that said the average working adult is spending an hour a night less at sleep. So if you have less time for leisure, if you’re not sure you can even afford a vacation, much less send your kids to college, and you keep reading how great the statistics are, and all the rest of your information you get from some more negative source, it’s not hard to understand how people are a little disoriented. Plus, the fundamental fact is we are moving from one time to another, and we aren’t there yet, in our minds and in our experience.

Therefore, it should not be surprising, and we should not complain if those of us in public life sometimes become the object of resentment when we can’t figure out how to explain in clear, unambiguous terms that cut through the fog of the national debate what is going on and what we are trying to do about it and what the people have to do about it.

That is the great challenge we face today. But we should be optimistic about it. With all my heart, I believe the best days of this country are ahead of us. But we have to find a way for the American tide to lift every boat in America. We have to find a way for everybody willing to work hard to do well. We have to find a way to keep the American dream alive for everyone, to grow the middle class and shrink the underclass. We have to find a way to rebuild our sense of security.

I can think of no better way to explain it than what I have been trying to say for 3 years now: Our job is to create more opportunity and to challenge the American people to assume more responsibility. We have tried to do that. We are now in a position where it is my judgment that what we need to do in this coming session of Congress is, first of all, to keep the recovery going; secondly, not to let the deficit explode; thirdly, not to permit the fever for cutting Government and cutting regulation undercut the fundamental social compact in this country.

One of the reasons people are so torn up and upset is they’re not sure what the deal

is anymore. The harder they work, the more insecure they feel.

So I say, you want to cut spending, to our friends in the Republican Party, let us have at it. We have cut \$255 billion in spending. I'm going to send you another \$140 billion in spending cuts. I am all for it. But let's not cut Head Start for children or the school-to-work program for the non-college bound kids. Let's not cut the nutrition programs and the food programs that keep our people alive. Let's don't do that. You want to cut taxes? That's all right. I'm for that. But let's not cut more than we can pay for. Let's not play funny numbers. Let's not pay for tax cuts by cutting Medicare. Let's cut spending that we can do without. We can do that. Let's do that.

And more importantly, in my judgment, is let's not fool people. What we're trying to do is to raise incomes. A tax cut raises incomes in the short run. We ought to do it in a way that raises incomes in the long run. That's why I favor—in this education State, it ought to be popular—finally giving the American people a tax deduction for all education expenses after high school. We ought to do that. Why? Because that lowers taxes and raises income in the short run, but far more important, it raises income in the long run, and not only the incomes of the people claiming a tax deduction but the incomes of every single American because we have to do a better job of getting more education for everybody.

We also ought to raise the minimum wage. Senator Kennedy is right about that. Now, I just want to say a word about this. I know that there's a conventional theory that, well, most people on the minimum wage are young people in middle class households going home to nice homes at night, and they don't need a raise. Well, the statistics show that about 40 percent of the gains of the minimum wage go to people in the middle 60 percent. But about 45 percent go to people in the lower 20 percent of our income brackets. There's a lot of women out there raising children on a minimum wage, and people can't live on \$4.25 an hour.

And the other night on our television in Washington there was a little snippet on some people who were working in a factory

in a rural area not very far from Washington. And a television interviewer went out and interviewed these ladies that were working in this operation. And this wonderful woman was interviewed. And he went through all the economic arguments against raising the minimum wage: "They say they're going to, if we raise the minimum wage, take your job away and put it into a machine." And she looked at the camera, and she said, "Honey, I'll take my chances." [Laughter] And I'll tell you what, I'll bet you if anybody in this room were working for \$4.25 an hour, you'd take your chances. Let's give them the chance. What do you say? I think we ought to.

I want welfare reform. I met last Saturday with Republicans and Democrats. Senator Kennedy was there. We talked about the welfare system. People that hate welfare most are the people that are trapped on it. I may be the only President that ever had the privilege of spending hours talking to people on welfare. It doesn't work.

But what should our goal be? Should our goal be to say we are frustrated, we think there are a lot of deadbeats on welfare, and we want to punish them? Or should our goal be to say, there ought to be a limit to this system; we want to move people from welfare to work and we want people to move to the point where they can be good parents and good workers, and the system we have has all the wrong incentives; let's change them? That's what our goal ought to be.

We can liberate people. If we're going to shrink the underclass, we have to reform the welfare system, but the goal of it ought to be how to train for a job, how to get a job, how to keep a job, and how to be a better parent. And that is going to be what drives me in this debate. So that's what I hope we'll do: go for the middle class bill of rights; pass the minimum wage; pass welfare reform; let's keep cutting the size of the Government.

You know, if we don't do anything else—I got tickled when Senator Kennedy was up here talking about it—but if we don't pass another law, in 3 years the Federal Government will be the smallest it's been since John Kennedy was President of the United States because of reductions voted by Democrats 100 percent. And I'm proud of that.

We should never be the party of yesterday's Government. We should never be the party of undue regulation. We should never be the party of things that don't make sense. The average person, when they pay money in April, thinks that they don't get their money's worth when they send their check to the Federal Government. That's what they think. And too often they have been absolutely right. We shouldn't defend that. We should be in the forefront. But when we are, as we have been for the last 2 years, we shouldn't keep it a secret. We need to tell it. We need to make sure people know it.

But I also will tell you that I have challenged the Republican leadership in Congress to make some move on health care. We lost another millions of Americans last year. The health care costs have moderated, thanks to what a lot of you in this room are doing who are in health care. But we still have serious problems with the costs going up more rapidly than inflation, and we still cannot continue in the face of plain evidence that every year we'll go on being the only successful country in the world to lose working people from the rolls of the health insured. We can't continue to walk away from this problem.

So maybe we did bite off more than we can chew last year. But as I said so many times, I'm still proud of the First Lady for trying to give health care to everybody in this country. And I don't think we should be ashamed of it. So I think we've got a lot to do.

Let me close with reminding you of this: The most important work of all still must be done by citizens. You know what we're doing here tonight? We're celebrating the right of citizens to have a say in their Government. That's what this fundraiser is. And most of you are unselfish. You know darn well if you were at one of their fundraisers, it probably would get you a bigger tax cut. Most of you are here because you believe in your country, because you want everything to go better for everybody, and because you know you'll do better in the long run if we have the discipline to bring the deficit down, to put in sensible economic policies, and to take care of the children of this country. That's why you're here. You're here because your view

of your self-interest goes beyond tomorrow or the next day. You're here because for whatever reason, you haven't become so disoriented in this time of change that you're stopping thinking about the long run. And I value that; I thank you for that.

What we've got to do is to spread that to other people. The spirit I saw of those young children in the Mayor's Council today, we have to spread that to other people. We can't allow resentment to take over. I don't know if you saw the—I was very gratified by the results of the public opinion survey today about Massachusetts voters. It was in the press today or yesterday, whenever it was. But—[*applause*—before you clap, let me tell the rest of it. [*Laughter*] But that's a fascinating commentary. You know, my wife took a lot of hits when she fought for health care, and a lot of people said, well, she's got no business doing that, and all that stuff you heard. And so the survey said there's a dramatic difference between what women and men thought, particularly working women thought about what she had done. Now, why is that? Why would there be such difference? Because we're going through a period of real change, and people are disoriented, and it's tough out there. And this so-called angry white male phenomenon—there are objective reasons for that. People are working harder for less, and they feel like they're not getting what they deserve. They worry whether they're letting their own families down. And it's easy to play on people's fears and resentments. It's easy to build up people's anger. The hard work, the right thing to do, what we have to do is to channel all that frustration and anger into something good and positive. What we have to do is to say what we say to our children, "Okay, be mad. Be angry. Scream. Let off steam, but what are you going to do? What about tomorrow, how are you going to change your life? What are we going to do together?"

That is our job, every one of our jobs. And no President, no Congress, no program, nothing can change what citizens can change if we are determined to see one another as fellow citizens instead of enemies. Even when we're opponents, we shouldn't be enemies.

So I ask you—there's enough brain power and education and understanding in this room to move Boston all the way to Washington. There's enough energy and innovation and creativity here. And I thank you for being here, and I thank you for supporting us. But tomorrow and the next day, look all your fellow citizens in the eye; when you drive to work and drive home, when you walk the streets, seek out people who are different, who have different views. Imagine what their lives are like.

This is a difficult time. We're moving from one place to another. And we need to find our bearings. We cannot do it with division. We cannot do it with demonization. We cannot do it with the politics of destruction. We cannot do it just by giving vent to frustration. We have to build. Every time this country has gone through a period like this, every time, we are simply doing the work that has been done for 200 years: We are redefining what we have to do so that all of us can pursue life, liberty, and happiness.

