

cials. This class will begin their fellowship year in September. They were selected by a commission appointed earlier this month by the President. It was chaired by Nancy Bekavac, the president of Scripps College.

"This is a group of people of exceptional abilities, strong motivation, and a commitment to serve their country," said the President. "I look forward to their service and am confident they will join the successful ranks of such White House fellowship alumni as General Colin Powell and Secretary Henry Cisneros."

The individuals chosen for this year's fellowships are:

Paul T. Anthony, Washington, DC  
Suzanne Rose Becker, Bolton, MA  
Christopher Frank Chyba, Ellicott City, MD  
Jami Floyd, Oakland, CA

W. Scott Gould, Topsfield, MA  
Kevin Vincent Grimes, Mountain View, CA  
Suzan Denise Johnson Cook, Bronx, NY  
Michael Nathaniel Levy, Washington, DC  
Gaynor McCown, New York, NY  
Barbara Paige, New York, NY  
Raul Perea-Henze, New York, NY  
Leslie Ramirez, Evans, GA  
Maj. David Rhodes, USAF, Glendale, AZ  
Reginald L. Robinson, Lawrence, KS  
Martha E. Stark, Brooklyn, NY  
Todd Ulmer, San Francisco, CA  
Maj. Roderick Von Lipsey, USMC, Philadelphia, PA

NOTE: Biographies of the White House fellows were made available by the Office of the Press Secretary.

## Remarks in the "CBS This Morning" Town Meeting

May 27, 1993

*Paula Zahn.* Here comes President Clinton, cup of coffee in hand—decaf coffee.

*The President.* Good morning.

### *Budget Proposal*

*Ms. Zahn.* We wanted to start off by talking about the late night you kept last night. Word of an agreement that was struck between Democratic leaders and conservative members of your party on your economic plan. Do you think you now have the votes to carry this plan through in the House?

*The President.* I think it will help. This is an agreement that I have wanted for a long time, because I think that the people are entitled to know that if we pass these budget cuts, that they're actually going to be made. I've been concerned, as someone who was a Governor who came from a State with a very tough balanced budget law, I've been very concerned—can you hear me? Can we start again?

*Q.* You have two mikes on you now, Mr. President.

*The President.* There was an agreement made last night that I had been supporting for a good long while sponsored by the conservative Democrats essentially to put a mechanism in the budget to force us every year to make the budg-

et cuts that we say we're making in this 5-year budget. That is, obviously it's very hard to predict what will happen in every year for the next 5 years. If you had to do a family budget for 5 years, it might not be possible, or a business budget or a farm budget. So these numbers are as good as we can make them. But this amendment actually says that every year, if we miss the deficit reduction target, the President has to bring in a plan to meet it and the Congress has to vote on it. And if they want to change it some, they can, but we've got to meet the deficit reduction target.

We have been working for days to get this done. And finally, yesterday afternoon they gave up. So I called the folks that had given up, and I said, go back to the table. We've got to have some discipline in this budget, so that if we tell people we're going to make the cuts, we do it. And that's what this amendment says.

*Ms. Zahn.* What happens if you don't get this through in the House today?

*The President.* We keep working until we get a budget through. The real problem is, I think, that—there are two problems: One is that the details of the plan have been lost in the rhetoric; the second is that a lot of the Republicans who might otherwise want to vote with us got into

a position where they said they wouldn't vote for any tax.

Over 60 percent of this money, of the tax money, over 60 percent comes from people with incomes over \$200,000. Seventy-four percent of it comes from people with incomes over \$100,000, people whose taxes went down in the eighties while their incomes went up. People with incomes under \$30,000 are protected even from the Btu tax. And next year people in the middle will pay about \$1 a month, and it goes to \$7 a month and then about \$15 a month.

We have to get all of our votes apparently from the Democrats this time. I hope it won't happen anymore.

*Ms. Zahn.* No help from the Republicans?

*The President.* Well, in the Senate we might get some Republican votes. We're working on it.

[At this point, the network took a commercial break.]

#### *Administration Accomplishments*

*Harry Smith.* We are live in the Rose Garden with over 200 people from many States around the country, a couple of foreign countries as well. We're here with President Clinton. We thank you, first, for inviting us in to do this town meeting.

