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The President's news conference

December 8,1999

The President. Good afternoon. Before I take your questions I have a statement to make. We are at a pivotal moment in the Middle East peace process, one that can shape the face of the region for generations to come. As I have said on numerous occasions, history will not forgive a failure to seize this opportunity to achieve a comprehensive peace.

We've made good progress on the Palestinian track, and I'm determined to help Prime Minister Barak and Chairman Arafat move forward in accordance with their very ambitious timetable.

We've also been working intensely, for months, for a resumption of negotiations between Israel and Syria. Today I am pleased to announce that Prime Minister Barak and President Asad have agreed that the IsraelSyrian peace negotiations will be resumed from the point where they left off. The talks will be launched here in Washington next week with Prime Minister Barak and Foreign Minister Shara.

After an initial round for I or 2 days, they will return to the region, and intensive negotiations will resume at a site to be determined soon thereafter. These negotiations will be high level, comprehensive, and conducted with the aim of reaching an agreement as soon as possible.

Israelis and Syrians still need to make courageous decisions in order to reach a just and lasting peace. But today's step is a significant breakthrough, for it will allow them to deal with each other face to face, and that is the only way to get there.

I want to thank Prime Minister Barak and President Asad for their willingness to take this important step. And I want to thank Secretary Albright who has worked very hard on this and, as you know, has been in the region and meeting with the leaders as we have come to this conclusion.

Before us is a task as clear as it is challenging. As I told Prime Minister Barak and President Asad in phone conversations with them earlier today, they now bear a heavy responsibility of bringing peace to the Israeli and Syrian people.

On the Palestinian track, Prime Minister Barak and Chairman Arafat are committed to a rapid timetable: a framework agreement by mid-February, a permanent status agreement by mid-September. I'm convinced it is possible to achieve that goal, to put an end to generations of conflict, to realize the aspirations of both the Israeli and the Palestinian people. And I will do everything I can to help them in that historic endeavor.

It is my hope that with the resumption of Israeli-Syrian talks, negotiations between Israel and Lebanon also will soon bep-rin.

There can be no illusion here. On all tracks, the road ahead will be arduous; the task of negotiating agreements will be difficult. Success is not inevitable. Israelis, Palestinians, Syrians, and Lebanese will have to confront fateful questions. They face hard choices. They will have to stand firmly against all those who seek to derail the peace, and sadly, there are still too many of them.

But let there also be no misunderstanding. We have a truly historic opportunity now. With a comprehensive peace, Israel will live in a safe, secure, and recognized border for the first time in its history. The Palestinian people will be able to forge their own destiny on their own land. Syrians and Lebanese will fulfill their aspirations and enjoy the full fruits of peace. And throughout the region, people will be able to build more peaceful and, clearly, more prosperous lives.

As I have said, and I say one more time, I will spare neither time nor effort in pursuit of that goal. Today the parties have given us clear indication that they, too, are willing to take that path. Peace has long been within our sight. Today it is within our grasp, and we must seize it.

Thank you very much.

Terry [Terence Hunt, Associated Press]. Elian Gonzalez

Q. Mr. President, on another matter involving a foreign government, as a father, do you sympathize with the demand of Elian Gonzalez for the return of his 6-year-old son to Cuba, now that the boys mother and stepfather were drowned in a boating accident on the way to Florida?

The President. Well, I think, of course, all fathers would be sympathetic. The question is, and I think the most important thing is, what would be best for the child? An there is a legal process for determining that.

I personally don't think that any of us should have any concern other than that, that the law be followed. I don't think that politics or threats should have anything to do with it, and if I have my way, it won't. We should let the people who are responsible for this, who have a legal responsibility, try to do the right thing by the child.

These decisions are often difficult, even in domestic situations, but I hope that is what would be done, and it should be done without regard to politics.

Helen [Helen Thomas, United Press International].

Middle East Peace Process

Q. Mr. President, did both sides make a lot of concessions to get to this breakthrough point? And also, are you aware that Amnesty International says that Israel is continuing the demolition of Palestinian homes in east Jerusalem and on the West Bank, and also, the expansion of the settlements? Are all these part of a package?

The President. Well, Prime Minister Barak made a very important statement about settlements yesterday, which i think was quite welcome. And it's a good first step. As you know, we believe that nothing should be done which makes it more difficult to make peace or which prejudges the final outcome. But I do think that the statement yesterday is a step in the right direction.

As to your question about Syria, I think it's very important at this point that we maximize the chances for success, which means it would not be useful for me to get into the details. But the negotiations are resuming on the basis of all previous negotiations between the United States and Syria--I mean, between Syria and Israel, and with the United States.

I think it is clear that both parties have sufficient confidence that their needs can be met through negotiations, or they would not have reached this agreement today.

Steve [Steve Holland, Reuters].

Russia and the Situation in Chechnya

Q. On Chechnya, you used sanctions to punish Yugoslavia and Indonesia for repression; why aren't sanctions being considered against Russia?

The President. Well, there are two categories of aid here in question-or, at leastlet's talk about the aid. A sanctions regime has to be imposed by the United Nations, and Russia has a veto there. But I'm not sure that would be in our interest or in the interest of the ultimate resolution of the crisis.

Let me just say, with regard to the aid, because I've been asked about that, I think it's important to point out to the American people that two-thirds of the aid that we spend in Russia is involved in denuclearization and safeguarding nuclear materials. And I think it is plain that we have an interest in continuing that.