We should be proud that we have the chance. We shouldn't be deterred by momentary adversity. If we keep our eyes on the prize, which is the human potential of every single American, we're going to do just fine.

Thank you, and God bless you all.

NOTE: The President spoke at 8:56 p.m. at the Park Plaza Hotel. In his remarks, he referred to Alan Leventhal and Fred Seigel, fundraisers, Democratic National Committee; Joan Menard, chair, Massachusetts Democratic Party; Rev. Charles Stith, who gave the invocation; Secretary of State Bill Gawin of Massachusetts; William Bulger, president, Massachusetts State Senate; Charles Flaherty, speaker, Massachusetts House of Representatives; Mayor Tom Menino of Boston, MA; Mario Cuomo, former Governor of New York; and Ann Richards, former Governor of Texas.

### **Remarks Prior to a Meeting With Military Leaders and an Exchange With Reporters**

*February 1, 1995*

#### **Defense Budget**

*[The President's remarks are joined in progress.]*

**The President.** —I'm especially glad to have this chance to be here. And a lot has changed and a lot has happened since we met last year. I want to get a good briefing on the readiness issues and on the quality of life issues that are implicit in the request that we're making in the defense budget. We've got to maintain our preparedness; we've got to maintain our readiness. I also want to emphasize how important my supplemental recommendation is to the Congress. We need to get that approved as quickly as possible. I know it's important to all of you. And Secretary Perry and Deputy Secretary Deutch talk to me about it all the time. We're working hard on that supplemental, and we're going to do our best to get it passed.

#### **Baseball Strike**

**Q.** Mr. President, the baseball negotiators—changing the subject—*[laughter]*—

**The President.** National security. *[Laughter]*

**Q.** On a subject dear to many Americans, after 40 days they are starting to talk again today in Washington. And you have imposed this February 6th deadline for some progress. Is there anything you can do personally to get baseball off the—to get it going again?

**The President.** I am doing whatever I can do personally. But the less I say about it, the better. We're all working. This administration has worked hard. But I think Mr. User, our mediator, should be given a chance to work through this last process to try to come up with an agreement between the parties. If they don't, I've urged him to put his own suggestions on the table. We'll just keep working through this until we get to a—hopefully get to a successful conclusion.

#### **Mexican Loan Guarantees**

**Q.** Mr. President, what do you think about the international response to your Mexico decision so far?

**The President.** So far I'm encouraged. I think it was the right thing to do, and I'm encouraged. I hope we have another good day today. Yesterday was very encouraging, good for our country, good for our jobs, good for the stability of the region.

NOTE: The President spoke at 10:18 a.m. at the Pentagon. A tape was not available for verification of the content of these remarks.

### **Remarks at the National Prayer Breakfast**

*February 2, 1995*

Thank you, Martin Lancaster, for your incredible devotion to this prayer breakfast and for all the work you have done to make it a success. To Vice President and Mrs. Gore and to the Members of Congress and the Supreme Court, the Governors, the distinguished leaders of previous administrations, and of course, to all of our foreign guests who are here and my fellow Americans: Hillary and I look forward to this day every year with much anticipation. It always gives me new energy and new peace of mind. But today has been a special day for me.

It's always wonderful to see our friend Billy Graham back here. This is the 40th of 43 prayer breakfasts he has attended. I'd say he's been faithful to this as he has to everything else in his life, and we are all the richer for it.

It was wonderful to be with Andy Young again. He stayed with us last evening at the White House, and we relived some old times and talked about the future. None of us could fail to be moved today by the power of his message, the depth of his love for his wonderful wife, who blessed so many of us with her friendship. And I'm sure he inspired us all.

I also want to say a special word of thanks to my friend Janice Sjostrand for coming here all the way from Arkansas. You know, one of the greatest things about being Governor of my State is I got to hear her sing about once a month instead of once in a blue moon. And I miss you, and I'm glad to hear you today. Thank you.

We have heard a lot of words today of great power. There is very little I can add to them. But let me say that, in this age, which the Speaker of the House is always reminding us is the information age—an exciting time; a time of personal computers, not mainframes; a time when we are going to be judged by how smart we work, not just how hard we work—the power of words is

greater than ever before. So by any objective standard the problems we face today, while profound, are certainly not greater than they were in the Great Depression, or in the Second World War, or when Mr. Lincoln made those statements when he left his home in Illinois to become President that Governor Engler quoted, or when George Washington suffered defeat after defeat until, finally, we were able to win by persistence our freedom. No, they are not, these times, as difficult as they are, more difficult than those.

What makes them more difficult is the power of words, the very source of our liberation, of all of our possibility and all of our potential for growth. The communications revolution gives words not only the power to lift up and liberate, the power to divide and destroy as never before—just words—to darken our spirits and weaken our resolve, divide our hearts. So I say, perhaps the most important thing we should take out of Andy Young's wonderful message about what we share in common is the resolve to clear our heads and our hearts and to use our words more to build up and unify and less to tear down and divide.

We are here because we are all the children of God, because we know we have all fallen short of God's glory, because we know that no matter how much power we have, we have it but for a moment. And in the end, we can only exercise it well if we see ourselves as servants, not sovereigns.

We see sometimes the glimmer of this great possibility: When, after hundreds of years, the Catholics and Protestants in Northern Ireland decide that it may be time to stop killing each other; when after 27 years, Nelson Mandela walks out of his jail cell and a couple of years later is the President of a free country from a free election; when we see the miraculous reaching out across all the obstacles in the Middle East. God must have been telling us something when he created the three great monotheistic religions of the world in one little patch and then had people fight with each other for every century after that. Maybe we have seen the beginning of the end of that, in spite of all the difficulty. But it never happened unless the power of words become instruments of elevation and liberation.

So we must work together to tear down barriers, as Andy Young has worked his whole life. We must do it with greater civility. In Romans, St. Paul said, "Repay no one evil for evil, but take thought for what is noble in the sight of all; do not be overcome by evil, but overcome evil by good." There's not a person in this room that hasn't failed in that admonition, including me. But I'm going to leave here today determined to live more by it.

And we must finally be humble, all of us, in whatever position we have not only because, as Andy reminded us, we're just here for a little while not only in our positions but on this Earth, but because we know, as St. Paul said in Corinthians, that we see through a glass darkly, and we will never see clearly until our life is over. We will never have the full truth, the whole truth. Even the facts, as Andy said—I thought that was a brilliant thing—the flesh and blood of our lives, the facts we think we know, even they do not tell us the whole truth. The mystery of life.

So, my fellow Americans and my fellow citizens of the world, let us leave this place renewed, in a spirit of civility and humility, and a determination not to use the power of our words to tear down.

I was honored to say in the State of the Union last week that none of us can change our yesterdays, but all of us can change our tomorrows. That, surely, is the wisdom of the message we have heard on this day.

Lastly, let me ask you to pray for the President that he will have the wisdom to change when he is wrong, the courage to stay the course when he is right, and somehow, somehow, the grace of God not to use the power of words at a time in human history when words are more omnipresent and more powerful than ever before to divide and to destroy but instead to pierce to the truth, to the heart, to the best that is in us all.

Thank you all, and God bless you.

NOTE: The President spoke at 9:20 a.m. at the Washington Hilton Hotel and Towers. In his remarks, he referred to Martin Lancaster, chair, National Prayer Breakfast; evangelist Billy Graham; former Ambassador Andrew Young; and singer Janice Sjostrand.

## Interview With Religious Journalists February 2, 1995

**The President.** Well, I'm glad to see you all and welcome you here, for many of you, for the first time. As you know, when I was in—in the State of the Union Address, I issued a challenge and as part of my explanation of the New Covenant in challenging citizens to be more responsible to people of faith and to religious leaders, specifically, to help us to deal with those problems that we have to deal with person by person and from the inside out, to help us to deal with the problems of teen pregnancy and out-of-wedlock birth, to help us to deal with the challenges of excessive violence, to help us to deal with the things that have to be organized and dealt with literally one by one at the grassroots level. And while I think we have to be more tolerant of all people, no matter what their differences are, we need to be less tolerant of conditions that are within our power to change.

And as you know now, for 2 years, ever since I took this job, I've been trying to find ways to galvanize the energies of people of faith to work together on a common agenda that nearly all Americans would agree on and, at the same time, to try to respect the differences of opinion and views. Our administration strongly supported the Religious Freedom Restoration Act, and we've worked very hard to implement it in a good faith way. And I think an awful lot of people from right across the spectrum of religious affiliations in our country would agree that we have done that.