I know you don't pay attention to this sort of stuff, polls. You never pay attention probably, right? The negatives are now higher than the positives in the polls. And I want to tap into something here, because there's a feeling in the country, and I think the people here reflect it. I think people in America want to see you succeed, but I just want to see a raise of hands this morning, and don't be intimidated just because you're in the Rose Garden. [Laughter] Do you feel like he could be doing a better job? Raise your hand if you think so. Don't be intimidated. Don't be intimidated. There's a lot of folks who feel that way. Do you feel like there's been a gap between the promises of the campaign and the performance thus far? If you think so, raise your hands. A lot of folks feel that way. What went wrong?

*The President.* First of all, I don't know that anything went wrong, except I'm glad nobody found out about the manicure I got in California. [Laughter]

*Ms. Zahn.* Let's check it out.

*The President.* I'll tell you what went wrong. What went wrong was I was not able to keep the public focus on the issues that we're working on after I gave the State of the Union Address, even though that's what we kept doing.

Now, look, we've been here 4 months, and look what's happened in 4 months—and they give you a 4-year term—look what's happened in 4 months: We had a major foreign policy challenge in Russia right after I got in office. If Yeltsin had gotten beat in Russia and a militant regime had returned, we would have had to turn around with the defense budget and a lot of bad things could have happened to America. The United States went to work, organized the rest of the world, supported Yeltsin. He won the election. We're back on track there making this world a safer place. That's my number one job. I think that's pretty impressive.

The Congress passed a resolution committing to do a budget that reduced the deficit by \$500 billion on time for the first time in 17 years. Congress passed the family leave bill they've been fooling around with for 8 years to guarantee people some time off without losing their jobs. They passed the motor voter bill they've been fooling around with for years. No one now asks are we going to reduce the deficit. The question is how much and how. No one now asks are we ever going to do anything about health care. The question is when and exactly what are we going to do. I think that's a pretty good record for 4 months.

Now, if you do a lot of things and you try to change a lot of things overnight, you may break some eggs, and it's not an exact process. And controversy always is better news—you know that—than the lack of controversy. So one of the things that happened—we were laughing about this yesterday—is I'll bet you most people in this audience and most people in this country have no earthly idea that we're going to cut way over \$200 billion in spending off of this budget over the next 5 years, because the people who normally fight spending cuts supported it this time, and we rolled through the spending cuts without controversy. So the only controversy is over whether we should raise any taxes and from whom.

Now, I think we're doing pretty well, but I think we've done a lousy job of being able to cut through the fog that always surrounds this town and communicate that. I'll admit that.

*Media Coverage*

*Ms. Zahn.* Why? Why have you had a tough time doing that?

*The President.* Well, you tell me. I don't know. All I know is, I went to Cleveland the other day, and I talked to these four television folks locally. And they said—I'll just lay it out—this guy said, "I was for you, but I'm mad at you because since you've been in Washington, you've spent all your time on Bosnia and gays in the military." I said, "How do you know that?" He said, "I watch the news every night." [Laughter] And I said, "Well," I said, "okay, let me tell you," I said, "I just did an analysis of what I did the first 100 days. I spent 25 percent of my time on foreign policy, all foreign policy, including going to Canada to see Mr. Yeltsin. I have to. That's my job. No one else can do that. I spent 40 percent of my office time and about 55 percent of my total time working on the economy and health care"—let me finish—"and 20 percent of the time working on other domestic policies and seeing people and doing that." He said, "How much time have you spent on gays in the military?" I said, "Two and a half hours." He said, "I don't believe that." I said, "That's the truth. You can look at the calendar."

So all I'm saying is controversy gets news. And when we're out here working on things that aren't controversial, it's often not reported in the news. And I have to find a way to do a better job of communicating directly to the American people as well as—I'm not saying we haven't made any mistakes. If you do a lot of things, you're going to make some mistakes. But the major failure since February 17th is not being able to communicate directly what we are doing and answer directly the questions and the criticisms of the American people. That's been the major problem, and I've got to figure out how to do it.

*Selection of Attorney General*

*Mr. Smith.* You know what it is, though, I mean, given all of that stuff, motor voter, budget, all that other stuff, on a day-by-day basis, a week barely goes by that there isn't some sort of story that it sounds like—and I think people here would say, is the President on sure footing? One, two, three different choices for Attorney General. Flip-flop: We're going to get tough on Bosnia, and then we're not going to get tough on Bosnia.