The other third goes to fund democracy, the things that we Americans believe would lead to better decisions. It goes to an independent media; it goes to student exchanges; it goes to NGO's, helping people set up small businesses. I don't think our interests would be furthered by terminating that. And as of now, there is no pending IMF transfer because of the general opinion by the IMF that not all the economic conditions have been met. So that's a bridge we'll have to cross when we get there.

Yes.

Middle East Peace Process

Q. Mr. President, when Israel and Syria do sit down, they obviously are going to have to confront the issue of the Golan Heights almost immediately. How are they going to resolve that? What will the U.S. role be? Will you see the administration-Secretary Albright, yourself possibly-being a mediator? And finally, why isn't President Asad sitting down with Prime Minister Barak at this point?

The President. I think they're sitting down because they want to make peace, and they have now concluded that they can do it on terms and that will meet both their interests. You've asked good questions, but any answer I give would make it unlikely that they would be successfully resolved. Frankly, we all took a blood oath that we wouldn't talk beyond our points today, and I'm going to keep my word.

Q. Sir, maybe you misunderstood. I was asking why President Asad is not personally involved in the talks at this point.

The President. Oh, he is very personally involved. I think that-I believe that he felt it was better-and maybe you should ask the Syrians this-but let me just say, he is very personally involved in this. I think he thinks it better, for whatever reason, he's made

the decision that Foreign Minister Shara, who, thankfully, has recovered from his recent stroke and is perfectly able to come here, to do so. And I'm quite comfortable that this is as close to a person-to-person talk that they could have without doing it.

Yes, go ahead.

Elian Gonzalez/Situation in Chechnya

Q. Mr. President, can I follow up about Cuba and Chechnya? With regard to Cuba, you said that politics ought to stay out of this decision regarding the boy. Are you saying, sir, that you can envision a circumstance where, in your mind, it would be appropriate to return this young boy to Communist Cuba?

Second question, regarding Chechnya: Given the fact that two-thirds of the aid goes to denuclearization, a third to democracy effects, do you envision no circumstances, sir, under which the United States would cut off that aid? And how does that square with your statement that Russia will pay a heavy price for its war against Chechnya?

The President. Okay, the first question first. I do not know enough about the facts, so you can draw no inferences to what I might or might not do because it's not a decision for me to make. There is a law here. There are people charged with making the decisions. I think they ought to do their best within the parameters of the law; do what seems to he best for the child.

That is all I have to say, and you shouldn't read anything into it. I don't know enough about the case, and I don't think that any of us should interfere with what is going to be a difficult enough decision as it is.

Now on Russia, I have stated what my present view is, and that is all I have done. I think Russia is already paying a heavy price. I think they'll pay a heavy price in two ways. First of all, I don't think the strategy will work. As I said, I have no sympathy for the Chechen rebels; I have no sympathy for the invasion of Dagestan; and I have no sympathy for terrorist acts in Moscow; and none of us should have. But the people of Chechnya should not be punished for what the rebels did. They don't -represent the established government of Chechnya. They don't represent a majority of the people there. And the strategy, it seems to me, is more likely to hurt ordinary citizens than the legitimate targets of the wrath of the Russian Government.

So I think that-first of -all, I think the policy will not work, and therefore, it will be very costly, just like it was before when it didn't work. Secondly, the continuation of it and that amassing

of hundreds of thousands of refugees, which will have to be cared for by the international community-we've already set aside, I think, at least $10 million to try to make our contributions for it-will further alienate the global community from Russia. And that's a bad thing, because they need support not just from the IMF and the World Bank, they need investors. They need people to have confidence in what they're doing.

They're about to have elections. And so there will be a heavy price there. And I don't think there's any question about that.

I think it's already-yes, go ahead.

Elian Gonzalez

Q. Sir, regarding the Cuban boy, you say you don't know enough about the facts. A lot of people in South Africa think the facts are pretty simple. They say that even though the boy's father's in Cuba, this boy would be better off growing up in the United States than in Cuba under Castro. What would you say to those people?

The President. Well, I think the decisionmakers will take into account all the relevant facts. But I don't think I should make the decision. First of all, I can't make the decision under the law. And I don't think I should tell them how to make the decision because I don't know enough about the facts. I believe they will do their best to make the right decision.

Q. What about growing up in Cuba as opposed to growing up in the United States?

The President. Well, of course, I'd rather grow up in the United States. But there may be other considerations there, and one was asked in the previous question about it. So we'll just have to evaluate it.

You know, there are times in the United States when judges have to make decisionsthe legal standard governing domestic cases is the best interest of the child-there's a slightly different characterization, I think, of what will determine the international decision here. This is, you know, an unusual case for us. But even here, sometimes it's very hard to say. You know, will children be better off with their parents in America? Almost always, but not always.

So you just can't-I don't think-I can't serve any useful purpose by commenting on it, because I don't know enough about the facts of the family life or even the governing law on this. I just know that I

think we ought to let the people make the decision, urge them to do their best to do what's best for the child, and try to take as much political steam out of it as possible so that the little child can be considered.

Yes.

Federal Action Against Gun Manufacturers

Q. Sir, on another legal matter, your threat of a class-action against gun manufacturers, is this an attempt, sir, through either coercion or, ultimately, the judicial branch, to get accomplished what you couldn't get accomplished through legislation? And with the difficulties that you've had recently getting some of your initiatives passed in Congress, as you head into this last year of your Presidency, is this the hint of a new tactic to get those initiatives passed, when you can't get them through Congress?