Anyway, if you have any questions, I'd be glad to answer. But the other thing I was going to say today—what I said today was that the problems our country faces today are quite profound, you know, the fact that a rising tide is not lifting all boats; that a lot of people, in spite of this remarkable recovery, have not gotten a raise and they're more vulnerable with their health care, their pensions; and the fact that a lot of people find their values violated and their security violated by crime and violence and the breakdowns of the social order. It would be very hard to assert that there are more profound difficulties than the problems of previous

days, than the problems that George Washington or Abraham Lincoln or Franklin Roosevelt confronted.

The difference is that in the information age, which gives us these vast new opportunities because of the creation of wealth is based on knowledge and that these people have access to more knowledge than ever before. It's also a great burden because words have greater power today than ever before, not only to build up but also to tear down, to divide, to destroy, to distract. And therefore, in a very profound sense in the modern world, it is more important that people be striving for the kind of spiritual presence of mind and peace of mind that will lead you to use words to build up and to unify, instead of to divide and tear down. And I really do believe that. I think that it's clearly different from any previous time. Words have always been able to wound in letters or speeches or whatever. But the omnipresence of information today and the fact that we're buried in it, it seems to me, imposes an even greater responsibility on people in positions of respect and trust and power to use those words more carefully.

#### **Personal Morality**

**Q.** An awkward question, sir. The moral crusade elements of the State of the Union Address, teenage pregnancy, as an example, sits well, except that there are investigations into your own conduct which some people say leaves an impression. Is this interfering with your ability to lead that type of crusade?

**The President.** Not in my own mind. That's up for other people to determine. But the one thing that I would say today—we live in an age where anybody can say anything, and unlike in previous times, it gets into print. And even if they admit they took money to say it—which is what happened in my case a couple of times—it still gets wide currency. So there's not much I can do about that.

I can tell you this, the work I've tried to do to reduce teen pregnancy and out-of-wedlock births generally is something I've been involved in for many years. And I think it's a very serious matter. The life of these young people was very, very different than my life was when I was their age. Their temptations,

their travails, it's very, very different and much more difficult for them. And I think we've got to try to find a way to help them walk back from what is now happening.

Interestingly enough—this is a statistical comment I'm making now—there is some evidence that the efforts may be beginning to have some impact. The actual numbers of out-of-wedlock births have stabilized in the last 2 or 3 years. The rate of illegitimacy is going up because the rate of childbearing by couples who are young and successful is going down, which is another problem for another discussion. But anyway, I don't see that we have any choice as a people to deal with it, and it's—and you know, if folks want to use that as another excuse to attack me, that's their problem, not mine.

#### **Welfare Reform and Abortion**

**Q.** Related to that, some people suggest that both your welfare reform proposals and the Contract With America's welfare reform proposal takes such Draconian measures against these unwed teen mothers in terms of limits that what it's likely to do is to drive up the abortion rate, not stop the unwanted pregnancy rate but drive up the abortion rate. Do you see that happening?

**The President.** Well, I don't agree with that in my proposal, and obviously, I don't know what would happen in the others, but let's look at that.

The abortion rate has been going down in America. And I think it's been going down for—maybe because of all the protest against abortion. But I also think that most Americans have deeply ambivalent feelings. That is, I believe that a majority of Americans are pro-choice and anti-abortion. That is, they don't believe that the decision should be criminalized because there are too many different circumstances where most of us feel that decisions should be left to the people who are involved rather than having a totally legal prohibition.

On the other hand, most people think in most circumstances that abortion is wrong and that it shouldn't be done. So the abortion rate is going down in America. It's still very much too high, and we've tried to do some things to make adoption more attractive. And there was a law signed last year that's gotten

almost no notice because it was part of the Elementary and Secondary Education Act to try to remove the prohibitions or the discriminations in courts across the country in cross-racial adoptions to try to do whatever we could to just encourage more adoptions.

But let me back up to your question and to explain, if I might, why I don't agree that our position would cause more abortions. There are basically three different approaches, with a zillion different limitations, but three different approaches in this welfare debate. There is the Contract approach which is deny benefits to the second welfare child born out of wedlock. And then this extreme version is deny benefits to any teenager who has a child out of wedlock and to that child for up to 18 years. That's what—then there's the people who say, turn it over to the States and let them do whatever they want, which could include that.

Our position is give the States a lot more flexibility, but don't punish the children, take care of their basic needs. And we say don't cut the parents off of public assistance unless, number one, they're bad parents or, number two, they do things which will undermine their ability to either be successful workers or successful parents.

So for example, the way our plan works is if you're a teenager and you have a baby, in order to draw the public assistance in a normal way, you'd have to stay in school, you'd have to live at home with your parents, and if you lived in a bad home you'd have to live in some other supervised setting. You'd have to cooperate and help identify the father so we could attempt to get the father to pay child support and support the child. If at the end of your education period and training, if 2 years have elapsed and you haven't gone to work, then you would have to go to work if there were a job available. And if you turned down a job, you could lose your benefits.

Under their proposal, the second problem is, you'd be cut off after 2 years whether there's a job there or not. So the two differences are, I say, cut people off after a limited amount of time if there's a job there. They say, cut them off altogether. I say only take benefits away from people if they misbehave as parents or in their own responsibil-

ities. They say, if you have a child out of wedlock and you're a teenager, you should never get benefits and neither should your child.

I'll leave it to you to conclude what impact that might have on the abortion rate; I don't know. But I don't believe ours would. I think ours is responsible. You have to have more requirements on people; you can't just continue to perpetuate the present system. But I don't think you should punish the children or punish people for their past mistakes; you should deal with their present conduct.

### **Child Health and Welfare**

**Q.** What about the suggestion that, particularly of Speaker Gingrich, that the churches and the charities should be able to take over much of the responsibility, including the financial responsibility that the Government now has for foster children and various other tough social situations? Is that an appropriate way for these problems to be taken care of, for these people to be cared for? And if so, how should the money get there?

**The President.** Well, I think the churches could well be involved in more activities. For example, I think that you might—and one of the things that I want to do is to give more flexibility in how to implement welfare reform to State and local government. If they want to involve the church, particularly, for example, in developing supervised settings for young girls and their children who can't, and shouldn't, be living in their homes because of the problems in their homes, that's the sort of partnership that I would certainly not oppose.

But I don't think you can say from that that there's no national interest which should command some taxpayer support to make sure that these children have minimal levels of nutrition and medical care and just the basic things that it seems to me we've got an interest in doing, because we don't want to lose any more of these kids than we have to.

The welfare benefits themselves, by the way, are not a problem. The real welfare benefits are about 40 percent lower than they were 20 years ago. So nobody goes on welfare for the check, it's the child care, it's the food stamps, it's the medical care for your chil-

dren. Therefore, nearly anybody who can will get off and go to work if they can take care of their children and their children won't lose their health care.

But do I think the churches should do more? I do. And one of the things that we want to do is to give them more operational control of this program to the States and let them use churches or community organizations or others to do whatever they can to repair the families.

**Q.** Much of what the churches already do—for instance, Catholic charities, their money comes from contracts through Federal agencies. In essence, what some of the Republican proposals are asking them to do is to continue doing the sort of work but without those contracts, without the money.

**The President.** Well, it will just be harder for them, won't it? I mean, I think—I mean, Fred is a good example. The Government does not—we are not a particularly generous country in terms of social welfare. The thing—I don't think the American people object to spending tax money on poor people. I think what they object to is spending tax money on a system that perpetuates destructive conduct and irresponsible conduct. I think that the issue is—for example, I don't think most Americans really think that it would be a great idea to cut out all spending on poor children in order to afford a capital gains tax cut. I don't think that's where they would come down. On the other hand, would they rather have a tax cut or just waste money on any program, including a program that perpetuated dependency? I think they would—or reduce the deficit or whatever. So I think the—what my goal is, is to say there's a national interest in the health and welfare of our children. I think it requires some investment of taxpayer money in the areas of particularly basic health care and nutrition and immunization of children against serious diseases. But the systems are dysfunctional. So I think we ought to try to fix them.

### **Response To Criticism**

**Q.** In a meeting of Baptist leaders back in October you were asked a question about some of your critics who were attacking you with unsubstantiated charges. I'm thinking specifically of Reverend Falwell pushing a

video on his TV program. And your response to the question was that you were busy running the country and didn't want to respond to your critics, but you were surprised that the Christian community wasn't taking these men on.

Since that time, I know American Baptist Tony Campollo was asked for equal time on his show to try to defend you. But do you know of any other attempts like that, or anything since that time to try to answer some—

**The President.** There have been an awful lot of attempts—I think there have been a lot of press stories refuting some of the specific allegations. But I would just say again, in the world we're living in—I'll say what I said at the prayer breakfast today—there is an inordinate premium put on the use of words to destroy or to distract people. And it takes away from my ability to be President, to do the job with a clear head and a clear heart and to focus on the American people, if I have to spend all my time trying to answer charges about what people say that I did years ago. And I just can't do it. I just can't do it.

