

NOTE. The President spoke at 7:57 p.m. on the South Lawn at the White House. In his remarks, he referred to Merald (Bubba) Knight, one of the Pips; and entertainers Vicki Lawrence, Brook Benton, and Ray Charles. A tape was not available for verification of the content of these remarks.

**Statement on the Return of
Mir Aimal Kansi to the United States**

June 18, 1997

I want to express my deep appreciation to the FBI, CIA, and the Departments of State, Justice, and Defense for their extraordinary work in bringing Mir Aimal Kansi to the United States. Kansi is believed to be responsible for the killing of two CIA employees and the wounding of three others in an attack on January 25, 1993. The men and women who participated in the effort to bring Kansi here showed great courage in carrying out this mission.

The success in apprehending Kansi demonstrates that we are determined to do what is necessary to track down terrorists and bring them to justice. The United States will not relent in the pursuit of those who use violence against Americans to advance their goals—no matter how long it takes, no matter where they hide.

Today our thoughts are also with the families of the victims. Although nothing can restore their loss, we hope that the prospect of justice in this case will bring them a measure of comfort.

Remarks in Littleton, Colorado

June 19, 1997

Thank you very much. First I want to thank Robert and Erica for reminding us of what we need to do to make sure all our children have the tools they need to succeed in this new global economy, and indeed, for reminding us about what most of our endeavors are about. I think they did a good job, don't you? Let's give them another hand. *[Applause]*

Thank you, Kristy, for your very kind words and even more for the power of your example. And I want to thank my good friend, Mayor Webb, for being our host. He

and Mrs. Webb have been good friends to Hillary and me over the years, and I'm thrilled to be in Denver. I thank my friend and former colleague, Governor Romer, and Mrs. Romer. Among other things, Governor Romer is recognized as the most important Governor in our country on the subject of education, which is something I want to talk to you about today, and I know you're proud of what he has done.

I thank the host committee and the honorary chairs and vice chairs of the Denver Summit. I thank Representative Diana DeGette, who is doing a good job for you in Congress and came down with me today, City Council President Cathy Reynolds. I'd like to thank the National Digital TV Center and Leo Hindry and David Beddow who showed me around through this remarkable place.

Some of you may know that I'm sort of a, to put it charitably, a movie freak. My wife used to say that I would watch anything that came on the screen if it started out, and it was obviously a movie. And inside I saw 35 movies being digitalized and sent out over various channels, and I almost didn't come out. But I couldn't bear to think of you going through this.

I want to thank all the people here from the Curtis Community Project and the Mouse Campers, thank you for being here. I'd like to say a special word of thanks to a member of my Cabinet, your former mayor, Federico Peña, who just became a father for the third time just a couple of days ago. You know how much he loves Denver, and he thinks this is important, or he wouldn't be here, although he's here with permission, I might add.

I want to thank the Director of Summit Affairs and the Executive Director of the Summit, Harold Ickes and Debbie Willhite, and their great team for what they have done. And again, Mr. Mayor and Governor, let me thank you for the incredible support that Denver and Colorado have given to the Summit of the Eight.

I don't need to tell you why we really came here. Denver is a city that America can be proud of, a city bursting with the promise of the new century that is upon us, with the most educated people in America; a city that has increased its exports to the rest of the

world 60 percent faster than the rest of our country in the last 5 years; a community that, as has been said, once drew its wealth from mine shafts and factories and the land, now thriving on telecommunications, aerospace, banking, computer software, and the magnificence of its environment.

Over a century ago, Walt Whitman wrote of the Colorado pioneers, "All the past we leave behind; we enter a newer, mightier world." Today, the men and women of Denver are cutting new paths. In this very building the product of our culture is transforming from analog to digital, from yesterday's technology to tomorrow's, beamed to satellites that gird the globe, seen by billions around the world.

When the leaders of the world's leading industrial democracies arrive here for the Summit of the Eight, they will be struck not only by the breathtaking beauty of the Rockies but by the powerful optimism of a city both proud of its past and focused on the future.

With our summit partners, we'll have an opportunity to cut a new path to that future, to work to deepen and extend the benefits of the global economy and protect people more against its down sides, to reach out to bring new partners into that economy, from Africa to all other parts of the world, to spread democracy and human rights around the world, and to meet new dangers of our common security that cross all national borders now: international crime and drug trafficking, terrorism and the spread of weapons of mass destruction, the emergence of infectious diseases that can sweep the globe, and environmental decay that embraces us all.

We host our partners at a time when America's economy is the healthiest in a generation and the strongest in the world. Our economic success is a strategy that all of you have participated in. It is born of the dynamic center that has kept America moving forward for more than two centuries, a new American economic approach that required us to puncture myths and push past yesterday's stale debates, that enabled us to move earlier and more strongly than most other nations into the new global economy.