*The President.* You want to talk about it, we can. See, that's what people do; you can't just lob these things out there.

*Mr. Smith.* We have 2 hours to talk about all of this. We have 2 hours to talk about all of this, but it seems like a day or a couple of days doesn't go by when they're putting out fires in the White House. And people want to know, do you have this thing under control?

*The President.* Well, let me just mention the Attorney General thing. First of all, I think I've got a pretty good Attorney General, don't you?

*Mr. Smith.* I think people would agree with that.

*The President.* And the country's not—[ap-  
plause]—and I think I did a good job. Secondly, if you look at what happened there, one of the things that no one noticed is that I was the first President since anybody could remember that had every other member of his Cabinet confirmed the day after I took office. So there is another side to this story. That was a manifestation of confidence, getting them all up and getting them all confirmed the next day. That hadn't happened in anyone's memory.

We had some problems with the Attorney General thing, partly because the American people learned about an issue that we're now moving to resolve, this whole business about if you have household help, how you withdraw the Social Security, and what you do. That's a big, tough issue. I'm sorry it happened. I still think Zoe Baird is a fine person who made, obviously, a mistake and paid for it. But thousands of other Americans have, too. And I hope now we're going to get it cleaned up so people will follow the law and the law will be reasonable. But I wound up with an awfully good Attorney General, and I'm proud of her.

[The network took a commercial break.]

*Health Care Reform and Gridlock*

*Ms. Zahn.* We're back in the Rose Garden now for a 2-hour town meeting with President Clinton. We have your first question now from the audience. Where are you from?

*Q.* I'm from Milwaukee, Wisconsin. I'm a lab technician.

*Ms. Zahn.* Fire away.

*Q.* Well, I think I'll stay with my original question. We've seen a lot of issues being passed lately. We've seen some bills being passed. But

the bigger bills, the things that dealt in the economy and jobs creation, along with that, especially this health care thing, they look like they're going to be destined to be locked up in gridlock. Is there some way that we can be confident that things are going to happen in this country?

*The President.* I think you can be. Let me talk about—let's just talk about health care. And I'd like to talk about health care with this budget. A lot of Americans say to me what I say to myself every morning, which is that after we cut all this spending and raise this money and we reduce the deficit by \$500 billion, it's still going to be too big in 5 years because what's driving the deficit now—defense is coming down, we're holding about everything else constant—what's driving the deficit is the exploding costs of health care, the same thing that's hurting a lot of your businesses or maybe your homes or if you buy individual policies.

In the last 4 months we've had hundreds of people here working on this health care task force that my wife is chairing. But we've also really worked hard to reach out to Republicans and Democrats and independents both in the Congress and around the country, people who provide health care, people who insure against health care, all those folks.

I think you're going to see when we get this budget out of the way, which is the toughest thing—everybody wants to reduce the deficit, but everybody's got a different idea about how to do it—when we get that out of the way, I think you'll see an honest debate on health care. Now, keep in mind this health care thing could be the most important thing we've done in a generation to provide security to working families and people who don't have it and people who have to change their jobs.

When President Roosevelt and the Congress put in the Social Security system it took them 2 years to do it. We're going to try to do it in a year. We're going to do our best to do it in a year. And then, of course, we'll have to phase it in over time because of the cost, but I think we can do that.

I wouldn't be too discouraged. What you're seeing now, this fight over the budget and the fight over the emergency jobs plan earlier, is, I hope, the most partisan you will ever see this environment. I am doing everything I can to ask the Republicans to help, to ask people from outside to come in, to open up the process.

I hate all this. I mean, I didn't run for President to get up and fight with the Republicans every day. It doesn't help America, and I don't want to do it. And I believe you will see a much more open process when the health care debate starts.

Now, that's not to say everybody is going to agree with me. They shouldn't. But I believe there's a real chance we'll get health care reform, and it will come with bipartisan support from around the country and within the Congress.

*Ms. Zahn.* But the fact is you've also had to do a lot of fighting with Democrats of your own party. And I think a lot of people were hoping, with a Democratic President and a Democratic Congress, that things would have gone more smoothly. Do you think issues like the haircut and the problems in the Travel Office have made it harder for you to get this economic plan through?