I do the very best I can. Sometimes you can actually disprove something someone says about you. A lot of times, some people could lie about you in ways that you can't disprove. You can't always disprove every assertion. So insofar as whatever happened, I can't change yesterday, I can only change today and tomorrow. So I've just got to keep going. I think it is—I think I have—if I'd done anything, even though I've tried not to deal with it at all, I think whatever time I've spent kind of trying to absorb those blows since I've been President has been time and effort and energy, emotional as well as intellectual energy, has taken away from the American people. And I'm not going to cheat them anymore. I'm just not going to do it. I'm tired of letting other people say things that require me to deprive the American people of the best effort I can make. They'll have to make whatever evaluation of this they want to.

There is a difference between reputation and character, and I have increasingly less control over my reputation but still full control over my character. That's between me

and God, and I've just got to try to be purified by this.

I also noticed—Winston Churchill said—I ran across this the other day—that just because someone strays from the truth in criticizing you doesn't mean you can't learn something from their criticism. So I've decided that I'll try—need to learn a little something from my critics, even if what they say is not so. None of us are perfect, and I'm certainly not. But I just can't—I really think I made the right decision to try to just tune it out and go forward.

### **Bible Readings**

**Q.** Is there a place in the Scriptures where you find a source for the kind of faith you talked about earlier in stillness in facing these things, a story or a parable or a reading that you've turned to?

**The President.** Well, it's interesting, I just finished reading the entire Psalms. I also read—this is ironic—Lloyd Ogilvie's book on the Psalms that I didn't—I read it before he was selected to be Chaplain of the Senate. And there are a lot of the Psalms where David is sort of praying for the strength to be sort of purified in the face of adversity and in the face of his own failures.

There are a lot of the Proverbs which talk about the importance of keeping a quiet tongue and at least not getting in your own way, which I've done a lot in my life and which I've tried, even still, to grow out of. And I've spent a lot of time dealing with that over the last 2 years, as you would imagine I would have to.

I think the important thing—and I find this in the Scriptures over and over again—the important thing that I have to keep focusing on is what am I going to do today, what am I going to do tomorrow, how can I be free to call on the power of God to make the most of this job that I have for a little bit of time in the grand sweep of things. And that's just what I keep focusing on every day.

But I think—you'd be amazed how many people write me little fax notes, from friends of mine on a daily basis, saying look at this Scripture, look at that Scripture, look at the other Scripture. During this difficult period, a lot of people were giving me different Psalms to read. It was amazing, and so I did.

### **Negativism in Politics**

**Q.** Sir, when you talk about destructive language, if you—you refer to personal attacks on yourself. But what about some of the uncivil language which has been so much in the news over the past months that has been in Congress? Are you including that in—

**The President.** Oh, sure. I said today at the prayer breakfast, I don't think anybody in public life, including me, is blameless. I think it's that there are general—excuse me, genuine differences that people have on issues, and they ought to express them. But our public life needs more of the spirit of reconciliation, it needs more civility, it needs more humility. Sometimes we think we know things we don't.

And I think on debates over public issues, that is true as well. The American people very much want us to—they respond to these negative things, but they don't like it. The reason it keeps happening is because they respond to it. The politicians read polls, you know, and they know very often that the negative campaigns work and elect people. And they know that if you just constantly demean and run down people, like, after a while it sticks. They know that, so they keep on doing it. And the people respond to it, but they hate it. It's almost saying, "I wish you'd lock this liquor store up so I couldn't drink anymore."

And so somehow we have to crawl back off of this wedge because it has—as I said, it's—today people get more information that is sort of argumentative and editorial and often less accurate and then get in a more negative context than ever before. And it is a function of the information explosion. And so I do believe that I and others have a heavier responsibility even than we might have had in a former time, when in order to just get people's attention, you might take a little license with your language, you know.

### **Politics and Religion**

**Q.** [*Inaudible*—proven through the words and your actions that you are a genuinely religious person, since you were very young, and your wife as well. And a lot of religious people I talk to don't seem to accept that, who don't seem to feel it's genuine—feel that

you're using it in the course of making politics. And I'm wondering why, if you believe that, too, and if you—any analysis as to why that is and what it might say about the role of religion in politics, whether they really ought to be bound together—

**The President.** Well, I don't think they should be bound together. I mean, I think the First Amendment is a good thing for our country, that we protect the right of everybody to be faithful to whatever they believe by not uniting church and state. But I don't think you can change people or who they are. They have the convictions they have. They have the beliefs they have.

And what I've tried to do is to draw the proper balance by encouraging people of all faiths, including people who disagree with me, to be activist citizens. I think the—the book that Stephen Carter wrote on that—he makes a better statement about that than I can make, in terms of why they don't accept that about me. I think it's hard to make a case that I have tried to use this. I've never tried to say that—for example, I never tried to say that there was a Christian coalition behind anything I did, you know, that God had ordained us to do these following things, and I knew it, and anybody that didn't was seized by the Devil. I never said that.

I've said that like every other person, I consider myself a sinner because I believe I consider myself forgiven. I consider—you know, I need the power of God. This is a humble thing for me. But it's an important part of my life and has been for a long time, but especially again in recent years and before I became President. And the same thing is true for Hillary. I think the truth is that there are people who don't believe it's genuine because they disagree with me politically. They don't believe that you could be a committed Christian and not want to criminalize all abortions. I just don't believe you can be; that's what they think. They don't believe that you could be a committed Christian and believe that—take the position that I took on gays in the military. They thought—think the Bible dictated the previous policy on gays in the military, even though we fought two World Wars, Korea, and Vietnam, with a different policy. And so—but they don't believe that. That's their conviction.

So then I think there are people, once they disagree with you so much, who will believe—who will believe in perpetuating anything anybody says about you, and so they think that's evidence of that.

But—you know, the Bible is full of refutations of the latter point. All they had to do was read the Scripture to know better than to make that argument. But I can't worry about them; that's their problem. Let them think what they want.

I literally—you know, the one thing I realize is, is I wasted too much time when I got here, and it caused me to be a less effective President, either being hurt by or paying a great deal of attention to what people said about me in the past. And I've just got to try to keep going and fight against it, because the people that wanted to really blow that up either wanted to do it for their own purposes or wanted to do it literally without regard to whether the Government of the United States functions or the public interest is furthered. It's just a crazy way to behave; you can't do it. It never happened before in our history to this extent, and it shouldn't be happening now. And if it is happening, I can't control it. So what I should do is just do my job and shut it out; that's what I have to do.

**Q.** Sir, do you think that religious groups such as the Christian Coalition risk their credibility by wholesale endorsement of the Contract With America?

**The President.** Well, I think that's for others to judge, I think, but I would say this: You know, I think that they will come to be seen more and more like a political party with an agenda, rather than people who are driven into politics based on one or two issues that they believe the Bible dictates a position different from the present policy of the United States.

And there are a lot of European political parties with the name "Christian" in them, the Christian Democratic Party in Germany, Helmut Kohl's party. Nobody considers him to be, how should I say, sacrilegious because he's part of a party called the Christian Democratic Party that has religious roots, but no one anymore seriously believes that every position they take is rooted in their reading of the Scripture. And I think that the Christian Coalition is long since at that point.

Now, the thing I do think they have to be careful about with their credibility is the very, very hard hits they put on office holders who don't do as they believe. I remember one of the Members of Congress who lost in the last election told me of an encounter with a Christian Coalition minister who said to this Member, "Well, you want to see what we're going to put out in our churches on Sunday, tomorrow?" And she said, "Yes, I'd like to see it." And she went to these ten items; she said, "But, these two things aren't true." He said, "So, it's generally true. So what?"

So I think that that could hurt their credibility more than anything else, the idea that they're using the emotions of people of faith who are deeply disturbed for good reasons with what's going on in our country today and channeling those emotions into convictions about people in public life that aren't true. Now, that could hurt their credibility.

But I think just taking positions on these other things, I think everybody knows that they basically are an arm of the Republican Party and that they're going to take all these positions. I don't see that there's anything wrong with them doing it. And I agree with some of them, too. You know, I don't disagree with everything in that Contract; I agree with some of it.

Did everybody get a question? I'm glad to see you.

**Q.** It's good to see you.

**The President.** Thanks. Do you ever wish you were back in Conway?

**Q.** Almost every day when I'm driving out to Fairfax County for that hour and a half. [Laughter]

**The President.** It's pretty out there. I had a woman today from Lonoke come sing at the prayer breakfast. It made me so homesick I could hardly stand it.