In 1993 we put in place a new economic strategy designed to help America move from

the industrial to the information age, to move into a new century and a new millennium with three very simple but profound goals in mind: to make sure the American dream is alive for all of our citizens, to make sure our American community is growing more united even as it becomes more diverse, to make sure America continues to lead the world for peace and freedom and prosperity.

Our economic strategy had three elements: reduce the deficit, invest more in our people, open the world to our trade. We had to move past old ideas to embrace new thinking, to craft new approaches to achieve all three things.

First, we had to go past the old idea that if you reduced the deficit, it would be good for the economy in the long run, but it would be sheer misery in the short run and bring on a recession. Well, in the last 4 years, the deficit is down 77 percent, from \$290 billion to less than \$70 billion. But instead of recession, our economy produced a record number of jobs in a 4-year term, over 11 million, and now we're over 12 million and still counting.

Now we must decide to stay with that strategy, with a balanced budget that will help interest rates stay low, produce more capital for private business, and even greater confidence in the American economy. I'm pleased that our balanced budget agreement received overwhelming support from big majorities in both parties in both Houses of Congress, and I look forward to signing into law a balanced budget that is consistent with the agreement and our values before the year is over.

Second, we had to go by the old thinking that a nation couldn't bring down the deficit and make its Government smaller while still investing more in its people, its future, and its environment, and that we could not bring down the deficit and give people the tools they need to succeed at work and at home and to maintain an adequate social safety net. But by spending less and spending smart, we were able to increase the productivity of our Government.

We increased our investment in Head Start by 43 percent, spent nearly \$1 billion more to provide children and their mothers with the nutrition they need so that all of

our children will be able to learn when they enter school, set aside funds to help States reduce class size, began school-to-work programs in all 50 States so that we could work in partnership with business to help young high school graduates who don't go on to 4-year colleges keep learning and find good-paying jobs.

We opened the doors to college wider than ever, with more scholarships, more work-study, more affordable college loans. We put more money into the National Institutes of Health to spur new medical discoveries and cures and invested more in research to keep our lead in communications and technology and environmental protection. And we did it and cut the deficit by 77 percent. It's not how much you cut but how you cut, not what you spend but where you spend it.

Hundreds of Government programs, thousands of Government regulations have been eliminated, and so help me, not a single American citizen has come up to me and said, "I just can't live without that program or that regulation you got rid of." The Government is 300,000 people smaller than it was the day I first took office. But because we had no mass lay-offs and we worked with the Federal Employees Union in partnership, we have seen the productivity of Government go up, and the people have been able to go on to other productive careers. I'm proud of that and proud of our Federal workforce for making it possible.

We have focused not on new guarantees but on giving people new tools to help families make the most of their God-given potential. And we have shown that you can give people more opportunity for economic security and still make the economy more flexible and more adaptable.

People said that when we adopted the family leave law it would hurt the economy. But it didn't. They said that when we raised the minimum wage it would hurt the economy. But it didn't. They said when we passed the Kennedy-Kassebaum bill saying you couldn't lose your health insurance because someone in your family got sick or because you had to change jobs it would hurt the economy. But it didn't. We were able to provide greater access to health insurance for self-employed people, greater pension pro-

tection and availability, tax incentives for business to invest in high unemployment areas. It all helped the economy. If you help people succeed at home, they will be more productive at work, and the country will be stronger as a result.

But we have to finish the job and balance the budget. The new balanced budget agreement continues the strategy of cut, invest, and grow. Its centerpiece is education and investment in people. It has the single largest increase in Federal support for education since the GI bill was passed 50 years ago.

Its base is a national commitment that every 8-year-old ought to be able to read independently, every 12-year-old should be computer literate, every 18-year-old should be able to get at least 2 years of higher education, and every worker should be able to keep on learning for a lifetime.

Our program includes the America Reads initiative. We're trying to mobilize a million volunteers to work with schools and parents all across America to make sure every child can read independently. And that's important in a country where we have so many children whose first language is not English. We owe it to them, and goodness knows we need every single one of them—their brains, their spirit, their energy, their self-confidence.

Our technology literacy initiative will work with schools all over the country to hook up every classroom and library to the Internet by the year 2000. We owe it to our people to make sure that by the year 2000, 2 years of college is just as universal as a high school diploma is today. And the tax incentives in our program will do that. We will open the doors of college to all Americans for the first time in the history of this country.

We also have a proposal to put skill grants in the hands of people who are unemployed or underemployed so they can go to the nearest educational institution of their choice and get the education they need. And we recommend permanent tax deductions for employer contributions to the education of their employees. When a company goes out and invests its money to help their employees continue to be productive, and something that will benefit them whether they stay with that company or move to another one, they ought to be able to get a tax deduction for

it. I hope you will support this entire educational initiative. It is good for America.