*The President.* No. I think this economic plan is—I think it does because if you publicize something like that and people don't know, for example, on my haircut, that I asked whether anybody would be held up or inconvenienced, and I was told no. I asked twice, and I was told no. Now, I'd never do that, not in a hundred years, not ever. I mean, I wasn't raised that way; I've never lived that way. That's not the kind of person I am. So, you know, if something like that happens and it hurts me on a day-to-day basis, it may slow things up.

But the real problem is, if these problems were easy, somebody else would have done them. You try to face difficult things and ask people to take difficult choices and make tough stands; it takes time.

*Ms. Zahn.* President Clinton, I'm going to have to cut you off. Someone has to pay for the show today.

[*The network took a commercial break.*]

*Ms. Zahn.* When we left you a couple of minutes ago, President Clinton was addressing the issue of gridlock. Anybody else have some questions here about partisan politics and gridlock? Will you stand up?

#### *Campaign Finance Reform and Gridlock*

*Q.* I'm from Sulphur Springs, Texas. And I do have a question about partisan politics. It seems evident to us voters that when we elect people and send them to State government or

to Washington, that they are more interested in the health and well-being of their party than they are the health and well-being of the country in general. And I'm wondering what we can do other than term limits? What can we expect in the next few years to help that situation?

*The President.* I think there are two things you can do. First of all, you can support some changes in the system that will make it work better. There are two bills here that will help: require all lobbyists to register and report how much money they spend on Members of Congress, and secondly, change the campaign laws. You make the system less partisan if you lower the cost of congressional campaigns, reduce the influence of PAC's, and open the airwaves to honest debate. I think those things would matter.

I think the second thing you can do is to follow up on what this gentleman said. Tell us to get something done here. Tell us, talk less and do more. And I really believe that that mood in the country is going to manifest itself. I've got some friends who are Republican Senators who told me they're not comfortable with this filibuster deal. They want us to get together; they want us to work together. I think you'll see more progress in the months ahead. I really do.

This is the toughest part. The budget is the toughest part. The debt got from \$1 to \$4 trillion in 12 years. It's hard to turn around. None of the choices are easy. This is the roughest part. I think you'll see it get better. I'm going to do everything I can to reach out to them and to try to depoliticize this atmosphere. But if you change the rules, you'll change that. You will make people closer to their folks and less partisan.

*Ms. Zahn.* I've got another question here from the audience. Please stand.

#### *National Sales Tax*

*Q.* I'm from Woodlake, CA, and I'm a retired teacher. My concern is about taxes. I'm wondering if you have considered a national sales tax in place of, but not added to, the income tax system we now have. Is it feasible at all?

*The President.* It is feasible if it's not regressive. In other words, you could lower the income tax and have a value-added tax, so-called national sales tax, but if you did that at a high level, that is, if you're going to replace the income tax or most of it, it would have to—[in-

audible]—and you would have to exempt food and housing and the basics of life. It's something that we may look at later on.

Most countries have a small national sales tax to replace part of their income tax. And the reason they do it is it helps your exports, that is, you don't apply it to things you sell to other countries, but you do apply it to things other countries sell in your country. So it helps your exports, and it helps your competitive environment at home more than the system we have. But it's such a big issue, I thought we ought to face the economy and health care first. When that's out of the way there will be plenty of time to debate the tax system. But it is a big change for America. And most Americans don't trust us to fool with their pocketbooks anyway. So it would have to take a big long debate, where people were absolutely concerned that it wasn't going to be regressive and unfair to the middle class.

*Ms. Zahn.* President Clinton, we're going to take a short break again right now, at 29 minutes after the hour. We'll be back.

[*The network took a commercial break.*]

*Mr. Smith.* We are back live in the Rose Garden, and we've had a couple of microphone problems which we think we have fixed now. What did you just say?

*The President.* I said if you were a politician and all these mikes went out, they'd say, are you a failed network, are you a failed newscaster? [*Laughter*]

*Ms. Zahn.* They will be saying that maybe in a half hour from now.

*The President.* It's just one of those things. Something always goes wrong.