The President. Let's talk about the gun suit first, and then I'll respond to the general question. The litigation, which is being initiated by public housing authorities, has a good grounding in fact. There are 10,000 gun crimes every year in the largest public housing authorities. Now, they spend a billion dollars on security. And I think it's important that the American people know they're not asking for money from the gun manufacturers; they are seeking a remedy to try to help solve the problem.

They want, first of all, more care from the manufacturers and the dealers with whom they deal. Senator Schumer released a study, you may remember, that said that one percent of the gun dealers sell 50 percent of the guns involved in gun crimes. Now, if that study is accurate-and he believes it is-that is a stunning fact. And there ought to he something done about that. And if there is a way that the court could craft a resolution of that, that would be a good thing, I think. The second thing we want to do is to stop irresponsible marketing practices. You all remember that one company advertised an assault weapon by saying that it was hard to get fingerprints from. You know, you don't have to be all broke out with brilliance to figure out what the message is there. And the third thing they want is some safety design changes.

Now, let me hasten to say that we have a lot of gun manufacturers in this country who have been, I think, immensely responsible. You'll remember the majority of the gun manufacturers signed on to our proposal for child trigger locks. I still would like legislation to cover them all. But this should not be viewed-if you look at the nature of the release, they're not trying to bankrupt any companies; they're trying to make their living spaces safer. And I think it's a legitimate thing.

Now to your general question, I think if you go back over the whole reach of our tenure here, I have always tried to use the executive authority in areas where I thought it was important. We're doing it on medical privacy. We're doing it on-yesterday we had the press conference on prevention of medical errors. We're doing it with the paid family leave initiative we offered to the States. We did it when we set aside the roadless areas in the forests. So I think this is an appropriate thing to do.

But I would also remind you at the end of this legislative session from the Congress, we got 100,000 teachers, 50,000 police, 60,000 housing vouchers to help people move from welfare to work. We passed the Kennedy-jeffords bill to allow people with disabilities to move into the workplace and keep their medical care from the Government. We passed the Financial Modernization Act, which will dramatically, I think, improve financial services, grow the economy. And we've protected the Community Reinvestment Act. We doubled funds for afterschool programs. We provided, for the very first time ever, funds to help school districts turn around failing schools or shut them down.

So I'm continuing to work with Congress, and I will do so vigorously. But I think this was an appropriate thing to do on the merits.

Yes.

Seattle Round

Q. Mr. President, some of your critics have suggested that the reason that you pressed the issues of the environment and labor at the WTO meeting in Seattle is to benefit the Presidential candidacy of Vice President Gore, knowing that there might he a backlash from thedeveloping nations. How do you respond to that?

The President. That's wrong. And I would like to make two comments, one on the WTO ministerial meeting and, secondly, on that general issue.

The Uruguay Round was launched in 1986. The trade ministers started trying to launch it in 1982. It took them 4 years to get it off the ground. The fundamental reason a new round was not launched here had, in my judgment, very little to do with my philosophy of trade, which I'll talk about in a moment. There were the big blocks here were the Europeans and the Japanese, on the one hand-the United States and the developing nations, we all had positions that couldn't be reconciled. The Europeans were not prepared at this time to change their common agricultural policy, which accounts for 85 percent of the export subsidies in the world. The Japanese had their own agricultural and other issues to deal with.

The United States was not prepared to change its policy on dumping, because--and I think the recent Asian financial crisis justifies that, I might add. Even though we did finally move under our dumping laws, and we had to move, to try to keep our steel industry, which took down 60 percent of its employment and modernized during the eighties and the early nineties, we still bought 10 times as much steel during that crisis as the Europeans did. The recent WTO agreement we made with China protects us from surges and unfair dumping. We have the largest trade deficit in the world. Now, we get a lot of good out of it: We get low inflation; we get goods from all over the world. But there has to be some sense of fairness and balance here.

And the developing nations, for their part, felt that they had not yet gotten enough benefits from the last trade round and the entry into the WTO. They think that we and everybody else--the Europeans, the Japanese, everybody--they think we ought to have more open markets for agricultural products, which doesn't affect America so much, and for textiles, which does affect us. That's the big issue being negotiated still with the Caribbean Basin and the Africa trade initiative.

So it's very important that you understand that there were real differences that we thought we could bridge, unrelated to labor and the environment, which we couldn't and which I think would have been clearer but for the backdrop of the demonstrations in Seattle over these other issues.

Now, to your second question. When I ran for President in 1992 and the big issue being debated was NAFTA, I said that I wanted to be for NAFTA, I would fight hard for it, but I felt strongly there ought to be provisions on labor and the environment in the agreement, and those provisions were included. I have always had what I guess you would call a Third Way position on trade. I think the position of Americans, including some in my party, that trade is bad for America and bad for the world is just dead wrong.

I think that the world is more prosperous, and I know America is more prosperous because of the continuing integration of the world's economy and the mutual interdependence of people and people being able to produce what they produce best in a competitive environment, including costs. And I think we benefit, not just from our exports but from the imports. That's what I believe. I believe we will have both a more prosperous and a more peaceful world if we have more of the right kind of globalization.

I read--one of the many, many articles that's been written in the last several days in the aftermath of Seattle pointed out that many of the world's most troubled places, the Balkans, the Caucasus, Africa, to some extent the Middle East, suffer because they have too

little economic interconnection with the rest of the world.

I believe, even though I'm proud of the role that we've played and especially proud of the role George Mitchell played in the Irish peace settlement, I think it is unlikely that we would have done that if, also, Ireland didn't have the fastest growing economy in Europe and Northern Ireland weren't growing and people didn't imagine that they could have a totally different life if they just let

go of what they've been fighting over.