The second thing we do is recognize our special obligation to help people move from welfare to work. We now require people to do so, if they're able-bodied, within a certain amount of time. But if you're going to require them to do so, you have to protect the children, pay for child care, make sure the jobs are there when the welfare runs out. And that is in our budget, and we are committed to passing it.

The third thing we've agreed on is a tax cut designed to grow the economy, help people get an education, and give middle class families tax relief. We can do a lot of things in that tax cut, and I hope we will. When I became President, for example—we talk about the new economy—there were 3 million people making a living out of their homes. Today there are over 12 million. Within 5 years, there will be 30 million. We ought to have an adequate home office deduction for those people. We ought to have the kind of small business credits that will enable them to continue to expand.

I don't know what the final shape of the capital gains cuts will be, but I believe we ought to give more benefits for people who start small business, capitalize them, and then stay with them for 5 or 10 years, and create jobs and do the kind of things that you heard Kristy talking about today. That's what I think we ought to do to benefit people with that tax—[*applause*].

Now, all the countries in the world face the same choices we do. They're having to decide, can they reduce their deficit and still invest in their people, can they target people programs, can they maintain a social safety net? And to be fair, a lot of countries have more generous benefits for child care than we do. They cover all their children with health care, and we're going to cover half of those without insurance in this budget agreement. And I won't rest until we finish the job. They do more than that. Can they still grow their economy and reduce spending? You bet they can. Every single country can have the same impact, but you have to be willing to break through those old myths and old ideas and engage people in a committed process to get to a common goal.

The third thing we had to do that we still are fighting is to reject the false choice between protectionism, on the one hand, and unlimited free trade opening our markets with nothing in return on the other. Protectionism is simply not an option because globalization is irreversible. If we try to close up our economy, we will only hurt ourselves. We have too much to gain from opening markets, and besides, we know we can out-work and out-compete anyone, especially if we maintain our technological edge and educate all our people.

So what are we going to do? Are we going to take the lead, or wait for others to blaze the path and get the primary benefits? We have decided for the last 4 years to take the lead. But we have to decide now, are we going to do more or less to cushion the negative effects of globalization while still opening markets? Are we going to do more or less in trying to push in new areas where other countries are more protectionist than we? Or are we just going to sit around and try to close up our markets?

It seems to me difficult to imagine that this is even a serious debate now. In the last 4½ years, we have become the world's leading exporter. In the last 2 years, over half the new jobs coming into this economy have paid above average wage. And we have the lowest unemployment rate in 24 years. Who could seriously argue that our effort to open markets with 200 trade agreements, the largest number in any period in American history, is ill-advised? I say we should be doing more of it, not less of it. We ought to bear down and charge into the future and embrace the rest of the world.

Do the agreements need to be fair? Do they have to be enforced? Should we be willing to take action if people take advantage of us and don't honor their agreements? You bet. Should we continue to invest in the mobility and skills of those who might be displaced by trade? Absolutely. But should we just turn away from this? No way.

You know that we have to do these things. I also hope you know that we can grow in a way that enhances, not undermines, the global environment. We can grow in a way that strengthens, not weakens, global cooperation for the advancement of people's

welfare everywhere, as well as dealing with the common security threats I mentioned a moment ago.

We have chosen to reach outward, not to be afraid of competition, to embrace the possibilities of the global economy, and to work to make sure it works for ordinary American citizens.

Let me just give you one statistic to prove we don't have an option. We are now slightly less than 5 percent¹ of the world's population, but we have slightly more than 20 percent of the world's wealth and income. There is no way to sustain that unless we sell more to the other 95 percent. This is not a matter requiring Einstein to calculate. We cannot afford not to keep reaching out to the rest of the world, and I intend to do it.

Just this morning, we reached agreement with Japan on a process to open their markets to competitive American products like telecommunications and medical equipment as they deregulate at home. Unless you think that will not come to pass, let me say that in the 20 areas where we have specific trade agreements with Japan, American exports have increased over 85 percent in the last 4 years. We can move this process forward and we have to.

Today, Colorado has 132,000 jobs tied directly to trade—132,000. Almost without exception, they are the good jobs, the high paying jobs that we want to create more of. We must do more of this, not less.

So let me say to all of you, the success of this strategy that we have done together—and it wasn't just what the Government did. The lion's share of the credit goes to the businesses and the working people, to those people who were finding the new technologies, who were applying them, who were pushing the barriers of entrepreneurialism, to the Americans' willingness to take a risk and take a chance and to go out there and compete. We have to give credit to a Federal Reserve policy that supported both growth and low inflation. But if we had not reduced the deficit, expanded trade, and invested in our people, it would not have provided the glue to hold the whole policy together. We need to keep doing this.

¹ White House correction.