NOTE: The interview began at 11:46 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

### Remarks Announcing the Nomination of Henry Foster To Be Surgeon General and an Exchange With Reporters

February 2, 1995

**The President.** Thank you very much, Madam Secretary, and let me say it's a pleasure to have Mrs. Foster and Senator Frist, Congressman Clement here.

The Surgeon General of the United States has enormous responsibilities. As the public face of our Public Health Service, he or she really is the people's doctor, the person responsible for promoting good health practices and alerting the Nation when health threats exist. To fill this post, I wanted someone who is both a top-flight medical professional and a strong leader and effective communicator. Dr. Henry Foster is such a person. And I am pleased today to announce my intention to nominate him as the Surgeon General of the United States.

He is widely respected in the world of medicine and science. After serving his country for 2 years as an Air Force medical officer, he became chief of obstetrics and gynecology at Andrew Memorial Hospital at Tuskegee University.

For the past 21 years, he has worked at Meharry Medical College in Nashville, Tennessee. As the dean of the school of medicine and its acting president, he helped Meharry to lead the way to meeting the health needs of the poor and the underserved. At the moment, he is a visiting senior scholar at the Association of Academic Health Centers here in Washington.

In the communities he's served, Dr. Foster has won hearts and minds for his innovation and his dedication to saving the lives of young people and vulnerable people. He's received numerous honors for his work in obstetrics and dealing with sickle cell anemia and, very notably, in the prevention of teen pregnancy.

He has shown us how one person can make a difference. Eight years ago he developed and directed the "I Have a Future" program at Meharry to help stop teen pregnancy. It has been an unqualified success.

Working with young people that others might think beyond help, he built up their self-esteem. He taught them job skills. He encouraged them to stay in school. Most important, he told them to be responsible for themselves. Thanks to Dr. Foster, these young people have a chance to live a good, full life.

I want Dr. Foster to use what he's learned to help America attack the epidemic of teen pregnancies and unmarried pregnancies. We know Government can only do so much. So large a part of Dr. Foster's job obviously will be to use his enormous skills of persuasion to reach out to people in the private sector in the religious, education, entertainment, sports, and other communities in this country.

As I said in the State of the Union, when I challenged all sectors of our society to help us deal with these problems that must be dealt with one by one, we have to have help everywhere. I am convinced Dr. Foster is the person to galvanize this help and lead this charge. We want everyone to do their part to find the solution to this problem.

I want Dr. Foster now to say a few words, but as I introduce him, I want to thank him for taking on a task in public service at a time when public service sometimes has prices that are clearer than rewards. I thank him for his willingness to serve, to try to make a difference in the health care of the people of this country and especially to try to make a difference in the future of the people of this country.

I thank his friends and colleagues for supporting him, the marvelous letter we received from Donna Shalala's predecessor, Dr. Lou Sullivan, the letter we received from the head of the American Medical Association, and of course, the support you have from your Congressman, Bob Clement, and from Senator Frist who just told me that he was the first doctor elected to the United States Senate since before the Depression.

So I would say it is time. Now, I'm going to try to keep for feeling so poorly I need his help in any way other than a legislative sense.

Dr. Foster, the podium is yours.

[At this point, Dr. Foster thanked the President and made brief remarks.]

### **Teen Pregnancy**

**The President.** You just hit the high point. Now you have to answer questions. [Laughter]

**Q.** Dr. Foster, do you think that at the—your programs about teen pregnancy in Nashville can be applied on a national scale?

**Dr. Foster.** I certainly do, and there have been efforts already to replicate the program; there is no doubt about it. It can be—

**Q.** I hear a lot about personal commitment, but I don't hear anything about official commitment. Mr. President, does your plan to combat teen pregnancy carry any new money with it? How do you intend to do that, or is it going to be primarily by the private sector?

**The President.** We have a whole plan we've been working on for months, and Dr. Foster and I are going to get together and go over the outlines that we had worked on before he agreed to come on, and we will finalize that. I expect we'll be announcing it sometime in the very near future, and we'll talk about then how we intend to do it.

**Q.** Will it take more Federal money?

**The President.** Well, I think the main thing we have to do is to galvanize the resources that are there now, spend the money that's there now better, and get—I have been led to believe by many people all across this country that there will be an enormous amount of support for this effort in the private sector if they have confidence that it's a serious, disciplined, organized effort that is likely to work.

I might let Dr. Foster say more about that.

**Dr. Foster.** No, the only thing I would add that didn't come out, we are going to also utilize greatly the volunteer efforts. There is an emerging middle and upper black class that's doing everything now to give back. This has only developed among African-Americans since World War II. And I'm surely certain that the same sort of emergence is occurring with Hispanics and other ethnic groups in this country.

**Q.** Mr. President, does he have same license to be as outspoken and blunt as Dr. Elders did, or some areas—did you caution him that there are some areas that he shouldn't be talking about?

**Dr. Foster.** No comment. [Laughter]

**The President.** I can't do better than that. [Laughter]

**Confirmation**

**Q.** Mr. President, some conservatives have already said that they plan to oppose your nomination because of Dr. Foster's support for distribution of contraceptive devices in public schools and his stand on abortion. Do you anticipate a problem—this confirmation?

**The President.** No. I'll tell you, the policy of the administration is that we should have appropriate education policies in schools, that we should encourage abstinence among our young people, that the question of contraception is one that should be resolved at the local level involving all sectors of the local community. There is no national policy on that, and there will not be.

In terms of the other issues that could be raised, I am confident that thoughtful conservatives will have the same view of Dr. Foster as Senator Frist does when they have the same opportunity to review his whole record. I think that we got an endorsement from the head of the American Medical Association already and from President Bush's HHS Director, Dr. Sullivan, who went to medical school with Dr. Foster, and I think there will be many others coming forward. So I feel good about it.

**Deficit Reduction**

**Q.** Mr. President, the budget that is going to be released on Monday, are you calling for a smaller deficit decrease than you had originally hoped for?

**The President.** A smaller deficit—

**Q.** Are your efforts to decrease the deficit—

**The President.** Our efforts to decrease the deficit—let me say this—I'm calling for twice as much in budget cuts as I am for the cost of the middle class bill of rights, the tax relief for the middle class. So my tax cuts are paid for, and there is further deficit reduction in our budget. And we will keep a tight rein on the budget deficit.

The one thing that we have no control over in the budget deficit is the impact of higher interest rates on the deficit. The American people should know that whenever interest rates are raised by the Fed, among other

things, the cost of carrying the Nation's debt goes up. So we can't do anything about that. And in that sense, the deficit will not go down as much as I hoped, because the interest rates have gone up. You can't overcompensate for that. There's nothing to be done about it.

But we're doing a better job in controlling inflation and health care than I thought we would a year or so ago; the whole country is. I don't mean just the government; the people in health care and the people in business are working harder on it. We have a lot of budget cuts that are very important and significant in this budget, and I'm looking forward to working with Congress to see how we can do even better. And I think that I'm encouraged by what they said, that they want to pay for their tax cuts. So I think that this—when I submit the budget, I think it'll be the beginning of a very positive thing. I don't have bad feelings about it.

**China**

**Q.** What's your reaction to China saying that your human rights report is indiscreet and meddling in their own affairs?

**The President.** Well, that's always been their view, and we disagree. I mean, we believe there are international standards for human rights. The Human Rights Assistant Secretary is charged by law with submitting a report every year. All he did was fulfill his legal responsibility to tell the truth as he saw it, and I support what he did. I think Mr. Shattuck's done a good job, and I think it's a very—it's by far, by the way, the most comprehensive report ever filed by the State Department on human rights, and it covers far more than China. China was not singled out. We evaluated every country in every part of the globe with any issue in this regard.

Thank you very much.

**Q.** How are the baseball talks going? Have you gotten feedback?

**The President.** We just—we're in it. That's all I can say. Not up, not down—we're in it.

NOTE: The President spoke at 2:10 p.m. in the Oval Office at the White House. In his remarks, he referred Dr. Foster's wife, St. Clair Foster.

**Statement on Appointments to the Commission on the Roles and Capabilities of the United States Intelligence Community**

*February 2, 1995*

I am announcing today appointments to the congressionally mandated Commission on the Roles and Capabilities of the United States Intelligence Community. The Commission will be chaired by the current Chairman of my Foreign Intelligence Advisory Board, Les Aspin. Former Senator Warren Rudman will serve as the Vice Chairman, and I have asked General Lew Allen, Jr., Zoe Baird, Ann Caracristi, Stephen Friedman, Anthony S. Harrington, Robert J. Hermann, and Ambassador Paul Wolfowitz to serve as well.

These distinguished Americans will join the eight members appointed by the leadership of the 103d Congress. They are Tony Coelho, David Dewhurst, Representative Norm Dicks, Senator James Exon, former Senator Wyche Fowler, Representative Porter Goss, General Robert Pursley, and Senator John Warner.