So the people who don't believe that trade is good, I just think they're wrong. Now having said that, I think that as the world grows more interdependent, it is unrealistic to think that there will be an international economic policy with rules unrelated to an emerging international consensus on the environment and an international consensus on labor. That does not mean that I would cut off our markets to India and Pakistan, for example, if they didn't raise their wages to American levels. I know that's what the sort of stated fear was.1 never said that-I don't-believe that.

But I think that-let me give you an analogy. Several years ago, the Europeans did this, and I applaud them: They were actually the impetus for protecting intellectual property more than the United States was. And people debated that for years. Why, intellectual property has no place in trade bills. Who cares if people are pirating books and selling them for 60 cents apiece when they cost $20 somewhere else? And now, we just take it as a given. And it's a good thing for the United States.

You think about all the software we're exporting, all the CD's we're exporting, all the things-intellectual property is a big deal to us now. It was just as alien a subject a few years ago to trade talks as questions of labor and the environment are today.

So I think I've got a good position here. it has nothing to do with this campaign. It's a position I've had for years. And I believe the world will slowly come to it. We do have to be sensitive to the developing countries. We cannot say that, you know, you're out of here because you can't have the same labor environment we do. But we also have to-all we ask for was to start a dialog within the WTO on trade issues. On the environment, all we ask is, is that the decisionmaking process not degrade the environment when countries have environmental policies and interests, and just blithely override them because there's an immediate, short-term economic benefit.

I think that's right. And I believe that 10 years from now, somebody will be sitting here, and we'll all take it for granted

that we've come a long way in integrating trade and the environment-I mean, trade and labor. That's what I think, and that's what I believe.

Man of the Century

Q. Mr. President, I'm afraid this is in the pop-quiz category of questions, but I'll try to make it easy for you. Every year, this time of year, we pick a Man of the Year. Maybe one day it will be Person of the Year. I'd like to know what your pick of the Man of the Century would be-and note that I'm not asking you for the millennium.

[Laughter]

The President. Well, if it were for the millennium, it might be someone different. Well, this century produced a lot of great men and women. But as an American, I would have to choose Franklin Roosevelt, because in this century our greatest peril was in the Depression and World War II and because he led us not only through those things and laid the building blocks for a better society with things like Social Security and unemployment insurance, which was, interestingly enough, first recommended by his cousin Theodore Roosevelt when he was President, but he also looked to the future, endorsing the United Nations and a lot of the other international institutions which were subsequently created under President Truman.

Finally, I think Roosevelt was an example to Americans of the importance of not giving up and of the dignity inherent in every person. And when Franklin Roosevelt was first elected, Oliver Wendell Holmes was still in the Supreme Court; he was 92 years old. And President Roosevelt was taken to see Oliver Wendell Holmes who was still reading Plato in his nineties and all that. Holmes was a pretty acerbic fellow when he said, after meeting Roosevelt, that he thought he might not have had a first-class mind, but he certainly had a first-class temperament,

And he did. He understood that reality is more than the facts before you; it's also how you feel about them, how you react to them, what your attitude is. That was the advice that-"only thing we have to fear was fear itself' was much more than just a slogan to him. He had lived it before he asked the American people to live it.

So for all those reasons, if I had to pick one person, I would pick him.

Yes, sir.

Colombia and Venezuela

Q. Mr. President, I'd like to ask you two questions on two very important South American countries that are vital to U.S. foreign policy, Colombia and Venezuela.

First of all, on Colombia, sir. President Pastrana has been extraditing people, and they're still waiting for the help that he is expecting from the United States. Will you fight, will you go to the mat for this, starting in the year 2000, for President Pastrana? That's the first question.

The second question

The President. You're all asking two questions. That's pretty impressive. [Laughter]

Q. We're just following the others.

You met President-elect Chavez when he first came to Washington, and then you met him as President in New York. He will beVenezuela will be holding a very unique plebiscite a week from today, which has polarized the country. Some people that back President Chavez thinks it's great; others think it will cause damage to democracy. I'd like your opinion on both subjects, sir.

The President. My opinion on the second question is that I'm not a citizen of Venezuela, and I think that they ought to make their own decisions. But I'm glad that they're getting to vote on it.

My opinion on the first question is, I should point out-remember now, Colombia is already the third biggest recipient of American aid. But I do think we should do more. And President Pastrana has, number one, extradited drug criminals to this country, which is important; number two, is facing a terribly difficult situation where he has both a longstanding civil insurgency in Colombia and all the problems of the drug cartels and the possible interrelation of the two. It's a terrible situation.

Colombia is a very large country. They've been our ally for a long time. They had a long period of steady economic growth. They have suffered terribly in the last couple of years. And I think we should do more.

I had a talk with Speaker Hastert about it, who is also, by the way, very interested in this, when we were together in Chicago recently. And I hope that early next year, we will have a proposal

to provide further assistance to Colombia that will be substantial, effective, and have broad bipartisan support. That is my goal.

Ken [Ken Walsh, U.S. News & World RePort]. Vice President Al Gore

Q. Vice President Gore has made a point of saying that his candidacy for President now will take precedence over his duties and activities as Vice President. I wonder, how has his role diminished in your administration, and how much has he missed? And does a diminished role by a Vice President in your administration hamper what you're trying to do in any way?