America has the lowest unemployment rate in 24 years, the lowest inflation rate in 30 years, the biggest decline in inequality among working families in over 30 years. We are moving in the right direction. In the weeks and months ahead, we have to finish the job. We've got to balance the budget. We have to give—I believe strongly—we have to persuade the Congress to give the President fast track authority. Every President has had it for the last 23 years. That's a term of art for saying, I can go and negotiate a trade agreement with Chile or with Argentina or with Brazil and bring it back to Congress, and they have to vote it up or down, instead of subjecting it to 50,000 amendments, which will undermine the agreement. This is very important, and we have nothing to fear from those countries. They are our partners in democracy. They are our partners in opportunity.

The second thing I believe we should do is to maintain our normal trade relations with China. We should not attenuate normal trade relations with a country just because we disagree with it. We should find ways to honestly articulate our disagreements. We should push our ideas forward, but we shouldn't imperil 170,000 American jobs today and a big chunk of America's future, not just our economic future but our ability to work with the largest country in the world in areas from arms control to making peace in Asia to dealing with problems all around the world that we share, like terrorism, by cutting off normal trading relations. We don't do it to other countries with which we disagree; we should not do it with China.

Lastly, let me say that we are uniquely placed to succeed in the global economy in the information age because our ideas and our ideals are being embraced by so many. We were the birthplace of the Internet, the biggest change in communications since the printing press. Our movies and music, our TV programming and software programs animate the lives of people all around the world—witness what goes on in the building behind me.

Much of the science and technology shaping the future is made in America. Perhaps most important, we are the most diverse large democracy in the world. There is some-

body here from everywhere. Five of our school districts already have children from over a hundred different racial and ethnic groups. Within 2 years there will be 12. Within 3 years, our largest State, California, will have no majority race. We've got to learn to live together and work together, which is why I've announced this big initiative on race, and I hope you will all support it. But you have to understand, there's not just a down side here; there is a huge up side. If we're in a global economy, who will do best? The nation that has the globe living inside its borders. That's what America has, and we ought to be proud of it, lift it up, and make the most of it.

And so, my fellow Americans, that's our strategy, balancing the budget, investing in people, making the global economy work for us. That's the strategy we want everyone to embrace. We do not feel threatened by other people's success; their success is ours. And that's what we're going to work on here. Thanks for giving us a chance to do it.

Thank you, and God bless you.

NOTE: The President spoke at 2 p.m. at the National Digital Television Center. In his remarks, he referred to Robert Pinkney and Erica Gadison, students, Curtis Park Technology Center, who introduced the President; and Kristy Schloos, chief executive, Schloos Environmental Consulting; Mayor Wellington Webb of Denver, and his wife, Wilma; Gov. Roy Romer of Colorado, and his wife, Bea; and Leo J. Hindry, president, Tele-Communications, Inc., and David Beddow, senior vice president, TCI Technology Ventures Inc.

Exchange With Reporters Prior to Discussions With Prime Minister Ryutaro Hashimoto of Japan in Denver, Colorado

June 19, 1997

Southern Baptist Boycott of Disney

Q. Mr. President, are you going to abide by the Southern Baptist vote on boycotting Disney?

The President. No.

Deregulation and Trade

Q. Mr. President, the United States has been urging Japan for a number of years now

to try to jump-start its domestic economy. Do you have any confidence that they're likely to be able to do so in a way that would actually improve their domestic economy—

The President. Well, if the Prime Minister's deregulation initiative works, I think it could spark a lot of domestic economic activity and also increase demand in a way that would improve life for Japanese consumers and also help—

Q. Are you going to express displeasure about the trade imbalance figures that came out today?

The President. Well, I wish they weren't so high. But we're going to discuss that. But keep in mind we also have made an agreement today to involve the United States in the process with Japan to evaluate its deregulation initiatives in several areas in terms of how it might affect our bilateral relations. So we're moving in the right direction, and I'm hopeful we can make some progress.

Q. Do you view it as—

Prime Minister Hashimoto. If I may say one word here. About our question, if you look at the situation in the foreign exchange market, the market has been calm, very calm. This is the answer from my side.

Q. Prime Minister Hashimoto, U.S. officials told us that you had reached an agreement with the United States under which the United States would have an advisory role on deregulating certain of Japan's industries. Do you view it as, in any sense, a violation of Japan's economic sovereignty to give the United States such a role? And why did you not insist on parity, that is to say the Japanese have got a role in U.S. deregulation?

Prime Minister Hashimoto. It's not an advisory role. We have no intention of being supervised. Deregulation is a task that we have to embark upon for ourselves. We're friends, so we already discuss matters with the United States in that kind of process. We made a promise back in Washington, and yesterday we were able to reach an understanding to establish a framework for such a problem. So please have more confidence in the two of us.

Q. Thank you.

[At this point, one group of reporters left the room, and another group entered.]