Intelligence remains a critical element of our national power and influence. For over 40 years bipartisan support for the work performed by U.S. intelligence has been essential to the creation of an intelligence capability that is second to none. While the world has changed in dramatic ways, our need to retain the advantage that U.S. intelligence provides our country remains constant.

With the end of the cold war we must renew and reinvigorate this bipartisan support. The foundation for this support must begin with a thorough assessment of the kind of intelligence community we will need to address the security challenges of the future. Our objective is to strengthen U.S. intelligence, to ensure it has the management, skills, and resources needed to successfully pursue our national security interests through the next decade and beyond. It is an effort to which I attach the highest personal priority.

I am confident that Les Aspin, Warren Rudman, and the other outstanding members of this Commission will work cooperatively with the leadership of the intelligence

community and the Congress to ensure continued bipartisan support for this critical mission. And I know that their effort will ensure the continued trust of the American people in the outstanding and often unheralded work performed by the men and women of U.S. intelligence.

NOTE: Biographies of the appointees were made available by the Office of the Press Secretary.

**Letter to Congressional Leaders on Major Narcotics Producing and Transit Countries**

*February 2, 1995*

*Dear Mr. Chairman:*

In accordance with section 490(h) of the Foreign Assistance Act of 1961, as amended, I have determined that the following countries are major illicit drug producing or drug transit countries: Afghanistan, The Bahamas, Bolivia, Brazil, Burma, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Lebanon, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Syria, Taiwan, Thailand, Vietnam, and Venezuela. These countries have been selected on the basis of information from the April 1, 1994, International Narcotics Control Strategy Report and from other United States Government sources.

While it is an important cannabis producer, Morocco does not appear on this list since I have determined that its estimated 30,000 hectares of illicit cannabis cultivation are consumed mostly in Europe and North Africa as hashish and do not significantly affect the United States. (Under section 481(e)(2)(C) of the Foreign Assistance Act, as amended by the International Narcotics Control Corrections Act of 1994, the term "major illicit drug producing country" is defined to include countries in which 5,000 hectares or more of illicit cannabis is cultivated or harvested during a year, unless I determine that such illicit cannabis production does not significantly affect the United States.)

This year the Dominican Republic, Haiti, Taiwan, and Vietnam have been added to the

list and Belize has been removed for the following reasons:

*Dominican Republic and Haiti.* These countries share an important location astride one of the key transit routes for drugs moving from South America to the United States. Over the past few years, there has been continuing evidence that Colombian traffickers use the Dominican Republic to transship cocaine bound for the United States. A number of metric ton cocaine seizures in Puerto Rico were delivered in small craft proceeding from Dominican ports. In March 1993, the U.S. Coast Guard seized 756 kilograms of cocaine just south of the Dominican Republic. In June 1993, Dominican authorities seized another 784 kilograms on the country's northern coast. As of November 29, 1994, Dominican authorities had seized 2.6 metric tons of cocaine this year. These record seizures represent an increasingly active and effective counternarcotics effort on the part of the Dominican government in 1994. We look forward to building upon this cooperation in the coming year.

There is strong evidence that much of the cocaine passing through the Dominican Republic was originally delivered on the Haitian side of the island, where until September a chaotic political situation provided an environment for drug trafficking. Before the U.S. intervention, Haitian authorities reported seizing 716 kilograms of cocaine. Accurate measurement of the volume of drugs moving through Haiti, however, was difficult because of the minimal cooperation from the military regime.

Since the intervention, measures taken by the Aristide government, as well as improved cooperation between the Haitian and United States Governments, appear to have drastically reduced trafficking through the Haitian part of Hispaniola. We expect that the return of democratic government will make it harder to move drugs through Haiti, but its geographical location will continue to offer a convenient transshipment point for U.S.-bound drugs.

We plan to work closely with Haitian authorities to develop even more effective antidrug programs in the months ahead.

*Taiwan.* Taiwan has become an important point for the transshipment and repackaging of heroin and should be included on the list on that basis. The recordbreaking U.S. seizures of nearly half a metric ton (486 kilograms) of heroin in 1991 was transshipped through Taiwan. Heroin seizures in Taiwan have risen from 240 kilograms in 1991 to more than one metric ton (1,114 kilograms) in 1993, confirming Taiwan's role as a point of major activity in the heroin trade. Taiwan authorities are aware of the heroin trafficking problem they face and have mounted a vigorous drug enforcement campaign that is responsible for the recent high volume of seizures.

*Vietnam.* We have no official United States Government estimate of opium cultivation in Vietnam, but the Government of Vietnam and the United Nations Drug Control Program (UNDCP) agree that cultivation far exceeds the 1,000-hectare threshold that requires inclusion on the list as a drug producing country. According to the UNDCP, over 14,000 hectares of opium were cultivated in the 1992/93 growing season, 10,000 of which were eradicated and 4,000 harvested. A Government of Vietnam source stated that 3,770 hectares were cultivated in the 1993/94 season. Vietnam also has a worsening drug addiction problem and a growing role as a transit and trafficking point for Southeast Asian heroin.

*Belize.* Belize was originally listed as a major cannabis producer at a time when the country's marijuana exports were having an impact in the United States. Since joint eradication efforts have effectively reduced cannabis to negligible amounts, Belize has been removed from the list of major drug producing countries. We will be watching to determine whether it becomes a major transit point for drugs moving to the United States.

Although Cambodia and Cuba have not been added to the list during this cycle, their strategic location along major trafficking routes makes them logical prospects for inclusion as major drug transit countries. We do not yet have sufficient information to evaluate either country's importance in the transit of U.S.-bound drugs. We will be observing them closely with the possibility of adding one or both to the list in the future if the circumstances warrant.

In my letter of January 3, 1994, to your predecessors, setting forth last year's list of major illicit drug producing and drug transit countries, I noted that we were examining the possibly significant illicit cultivation of opium poppies in Central Asia and anticipated completion of our assessment by 1995. Because of technical and resource limitations, we do not yet have useful survey results on opium cultivation in Central Asia. We hope to be in a better position to assess the situation by late 1995.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to Jesse Helms, chairman, Senate Committee on Foreign Relations; Mark O. Hatfield, chairman, Senate Committee on Appropriations; Benjamin A. Gilman, chairman, House Committee on International Relations; and Bob Livingston, chairman, House Committee on Appropriations.

### **Remarks on the Minimum Wage Initiative**

*February 3, 1995*

Good morning. When we scheduled this out here, we had a different forecast. [*Laughter*] But here we are, the hardy party. [*Laughter*]

Today marks the completion of 2 full years of economic reports in our administration. This morning the Department of Labor reported that nearly 6 million jobs have come into our economy since I took office 2 years ago; 1994 was the best year for job growth in a decade. The unemployment rate has dropped 20 percent in the last 2 years, and the combined rates of unemployment and inflation are at a 25-year low. Ninety-three percent of this job growth has been in the private

sector. That's the highest percentage of private sector jobs created in any administration in half a century, 8 times as many per month as during the 4 years before I took office. The majority of these jobs have been created in higher wage occupations. And in the 12 years before I took office, while our economy lost 2 million manufacturing jobs, in the last 17 months we have gained 300,000 manufacturing jobs.

I'm proud of this record, but I am also keenly aware of the fact that not all Americans have benefited from this recovery, that too many Americans are still in what the Secretary of Labor has called, "the anxious class," people who are working harder for the same or lower wages.

From the end of World War II until the late 1970's, the incomes of all Americans rose steadily together. When the wealthiest Americans did better, so did the poorest working Americans in roughly the same proportion. But since 1979, the income of the top 20 percent of our people has grown significantly, while the income of the last 80 percent grew barely at all or not at all or actually dropped. Much of the problem in the widening income gap among working Americans depends upon whether they have skills or not to compete in the global economy.

A male college graduate today earns 80 percent more than a person with only a high school degree. That's why we've pursued the far-reaching education agenda that the Members here on this platform have been so actively involved with, making it easier and more affordable to get college loans. That's why I proposed the middle class bill of rights to help parents with their children's education and with their own and to improve the way we provide help to workers who are trying to get retraining skills.

But another no-less-important part of this problem is the declining value of full-time wages for many, many jobs. I believe if we really honor work, anyone who takes responsibility to work full time should be able to support a family and live in dignity. That is the essence of what I meant in the State of the Union Address and what I have talked about for 3 years now with the New Covenant. Our job is to create enough oppor-

tunity for people to earn a living if they'll exercise the responsibility to work.