The President. Well, obviously, he's not around as much. We don't have lunch every week, and I miss that terribly. But he was there all day today. He had the meeting with President Kuchma. He knows that the future of Ukraine is very important to our interests and to what we're trying to accomplish in that part of the world. And he came to our meeting was over, he ran a whole series of meetings for several hours after that, So in his critical functions, he's still performing them. them.

And I would say, first of all, I strongly support what he's doing. I think he has the right to run. I'm glad he's running, and you know I think he'd be a great President. But he even having said that, whenever there's an important decision in an area that he's been very active in, I always call him; we still talk about it. And his role is probably still larger than that of any previous Vice President, even though he's out campaigning. But it's just less than it used to be, because he's not here all the time.

But I have no criticism of it. I think he's doing what he ought to be doing, and I think it's in the best interests of the country for him to do it.

Mara [Mara Liasson, National Public Radio].

Accomplishments and Disappointments of 1999

Q. You're ending a tumultuous year that began with impeachment and closed with tear gas in Seattle. Could you tell us what you're proudest of this year, and what events or accomplishments of yours that you're the least proud of?

The President. Well, I'm very happywhat I'm proudest of is that it turned out to be a very productive year. If you look atI'll just mention them again. I did before, but we wound up-after a year in which almost nothing was accomplished in the Congress, we wound up with a recommitment to the 100,000 teachers, to the 50,000 police.

We passed the financial modernization bill. We passed an historic 60,000 housing vouchers to new people from welfare to work. We passed the bill to give disabled people the right to take health care into the workplace. We doubled after-school funding. We passed this fund that I've been pushing hard for, for a long time, to help the States turn around or shut down failing schools. We had quite a lot of accomplishments.

On the foreign front, we had the ChinaWTO agreement; progress with the Middle East peace; the Northern Ireland peace agreement; Kosovo, which I am very, very proud of I still believe our country did the right thing there. And we've got talks starting on Cyprus now. We've got a Caspian pipeline agreement, which I believe 30 years from now you'll all look back on that as one of the most important things that happened this year. We had the Conventional Forces in Europe agreement with Russia, which will result in the removal of their forces from Georgia and Muldova. We had the debt relief for the poorest countries in the world, something I'm immensely proud of and deeply committed to. We made a big dent in our U.N. arrears issue. And we have worked with North Korea to end their missile program. So I'm very proud of what happened this year.

What I'm most disappointed in is what still got left on the table. I'm terribly disappointed that we still haven't passed a Patients' Bill of Rights, that we still haven't raised the minimum wage, that we still haven't passed hate crimes legislation, that we still didn't pass that commonsense gun legislation, which was crying out for action after what happened at Columbine-and we had another school incident this week. I am disappointed that we didn't pass the school construction bill. I'm hoping we will pass the new markets initiative next year. If we don't do something now to bring economic opportunity to the areas of this country which have been left behind, we will never forgive ourselves. And I'm profoundly disappointed that we still haven't done anything to take the life of Social Security out beyond the baby boom generation and extend the life of Medicare and add a prescription drug benefit.__

So my only disappointments are what we didn't get done. But I'm gratified by what was accomplished.

Q. Do you blame yourself for that, that you didn't put forward a plan on Social Security, to make it more substantive? Is there something you're-[inaudible]

The President. No, I gave them-first of all, I asked them-there's no point in putting forward-look, I tried it the other way with health care. I put forward a plan. And everybody said, you put forward-I remember Senator Dole saying, "You put forward your plan, then I'll put forward my,plan. We'll get together. We'll agree, and we'll pass a plan.And so, you know, I've had experience with that. That didn't work out too well.

So I had all these meetings on Social Security. You remember, I worked very hard on it, and I asked if we could get together and work out something. I still haven't given up on that, by the way. And I know the conventional wisdom is that these things are less likely to be done in election years, but in some ways they may be more likely.

And I did give them a plan which, if they had embraced it-which would simply require them not only to save the Social Security surplus but to take the interest savings from paying down the debt, with the Social Security surplus, and if you just put that back into Social Security, you could take Social Security out beyond the life of the baby boom generation. And I offered to do more with them.

But in order to pass something like that, we've got to have a bipartisan process. And I will do whatever it takes to get that done. But I worked as hard as I could this year to keep working in a very open and collegial spirit with not only the Democrats, without whom I wouldn't have passed any of those things I just mentioned-and all of you know that; they hung in there at the end; we got those things done-but also with the Republicans, with whom I began to have, I think, some real progress there along toward the end of the legislative session. And I hope we will continue it.

Yes, go ahead.

Russia and the Situation in_Chechnya

Q. Mr. President, on Chechnya, it seems as though the Russians don't feel they will pay a heavy price, and perhaps they don't care. I'm wondering if between now and Saturday's deadline you plan to try to directly contact President Yeltsin to once again convey your feelings on this matter.

The President. Well, I haven't decided what else I can do. I do think-first of all, they may believe that because of their position in the United Nations and because no one wants them to fail and have more problems than they've got, that they can do this. But most of life's greatest wounds for individuals and for countries are self-inflicted. They're not inflicted by other people.

And I will say again" the greatest problems that the Russians will have over Chechnya are--one is, I don't think the strategy will work. I have never said they weren't right to want to do something with the Chechen rebels. But I don't think the strategy will work, and therefore, it will be expensive, costly, and politically damaging, internally, to them.