#### *White House Travel Office*

*Mr. Smith.* You know what, we need to talk about this, "Travelgate." Who knew what when, and why was the FBI called in, and why did you hire your cousin, and why did you have a firm from Arkansas take over this business?

*The President.* First of all, let's get back to the beginning, okay? Let's talk about my cousin. She's about my fifth or sixth cousin who worked in the campaign and ran the travel operations. We had a very efficient travel operation.

Every operation at the White House was reviewed, because I said I was going to cut the White House staff by 25 percent. That's not easy to do, to run the White House on fewer

people than your predecessor. We got more mail in 3½ months than came to the White House in all of 1992. It's tough.

We found out that there were seven people working in the Travel Office, primarily to book travel for the press, and that the press was complaining that the cost was too high. So there were all these recommendations made to change it. But nothing was done until an accounting firm came in and reviewed the operation and found serious management questions in terms of unaccounted-for funds and things like that. So then the person in charge of that made the decision to replace them.

Now, all those questions were raised about whether they all should have been replaced. Mr. McLarty got on it. He did an internal review. He'll fix it. But the issue is: Should we work seven people when three can do the job? And if we saved 25 percent off the cost of the very first plane flight, isn't that a good thing for the press? That's what we're trying to do.

*Mr. Smith.* And nobody's going to argue with that. But what they are going to argue with is why was the FBI called in?

*The President.* Oh, the FBI, because—the FBI was called in to look at the auditor's report, not to accuse any of these people of doing anything criminal but because there were sufficient questions raised that there had to be a review of it. And the FBI sounds like a huge deal to you, but when you're in Washington and you're the President, you can't call the local police or the local prosecutor; that's who you call.

*Ms. Zahn.* But even your own Attorney General is now posing the question about a breach of policy. Is she right or wrong?

*The President.* Well, to the best of our ability to determine it, there has never been a policy that if the White House had a local internal matter, they had to go through the Attorney General to get to the FBI. The FBI's always been an independent investigative agency. But I have no problem with doing that, because I trust her. I think she's got great judgment.

But the report in the auditor's findings made us believe that someone at least ought to look into this and clear the air. And that's all we were trying to do.

*Ms. Zahn.* Was Attorney General Reno justified in questioning the process?

*The President.* She can question whatever she wants to, I think. She's a fine person. I like

her. But I'm just saying, to the best of my knowledge, there has never been a policy that the White House, if they had some internal activity going on here, would clear asking the FBI to look into it through the Attorney General. But I have no problem with doing it. Not with me or anybody else was that the policy before, to the best of my knowledge.

*Mr. Smith.* But at minimum, it looks like you used the FBI to justify what in turn ended up looking like or was, in fact, an act of cronyism.

*The President.* No. It may look like that, but the bottom line—it wasn't an act of cronyism. The bottom line is if we can run an office with three that they were taking seven to run, and we can save 25 percent off a trip because we have competitive bidding when they didn't have competitive bidding, the press saves money and the taxpayers save money. That was my only objection. If anything wrong was done, Mr. McLarty will correct it. This is a do-right deal, not a do-wrong deal. Let's not obscure what happened. We were trying to do the people's work with less money.

#### *Mining Reform Legislation*

*Mr. Smith.* Do you have a question?

*Q.* Yes, I do. I'm from Redwood City, California. I was a Clinton precinct leader in that State, and I'm very happy to see you elected. My question, however, is regarding the environment. I supported you in spite of the issue that Tyson's was one of the major producers of jobs in your State; it's also the major producer of pollution in your State. And I supported you in hope that Al Gore would work on convincing you to be more of an environmental President than George Bush was. However, I noticed that you recently backed down when it came to upping the user fees on mining, grazing, and lumber. This is in spite of the fact that mining, I believe, is fixed at like under a dollar an acre to mine, this based upon a post-Civil-War law, but you've not upped it. I understand that it could contribute—

*The President.* Let me ask you—

*Q.* —\$17 billion to the budget.

*The President.* Okay. No, no. There wasn't \$17 billion, I don't think. Do you all know what he's talking about? The Federal Government owns land—that's a very good question. I'm glad you asked it. The Federal Government owns a lot of land on which there are trees, cattle, and minerals to be mined. Most people believe,

and it's absolutely true, that essentially people have been permitted to use that land, mostly out west, to cut trees, graze cattle, and mine minerals at lower than a market rate. Now, all the people who do that have good reasons why they think the system is good, and I don't know if we've got any of those folks in the audience, but I feel that the mining fees should be raised.