That's why we fought so hard to expand the earned-income tax credit, a working family tax cut for 15 million families in 1993; precisely why we're calling on Congress today to raise the minimum wage 90 cents to \$5.15 per hour. The only way to grow the middle class and shrink the underclass is to make work pay. And in terms of real buying power, the minimum wage will be a 40-year low next year if we do not raise it above \$4.25 an hour.

If we're serious—let me say this, too, emphatically—if we are serious about welfare reform, then we have a clear obligation to make work attractive and to reward people who are willing to work hard. I hope more than anything that we will have a genuine bipartisan, well-founded welfare reform legislation this year that will encourage work and responsible parenting and independence. But we cannot hope to have it succeed unless the people we are asking to work can be rewarded for their labors.

Let me close with one observation about recent history. In 1990, Congress raised the minimum wage according to the exact same schedule I proposed today, 45 cents a year for 2 years. That increase was passed by overwhelming majorities in both Houses with, let me emphasize, majority support from both parties. This has always been a bipartisan issue.

If in 1990, because the minimum wage had not been raised in such a long time, a Republican President and a Democratic Congress could raise the minimum wage, surely, in 1995, facing the prospect that work, full-time work could be at a 40-year low in buying power unless we act, a Congress with a Republican majority and a Democratic President can do the same for the American people.

Thank you very much. And thank you all.

NOTE: The President spoke at 9:35 a.m. in the Rose Garden at the White House.

## Message to the Congress on Haiti

February 3, 1995

*To the Congress of the United States:*

1. In December 1990, the Haitian people elected Jean-Bertrand Aristide as their President by an overwhelming margin in a free and fair election. The United States praised Haiti's success in peacefully implementing its democratic constitutional system and provided significant political and economic support to the new government. The Haitian military abruptly interrupted the consolidation of Haiti's new democracy when, in September 1991, it illegally and violently ousted President Aristide from office and drove him into exile.

2. The United States, on its own and with the Organization of American States (OAS), immediately imposed sanctions against the illegal regime. Upon the recommendation of the legitimate government of President Aristide and of the OAS, the United Nations Security Council imposed incrementally a universal embargo on Haiti, beginning June 16, 1993, with trade restrictions on certain strategic commodities. The United States actively supported the efforts of the OAS and the United Nations to restore democracy to Haiti and to bring about President Aristide's return by facilitating negotiations between the Haitian parties. The United States and the international community also offered material assistance within the context of an eventual negotiated settlement of the Haitian crisis to support the return to democracy, build constitutional structures, and foster economic well-being.

The continued defiance of the will of the international community by the illegal regime led to an intensification of bilateral and multilateral economic sanctions against Haiti in May 1994. The U.N. Security Council on May 6 adopted Resolution 917, imposing comprehensive trade sanctions and other measures on Haiti. This was followed by a succession of unilateral U.S. sanctions designed to isolate the illegal regime. To augment embargo enforcement, the United States and other countries entered into a co-

operative endeavor with the Dominican Republic to monitor that country's enforcement of sanctions along its land border and in its coastal waters.

Defying coordinated international efforts, the illegal military regime in Haiti remained intransigent for some time. Internal repression continued to worsen, exemplified by the expulsion in July 1994 of the U.N./O.A.S.-sponsored International Civilian Mission (ICM) human rights observers. Responding to the threat to peace and security in the region, the U.N. Security Council passed Resolution 940 on July 31, 1994, authorizing the formation of a multinational force to use all necessary means to facilitate the departure from Haiti of the military leadership and the return of legitimate authorities including President Aristide.

In the succeeding weeks, the international community under U.S. leadership assembled a multinational coalition force to carry out this mandate. At my request, former President Carter, Chairman of the Senate Armed Services Committee Sam Nunn, and former Chairman of the Joint Chiefs of Staff Colin Powell went to Haiti on September 16 to meet with the *de facto* Haitian leadership. The threat of imminent military intervention combined with determined diplomacy achieved agreement in Port-au-Prince on September 18 for the *de facto* leaders to relinquish power by October 15. United States forces in the vanguard of the multinational coalition force drawn from 26 countries began a peaceful deployment in Haiti on September 19 and the military leaders have since relinquished power.

In a spirit of reconciliation and reconstruction, on September 25 President Aristide called for the immediate easing of sanctions so that the work of rebuilding could begin. In response to this request, on September 26 in an address before the United Nations General Assembly, I announced my intention to suspend all unilateral sanctions against Haiti except those that affected the military leaders and their immediate supporters and families. On September 29, the U.N. Security Council adopted Resolution 944 terminating U.N.-imposed sanctions as of the day after President Aristide returned to Haiti.

On October 15, President Aristide returned to Haiti to assume his official responsibilities. Effective October 16, 1994, by Executive Order No. 12932 (59 *Fed. Reg.* 52403, October 14, 1994), I terminated the national emergency declared on October 4, 1991, in Executive Order No. 12775, along with all sanctions with respect to Haiti imposed in that Executive order, subsequent Executive orders, and the Department of the Treasury regulations to deal with that emergency. This termination does not affect compliance and enforcement actions involving prior transactions or violations of the sanctions.

3. This report is submitted to the Congress pursuant to 50 U.S.C. 1641(c) and 1703(c). It is not a report on all U.S. activities with respect to Haiti, but discusses only those Administration actions and expenses since my last report (October 13, 1994) that are directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Orders Nos. 12779, 12853, 12872, 12914, 12917, 12920, and 12922.

4. The Department of the Treasury's Office of Foreign Assets Control (FAC) amended the Haitian Transactions Regulations, 31 C.F.R. Part 580 (the "HTR") on December 27, 1994 (59 *Fed. Reg.* 66476, December 27, 1994), to add section 580.524, indicating the termination of sanctions pursuant to Executive Order No. 12932, effective October 16, 1994. The effect of this amendment is to authorize all transactions previously prohibited by subpart B of the HTR or by the previously stated Executive orders. Reports due under general or specific license must still be filed with FAC covering activities up until the effective date of this termination. Enforcement actions with respect to past violations of the sanctions are not affected by the termination of sanctions. A copy of the FAC amendment is attached.

5. The total expenses incurred by the Federal Government during the period of the national emergency with respect to Haiti from October 4, 1991, through October 15, 1994, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are

estimated to be approximately \$6.2 million, most of which represent wage and salary costs for Federal personnel. This estimate has been revised downward substantially from the sum of estimates previously reported in order to eliminate certain previously reported costs incurred with respect to Haiti, but not directly attributable to the exercise of powers and authorities conferred by the declaration of the terminated national emergency with respect to Haiti.

Thus, with the termination of sanctions, this is the last periodic report that will be submitted pursuant to 50 U.S.C. 1703(c) and also constitutes the last semiannual report and final report on Administration expenditures required pursuant to 50 U.S.C. 1641(c).

**William J. Clinton**

The White House,  
February 3, 1995.

**Proclamation 6767—To Amend the Generalized System of Preferences**  
*February 3, 1995*

*By the President of the United States of America*

**A Proclamation**

1. Pursuant to sections 501 and 502 of the Trade Act of 1974, as amended ("Trade Act") (19 U.S.C. 2461 and 2462), and having due regard for the eligibility criteria set forth therein, I have determined that it is appropriate to designate Armenia as a beneficiary developing country for purposes of the Generalized System of Preferences (GSP).

2. Pursuant to section 504(f) of the Trade Act (19 U.S.C. 2464(f)), I have determined that the per capita gross national product of The Bahamas has exceeded the applicable limit provided for in section 504(f). Accordingly, pursuant to section 504(a) of the Trade Act (19 U.S.C. 2464(a)), I have determined that it is appropriate to suspend the designation of The Bahamas as a beneficiary developing country for purposes of the GSP, and pursuant to section 504(f) of the Trade Act, I have determined that it is appropriate to terminate such designation.

3. Pursuant to section 504(f) of the Trade Act, I have determined that the per capita

gross national product of Israel has exceeded the applicable limit provided for in section 504(f). Accordingly, I have determined that it is appropriate to terminate the designation of Israel as a beneficiary developing country for purposes of the GSP.

4. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of the provisions of that Act, and of other acts affecting import treatment, and actions thereunder.

**Now, Therefore, I, William J. Clinton**, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 501, 504, and 604 of the Trade Act, do proclaim that:

(1) General note 4(a) to the HTS, listing those countries whose products are eligible for benefits of the GSP, is modified by: (a) inserting "Armenia" in alphabetical order in the list of independent countries;

(b) deleting "Bahamas, The" and "Israel" from the list of independent countries; and

(c) deleting "Bahamas, The" from the list of Member Countries of the Caribbean Common Market, and amending the heading of that list to read "Member Countries of the Caribbean Common Market (CARICOM), except The Bahamas".

(2) General note 4(d) to the HTS is modified as provided in Annex I to this proclamation.