Secondly, it will affect the attitude of the international community over a period of time in ways that are somewhat predictable and in some ways unpredictable, and that is a very heavy price to pay, because it works better when everybody's pulling for Russia. it's a great country, and they have all these resources and talented, educated people, and they need to-and yet, they've got a declining life expectancy as well as all these economic problems. And i think it's a bad thing for this to be the number one issue both inside the country and in our relationships with them. So I do think it's going to be a very costly thing.

Yes.

Panama CanaL/China and Taiwan

Q. Mr. President, with China building a second short-range missile base, allowing them to take Taiwan with little or no warning, are you concerned about America's ability to defend that island, especially with a Chinese company taking over the Panama Canal's ports at the end of this month?

The President. Well, let's talk about the Panama Canal, and then I'll come back to Taiwan. And to be fair, I think I may have misstated this earlier. It's important for the American people to understand that the canal, itself, will be operated and controlled entirely by the Government of Panama, through the Panama Canal Authority. That is the locks, ingress and egress, access, openness-the canal is completely and totally within the control of the Panamanians.

Now, the Hong Kong company which got the concession to operate the ports will Te responsible for loading and unloading ships. They also do this in three or four ports in Great Britain. It's one of the biggest companies in the world that does this. The managing director is British. Most of the employees will be Panamanian. So I feel comfortable that our commercial and security interests can be protected under this arrangement. That's the first question.

Now, the second question is, China is modernizing its military in a lot of ways. But our policy on China is crystal clear: We believe there is one China. We think it has to be resolved through cross-strait dialog, and we oppose and would view with grave concem any kind of violent action. And that hasn't changed.

There has been a lot of buildup of tension on both sides that I think is unnecessary and counterproductive. If you look at the amount of Taiwanese investment in China, for example-that goes back to my Irish exampleif you look at the Taiwanese investment in China, it's obvious that eventually they're going to get this worked out because they're too interconnected by ties of family and,

increasingly, by ties of the economy, and the politics of neither place should lead either side into doing something rash. And I hope that this will not happen. But our policy is clear and you know what I've done in the past. And I think that's all I should say about it right now.

Yes.

Hillary Clinton's Senatorial Campaign

Q. There is some confusion in people's minds about the First Lady's plans for the coming year. She has referred to the new house in New York as "my house" and indicated she plans to make that her primary residence. I'm wondering if you could tell us how much time you think the two of you will be apart in the coming year and how you feel about this arrangement?

The President. Well, first of all, I am happy for her, for the decision that she made. She was encouraged to run by many people, and she decided she wanted to do it. And if she's going to do it, she's got to spend a long time in New York. So she'll be there a lot. She'll be here when she can. I'll go up there when I can, and we'll be together as much as we can. We always make it a habit to talk at least once, if not more, every day. It's not the best arrangement in the world, but it's something that we can live with for a year. I love the house. We picked it out, and we like it, and I'm looking forward to living there when I leave here.

But I've got a job to do, and she now has a campaign to run, and so we'll have to be apart more than I wish we were. But it's not a big problem. She'll be here quite a lot, and I'll go up there when I can, and we'll manage it, and I think it will come out just fine. I'm very happy for her.

Wendell [Wendell Goler, Fox News Channell.

Responsibility for Impeachment

Q. Mr. President, just a couple of minutes ago you said that most of life's greatest wounds are self-inflicted. If I can paraphrase a recent request by Ken Starr, sir, I wonder if now you can tell us how much of the pain you went through last year was self-inflicted and how much due to excesses by other people, political and Mr. Starr's excesses himself, sir?

The President. The mistake I made was self-inflicted, and the misconduct of others was not.

Yes.

Golden Parachute8

Q. Mr. President, in the case of--on the subject of corporate golden and platinum parachutes, particularly in the case of mergers and change of controlled packages, tens of millions, and more in most cases, are awarded to corporate officers. Directors just rubberstamp most of these sales to the detriment of other stockholders.

The President. What's the question?

Q. I'd like to know, what can and will the administration do to put a ceiling on this acrimonious alimony?

The President. Well, first of all, unless it's an abuse of the stockholders-and if it is, then we have Federal agencies which have jurisdiction over it-there's nothing we can do. We have made some changes in the tax laws-we did back in '93-that I thought were appropriate. But I don't think beyond that there's anything else-we can do.

April [April Ryan, American Urban Radio Networks], and then John [John M. Broder, New York Times]. Go ahead. No, April-I'll call on all of you, but April first.

Q. Okay. the Pei/ent. April first. [Laughter] That's the way I feel up here sometimes.

[Laughter]

Q. It should be that way, though.

[Laughter]

Racial, Ethnic, and Religious Differences

Mr. President, America is ending the century with resurfacing scars of racism. And where does the issue of race, in terms of your agenda for 2000, stand? And are you still prepared to release your book on race by the end of your term? And what do you think about the comments that there's internal fighting over this book in the White

House?

The President. There really isn't much. I have a draft now, and I'm working on it. And I do plan to release it. And it will stay at the center of my concerns not only now but after I leave the White House.

I think that after the cold war and with the sort of end of the ideological battles, you@ve seen, I think that the biggest problem the world faces today is the conflict people have over their racial and ethnic and their related religious differences. And I plan to be heavily involved in it at home and around the world for the rest of my life.

Q. When do you think the book will come out, though?

The President. I don't know. I've got a day job, you know, and I'm not going toI've got a library full of books on race, and almost all of them are quite good. But I don't want to put it out unless I think it could make a difference, even if it just says what other people have said, somehow it can make a difference. And I'm trying to make sure how it ought to be done. I don't want to just put it out because I said I would put it out; I want to make sure when I do it, it at least achieves the objectives I'm trying to achieve.