Originally we had, originally—he's right—we had that in our original budget. And we took it out not to take a dive on it but because, since it's a new issue, under the parliamentary rules of the Senate, we'd be subject to a filibuster. That is, you have to get 60 votes, not a majority, to pass the budget.

So we are moving now a new mining reform law through the Congress which will do exactly what you say. We just had to agree to do it on a separate track. The mining reform is on track. I believe this year I will sign a mining reform law which you will be very proud of, which will require those companies to pay back to the Treasury more nearly the value of what they have gotten from the United States Government, and it will be good for the environment.

It's a good question. It's going through on a separate track, and we had to break it out for parliamentary reasons because of the opposition to it in the Senate.

[*The network took a commercial break.*]

#### *White House Staff*

*Ms. Zahn.* We're back in the Rose Garden live with a 2-hour town meeting with President Clinton. Before we get back to our audience, a quick question to you about staff. There has been a lot of criticism that you've surrounded yourself by young and inexperienced people. There has been talk that maybe there are going to be some major shakeups over the next couple of days. Are you entirely satisfied with the White House staff you have in place?

*The President.* No, but they're working hard and we've gotten a lot done. I'm glad I got to talk about that. I think there are always going to be—you can't—this is the hardest place in the country to work in some ways. And I think that we've had a period—you know, we came in, most of us were not from here, we were trying to do things differently. And there are a lot of things that we didn't handle as well as could have been handled. This Travel Office

is one. What we were trying to do was good for the country and good for the taxpayers. And there were glitches in it. We are going to fix that. But I think that by and large, we'll—

*Ms. Zahn.* You're going to fix that by firing—

*The President.* We have a—well, just watch and see what we do. We're going to—

*Ms. Zahn.* No hints?

*The President.* No hints.

But I would also say that I wonder whether people think the staff is younger than it is. I mean, you have the head of my economic team, Bob Rubin, is in his fifties and was one of the most successful people on Wall Street. Our major senior staff, I think, on balance, is slightly older than President Kennedy's were. But there are a lot of young people in other positions here. And sometimes I think that the overall impression is that the staff is quite a bit younger than it is in terms of people that are actually making decisions.

#### *Urban Youth*

*Q.* One of the big things about your campaign was hope for the future and don't stop thinking about tomorrow. My question is about the children in the country, especially in the inner cities. It seems like they've kind of lost hope, and it seems like they don't have a future. And I'm wondering what we can do as a country to instill that back into them.

*The President.* I think there are some things that I can do as President, but there are also some things that are going to have to be done community by community and block by block.

Let me talk about the things I can do first. My job, I think, for those kids is to try to do as much as I can to make sure they've got a fair chance to make it under difficult circumstances. What does that mean? That they have a healthy beginning, get a good chance to get a Head Start program and decent nutrition, that their schools are as good as we can influence them, that their streets are safer, that they have a chance to work when they're young, at least with summer jobs, and that there's some economic opportunity there.

We have presented initiatives in all this area. We're going to have more police on the street, more investment in Head Start, and a dramatic increase in incentives for business to invest in those areas.

But frankly, I think also, we have to say to

those kids, the only way you can make it is if you play by the rules. And we know it's tougher where there aren't as many intact families. We know it's tougher where there's more violence. But we've got to have more people go in and deal with those kids one-on-one. A friend of mine said the other day—someone asked, "How are we going to rescue all these kids?" And she said, "The same way we lost them, one at a time."

And we've got to have more people interested in these people as people. I'm telling you. I just got back from south central LA. Those kids aren't all that different from everybody else's kids. They just want a chance to live. And if we can give it to them with more personal involvement, I think they can make it.

*Mr. Smith.* When you talk about one-on-one, are you talking about a giant volunteer corps or are you talking about some kind of system that's going to cost more money to do it?

*The President.* No, I'm talking about—

*Mr. Smith.* In 30 seconds.

*The President.* I'm talking about—the money should be going to the things I mentioned. What we need is for people in each of these communities to be involved with those kids. I can't do that. We need people in these communities sponsoring schools, involved in the schools, working with those kids after school and on the weekends. They're good kids. They just need a chance to make it.