(3) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(4)(a) The modifications to the HTS made by paragraph (1)(a) of this proclamation shall be effective with respect to articles that are: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after 15 days after the date of publication of this proclamation in the *Federal Register*.

(b) The modifications to the HTS made by paragraphs (1)(b), (1)(c), and (2) shall be effective on July 1, 1995.

**In Witness Whereof**, I have hereunto set my hand this third day of February, in the

year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and nineteenth.

**William J. Clinton**

[Filed with the Office of the Federal Register, 11:08 a.m., February 6, 1995]

NOTE: This proclamation will be published in the *Federal Register* on February 7.

### **Message to the Congress on Trade With Armenia**

*February 3, 1995*

*To the Congress of the United States:*

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary countries. It is authorized by the Trade Act of 1974, as amended.

I am writing to inform you of my intent to add Armenia to the list of beneficiary developing countries for purposes of the GSP program. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, I have determined that it is appropriate to extend GSP benefits to Armenia.

I am also writing to inform you of my decision to terminate the designation of The Bahamas and the designation of Israel as beneficiary developing countries for purposes of the GSP program. Pursuant to section 504(f) of the Trade Act of 1974, I have determined that the per capita gross national products of The Bahamas and of Israel have exceeded the applicable limit provided for in section 504(f). Accordingly, I have determined that it is appropriate to terminate the designation of The Bahamas and Israel as GSP beneficiaries.

This notice is submitted in accordance with sections 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

**William J. Clinton**

The White House,  
February 3, 1995.

### **Letter to Congressional Leaders Transmitting the Report on Science, Technology and American Diplomacy**

*February 3, 1995*

*Dear Mr. Speaker: (Dear Mr. Chairman:)*

I am pleased to transmit this annual report on Science, Technology and American Diplomacy for fiscal year 1994, in accordance with Title V of the Foreign Relations Act of Fiscal Year 1979, as amended (Public Law 95-426; 22 U.S.C. 2656c(b)).

Prevention and resolution of conflicts that threaten U.S. interests continues to be a key goal of U.S. foreign policy. National and regional stability, broadly defined, are preconditions for the growth of democracies, economies, and markets. By supporting international science and technology collaborations, the United States has reaped significant economic benefits, promoted goodwill, and helped maintain the peace.

The 1994 Title V report describes the role of international science and technology cooperation in the implementation of U.S. policy. As in previous years, the report focuses on a few selected areas of science and technology cooperation of particular importance to the United States, in addition to the detailed country narratives.

The report reviews the steps U.S. agencies take to advance U.S. technology and competitiveness interests through international efforts. These fall into three broad categories: monitoring foreign science and technology developments; conducting strategic international collaborative initiatives and programs to take advantage of opportunities for mutual gain, sometimes done in conjunction with the private sector; and the elimination of international barriers that impede technology development or trade. International collaboration in science and technology is also critical to U.S. efforts to help address population stabilization and the improvement of women's health. The 1994 Title V report provides an in-depth description of efforts underway in U.S. agencies to address these broad themes.

We face the challenge of seeking greater world stability at a critical time in our history. Finding creative solutions to global problems

that impact Americans can be accomplished, in part, through interactions with scientists around the globe. We must continue to ensure that our country maintains world leadership in science and technology, and that international cooperation continues to advance our broad policy interests.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives; Jesse Helms, chairman, Senate Committee on Foreign Relations; and William V. Roth, Jr., chairman, Senate Committee on Governmental Affairs.

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### **Digest of Other White House Announcements**

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The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

#### **January 28**

In the morning, the President attended a meeting at Blair House with Cabinet members, Members of Congress, Governors, and State and local officials to discuss welfare reform.

In the evening, the President and Hillary Clinton attended the Alfalfa Club dinner at the Capital Hilton.

#### **January 30**

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Eunice M. Bulane from Lesotho, Tedo Japaridze of The Republic of Georgia, and Amdemicael Kahsai of Eritrea.

The President announced his intention to nominate Bill Burton as a member of the Board of the United States Enrichment Corporation.

The President announced the appointment of Guillermo Linares to the President's Advisory Commission on Educational Excellence for Hispanic Americans.

#### **January 31**

In the afternoon, the President traveled to Boston, MA. He returned to Washington, DC, in the evening.

The White House announced the President has invited Prime Minister Vaclav Klaus of the Czech Republic to make a working visit to Washington, DC, on May 4.

The White House announced the President will meet with Prime Minister James Bolger of New Zealand on March 27 at the White House.

The President announced the appointment of the following individuals to the Advisory Board on Arms Proliferation Policy:

- Janne Nolan, Chair;
- Paul C. Warnke;
- Edward Randolph Jayne II;
- Ronald F. Lehman II;
- David E. McGiffert.

#### **February 2**

The President announced his intention to nominate Mary S. Furlong as a member of the National Commission on Libraries and Information Science.

The President announced his intention to appoint Joseph A. Cari, Jr., as a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars.

The President announced his intention to appoint John T. Smith and Hugh B. Price to the National Skill Standards Board.

The President announced his intention to appoint Karl Stauber as the U.S. Department of Agriculture Federal Representative to the Rural Telephone Bank Board.

#### **February 3**

In the afternoon, the President hosted a working lunch for Prime Minister Lamberto Dini of Italy.

The President announced his intention to nominate Jeffrey M. Lang to be Deputy United States Trade Representative.

The President announced the appointment of James K. Huhta as a member of the Advisory Council on Historic Preservation.

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## **Nominations Submitted to the Senate**

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The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

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### ***Submitted January 31***

James L. Dennis,  
of Louisiana, to be U.S. Circuit Judge for  
the Fifth Circuit, vice Charles Clark, retired.

Rae E. Unzicker,  
of North Dakota, to be a member of the National  
Council on Disability for a term expiring  
September 17, 1997, vice Mary Ann  
Mobley-Collins, term expired.

Hughey Walker,  
of South Carolina, to be a member of the  
National Council on Disability for a term expiring  
September 17, 1996, vice Ellis B.  
Bodron, term expired.

Ela Yazzie-King,  
of Arizona, to be a member of the National  
Council on Disability for a term expiring  
September 17, 1996, vice Linda Allison, term  
expired.

### ***Submitted February 3***

Eldon E. Fallon,  
of Louisiana, to be U.S. District Judge for  
the Eastern District of Louisiana, vice Adrian  
G. Duplantier, retired.

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## **Checklist of White House Press Releases**

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The following list contains releases of the Office  
of the Press Secretary that are neither printed as  
items nor covered by entries in the Digest of  
Other White House Announcements.

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### ***Released January 28***

Transcript of a press conference by partici-  
pants in the working session on welfare

### *Administration of William J. Clinton, 1995*

Statement by Press Secretary Mike McCurry  
on attacks by the Burmese army in  
Mannerplaw

### ***Released January 30***

Transcript of a press briefing by Press Sec-  
retary Mike McCurry

Announcement on the President's intention  
to nominate Rae E. Unzicker and Ela Yazzie-  
King to the National Council on Disability

### ***Released January 31***

Statement by Press Secretary Mike McCurry  
on the withdrawal of Robert Pastor's nomina-  
tion for Ambassador to Panama

Statement by Press Secretary Mike McCurry  
on the visit of Czech Republic Prime Min-  
ister Vaclav Klaus

Statement by Press Secretary Mike McCurry  
on the visit of New Zealand Prime Minister  
James Bolger

Transcript of a press briefing by Secretary  
of State Warren Christopher and Treasury  
Secretary Robert Rubin on the Mexican loan  
guarantees

### ***Released February 1***

Transcript of a press briefing by Press Sec-  
retary Mike McCurry

Statement by Press Secretary Mike McCurry  
on the visit of Italian Prime Minister  
Lamberto Dini

Statement by Press Secretary Mike McCurry  
on the President's meeting with Eritrean  
President Issaias Afeworke

### ***Released February 2***

Transcript of a press briefing by Press Sec-  
retary Mike McCurry

Statement by Press Secretary Mike McCurry  
on the President's letter to President Alberto  
Fujimori of Peru and President Sixto Duran  
Ballen of Ecuador on hostilities between the  
two countries

Fact sheet on naming of aircraft carriers  
CVN-75 and CVN-76

### ***Released February 3***

Transcript of a press briefing by Press Sec-  
retary Mike McCurry

Transcript of a press briefing by Labor Secretary Robert Reich and Council of Economic Advisers Chair Laura D'Andrea Tyson on the minimum wage and unemployment

Announcement of nomination for the U.S. District Court for the Eastern District of Louisiana

Announcement of administration briefings on the fiscal year 1996 budget

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**Acts Approved  
by the President**

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NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

**United States  
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