John.

Heath Care Coverage

Q. Mr. President, the number of Americans who are not covered by health insurance has increased since you took office by about 7 million. Do you agree with Vice President Gore that Senator Bradley's plan for covering most of those people is irresponsible an unaffordable, even though we're enjoying the healthiest economy in decades?

The President. First of all, I'm not going to get in the middle of the Gore-Bradley campaign-I know you want me to, but I'm not going to do that for you-[laughter]because I want you to write about Syria and Israel tomorrow.

Let me say, first of all, Hillary and I said when the health care plan went down that the number of people uninsured would go up. And you would all draw the same conclusion. You would have drawn the same conclusion back then if you spent as many years and as much time studying it as we have.

So what happened is exactly what we've predicted would happen. Ironically, all those people who attacked me and said I was trying to socialize medicine, which was a ridiculous charge, trying to have the Government take over health care, which is a ridiculous charge, they got their way in that debate, and the consequence is now we now have a higher percentage of Americans whose health care is funded by the Government than we did in 1993. But we also have a higher percentage of People without insurance.

Now, I'm not going to get in the middle of that, but I'll tell you what questions you ought to ask. First of all, anybody who makes any proposal, you have to make certain choices. If you want to cover people who don't have coverage and you accept the premise that they all can't afford it, you have to decide: Are you going to make them buy insurance; are you going to make their employers to pay in? If not, are you going to have the Government do it, or are you going to have a big tax subsidy?

All of those choices have problems with them. You know what the employer mandate problem was. We couldn't pass it, because a lot of people said it's too burdensome, even though we exempted small businesses and tried to give them subsidies. If you give all taxpayers subsidies, the problem is you have to give subsidies to people who already have insurance, and it may operate as an incentive for employers to drop people even faster.

So there is no perfect plan. Let's start with that. There is no plan without difficulty. If it were easy, somebody would have done it already.

Second question is, how much are you going-if you're going to have the taxpayers involved, either in a tax incentive or expenditure program, how much does it cost, and what do you give up? And I think this is the way this thing ought to debate. People ought to actually try to figure out what the consequences of these plans are and evaluate them and decide.

You talked about the prosperity of the country. That's true. We are prosperous. But do we want to-how much do we want to spend on that as compared with eliminating child poverty or continuing to improve education? Are we willing to get into the Social Security surplus? If we're not, are we willing to raise taxes for it? In other words, I thinkwhatever the choice is, I think it's important that we be as honest as possible about what it costs, everybody be as honest as possible that there is no perfect plan. And then you be as honest as possible about what else you're giving up if you do it. It's a very complicated issue.

I did my best on it. I am gratified that we finally passed the Child Health Insurance Program. And we might get those numbers down again. We've now-I think we're at about 2 million. I think we've

gone from 1 million to 2 million just in the last several months in the number of people covered under CHIP. And if we can get up to 5 million, with CHIP and extra Medicare kidsand the States are really gearing up, now; they're really trying, now-then maybe we can drive that number back down some.

And what the Vice President is trying to do is to target discrete populations, on the theory that you can cover more people for relatively less money. And that's his position, and he believes he can pass that.

Let me just say one other thing. It makes me proud to be a Democrat. I am proud that, number one, that my party is debating this. And as near as I can see, there is no debate going on in the other party. And if they pass the size tax cut plan, they're talking about, they not only won't have any money to help more people get health care; they'll either they not only won't have any money to get into the Social Security surplus, or they won't have any more people get health care; they for either have to get into the environment or anything surplus, That's they won't have any more money first thing I want to say. cation or the environment or anything else. That's the first thing I want to say,

The second thing I want to say is, I'm grateful that my country is doing so well that these kinds of issues can be debated in this way and be seriously debated, but I'm not going to get into handicapping the campaign. I can tell you what questions I think you should ask, how you should analyze it. But there is no perfect solution here. And I'm glad that the two candidates in the Democratic Party are debating it.

Yes, go ahead. I promised these people.

Space Program

Q. Mr. President, in the decade that's just closing, the American people have seen around $1.5 billion of their tax dollars lost in space-most recently, either up in smoke in the Martian atmosphere or trashed on Mars, itself. Does NASA need better quality control or better management? And sir, how do you answer Americans who say that that money could be much better spent on more urgent needs here on this planet?

The President. Well, let me try and answer all those questions. First of all, I think Dan Goldin has done a great job at NASA. He's all those questions. First of economy measures all, I think Dan Goldin has done for small and more discreet job at NASA. including more adopted a lot of economy measures and think make for small and more discreet missions, including more unmanned missions, that I think make a lot of sense.

Secondly, we all use the slogan, "Well this isn't rocket science." Well, this is rocket science. We're trying to take a spaceship the size of a boulder and throw it 450 miles into a very uncongenial atmosphere and hit a target, and it isn't easy. I re et that both of those things didn't succeed as much as we all-the first Mars mission we got quite a lot out of-because I think it's important. I think it's important not only for the American tradition of exploration but it's important if we want to know what's-we have to keep doing this if we ever hope to know what's beyond our galaxy. We now know there are billions of them out there, and we know there are all these big black holes in the universe. We know all these things, and I think it's important that we find out.

The third point I'd like to make is that we actually do get a lot of benefits here on Earth from space travel. We get benefits in engineering advances, in material science, in environmental protection, and in medical science. We've made quite a lot of interesting health-related discoveries. I remember going down to the Space Center in Houston and talking to people who were from the vast medical complexes in Houston about all the interesting joint work they were doing.

So I think the American people get things out of it right now. I think we have gotten a lot out of it in the past, and I think we'll get more out of it in the future. So I have always been a big proponent of the space program. They need to analyze what went wrong and figure out how to fix it.

But just think of all the problems we've had along the way with the space program. This is too bad, but this is nothing compared to the tragedy when those astronauts burned to death when their spaceship was still on the ground. I'll never forget that as long as I live. But they didn't quit, and America didn't quit, and I'm glad. And I don't think we should quit now.

Go ahead.

WTO-China Agreement

Q. Mr. President, one of the things left on your plate for next year is pushing the historic trade agreement with China on Ca@itol Hill. China's labor standards are clearly not what you and the world community would wish for. And the question is, will it be difficult for you to sell that to members of your own party in Congress? And more broadly, what do you think are the prospects for Congress approving the WTO accord with China?

The Presdent. Well, in our caucus some are for it; some are against

it; and some have questions. We have a good deal of support for it and a good deal of opposition to it, and then some have questions. But I'm going and then some back to your labor questions. But I'm going to make an all-out effort to pass it. And I'll come back to your labor question in a minute.

I think it is plainly in America's interest. We gave up nothing, in terms of market access, to get this. It's very important that you understand that. What we gave in this was our assent to China's joining the WTO. What we got in return is much more market access on everything from farmers to people in the telecommunications industry. This is a huge economic benefit to the people of the United States. Plus, we have a big and growing trade deficit with China. We've got specific protections on dumping and antisurge protections. So it is in the economic interest of the United States.

Secondly, it is in the strategic interest of the United States. One of the great questions of the next several decades, as China's economy grows to match the size of its population, is whether China and the United States will have a constructive relationship or be at odds. I believe that, just as we worked together in the United Nations, even though we sometimes disagree, we will work together in the WTO. I think having China in a rule-based system for the international economy is profoundly important. And I think it would be a terrible mistake not to do it.

Now, do I agree with all their labor standards? No. But we shouldn't impose conditions on membership on China that we don't impose on any other country to get into the WTO. What we should do, in any judgment, is to go back to the American position. We ought to begin a dialog on these labor initiatives within the WTO-that's all we ask forand then we ought to get everybody to ratify the International Convention on Child Labor and observe it and deal with the other most egregious forms of labor abuses in the world. That is the right way to proceed here.

Last question.

National Sovereignty and Internationalism

Q. Mr. President, in future years, what do you see taking great precedence, sir, national sovereignty or international institutions? And how does the world prevent such slaughters as you've had recently in the Balkans, in Africa, or East Timor, without violating national sovereignty or interfering in international affairs?

The President. -Well,- first of -all, at -leastfrom the International Declaration of Human Rights, 50 years ago, the world community recognized that sovereignty was not the only value in human society.The Russians, even though they've criticized our

intervention in Kosovo-although now I might say the Russian soldiers are doing a very good job there, working with all the other Allies-recently acknowledged in their signing off of the new charter of the Organization for Security and Cooperation in Europe, that the internal affairs of a country can become the legitimate concern of others, whether it's in East Timor-now, wait a minute.

So what I think will happen is, national sovereignty is going to be very, very important for a very, very long time. But countries are becoming more interdependent, and they will still have to make decisions about the kinds of internal systems they will have for how their people live together and work together; they will still be able to make decisions about when they will or won't cooperate worldwide in many areas. But if you want the benefits of interdependence, you have to assume the responsibilities of it.

And we've all recognized that from the beginning of the United Nations, nobody, no country in the United Nations, has given up its sovereignty, even though some people still allege that's true. But the more interdependent the world grows, the more likely we are, in my judgment, to have more broadly shared prosperity, fewer wars, and a better life for everyone. That does not require us to give up our national sovereignty, but it does require us to act in our real national interests.

Q. Mr. President

The President. Last question.

Minorities on the White House Staff

Q. Thank you. I have another question on the issue of race, and it's on your record of appointing minorities to top-level jobs in your administration. You've talked throughout your career about the importance of diversity and inclusion, and, setting aside your Cabinet and Federal bench appointees, the top seven West Wing jobs in your administration have all been held by whites. Twentysix people have had the jobs

The President. I disagree with that. What are they?

Q. Well, Chief of Staff, National Security, Domestic Policy, Economic Adviser, White House Counsel, Press Secretary, Senior Adviser, Counselor-all those jobs have been held by-not a single person of color has held any of those jobs. And I wonder if you could tell us why?

The President. Well, first of all, you might be interested to know

there were a couple of people of color that I tried to get to do those jobs but preferred other jobs in the administration. And they had jobs they liked better. And I have-you didn't point out that a lot of those jobs have been held by women, who also had never held those jobs before I came along. And I think that-all I can tell you is I have never not tried to recruit minorities for any job that was open in the White House. And I have never followed a quota system. I have had more blacks who have served in my Cabinet, more Hispanics who served in my Cabinet, more people from Asia have been appointed to my administration, than any previous administration by far. It's not even close. So there was never a decision made. I now have a Hispanic woman who is my Deputy Chief of Staff.

So I never thought about those seven jobs to the exclusion of others. I've tried to make sure that the senior jobs-my Political Director is an African-American woman. Alexis Herman, before she became Secretary of Labor, was head of Public Liaison. I was unaware that those were the seven most important jobs in my Cabinet and in the White House in the way that you said them.

Thank you very much.