[*The network took a commercial break.*]

*Ms. Zahn.* Welcome back to Washington and the Rose Garden. We continue our conversation, our town hall meeting, with President Clinton right now. I thought I'd give the folks that have been staring at our back sides all morning a chance to ask you a question.

Sir, your question.

#### *Law Enforcement*

*Q.* My question to you is in regards to a law enforcement issue in this country. We're well aware of the position of the previous administration in regards to the support of law enforcement. My question deals with the fact that I heard you mention earlier about trying to get additional police officers, 100,000 and so forth. We in this city, I believe it was a matter of a couple of weeks ago, went to the Hill to try to get additional funding to keep several segments of our police department run-

ning, mainly one of which is the helicopter unit, which provides a lot of support service for the ground police officers and the Secret Service and ATF. And they were turned down for, I think it was like, they were going for \$2 million or something at that rate. But my question to you is, dealing with Congress up there, which it seems they have a problem of partisanship now, like I say, as far as—

*The President.* Well, let me explain. First of all, let's talk about the bigger issue here, that this gentleman is an example of a major national problem. Thirty-five years ago, there were three policemen in America for every serious crime. Today, there are three crimes for every police officer. And a lot of cities have had to reduce hiring of police officers with budget problems they've got. So one of the things I said in the election was I would try to find a way to put 100,000 more police officers on the street over the next 4 years.

There's a bill moving through Congress right now which makes a down payment on that, and the House passed it late last night. If the Senate passes it, and I think they will this time, it's a smaller bill, but it will permit us to hire another 15,000 or so police officers. And that will start the down payment. Then I'm going to support the crime bill, which includes the Brady bill, to require people to wait so we can check their criminal background before they buy handguns. It will also have more police officers on it.

We're going to give people coming out of the military incentives to go into police work. We're going to give young people the opportunity to pay off part of their college loan by being police officers for a while. So I think we can get this 100,000 figure. And you will be helped by that. But this bill that's going through now should help DC and all the States, because it provides funds specifically for those who want to rehire people who have been laid off as well as hire new police officers. And that should help a lot.

#### *Abortion*

*Q.* Good morning. I'd like to know, is abortion going to be covered under the new health care plan?

*The President.* I don't think a decision has been made about that. Let me tell you what the problem is. The Congress has historically not permitted public funds to be spent for abor-



tion, except to save the life of the mother. Most private health insurance plans permit some broader coverage for abortion for people who are covered.

So what the health care task force is trying to resolve is how to at least provide for the position that we shouldn't—in solving the national health crisis, we shouldn't take away from people some right they now have in their health insurance plans. And that's what they're trying to work through now. And I'm not sure exactly where they're going to wind up, but I think they're going to try to wind up in a way that either does that or at least makes it possible that that can be done. That's the dilemma here.

*Ms. Zahn.* You mean the continuation of—

*The President.* That gives people the right to at least access what they've got now in their health insurance plan, if they're private citizens and they get that, as a result of this change we've got, because what we're trying to do is not run this money for the uninsured through the Government anyway. We want it to be operating outside the Government and the taxpayers.

*Ms. Zahn.* Harry's working the other side of the audience over there.

*Mr. Smith.* We've got a 1-minute question.

#### *Immigration*

*Q.* I'm from southern California, and there we have a lot of problem with immigration. I kind of have a question for you. Idealistically, I feel that America should let as many people in as we can. But in our State it's really taking a toll on Medicare, et cetera, et cetera.

*The President.* Absolutely. You're from California, you know that—

*Mr. Smith.* Thirty seconds left.

*The President.* Quick answer. The Nation does not enforce its immigration laws. We should let immigrants come in. It makes us a stronger country. But we can't let everybody in overnight. We should attempt to enforce the laws more rigorously. And when California, Texas, Florida, New York, and other States pay a disproportionate burden, the National Government ought to help them more. We changed the rules to help California more, because it's not fair for you to pay for what the National Government does or doesn't do.

[*The network took a commercial break.*]

#### *China*

*Q.* I'm from Tarzana, California. I've been going to China since 1980, seven or eight times.

I've lived and worked in China for 2 years. I'm very concerned about what you're going to do with the—

*Mr. Smith.* Most-favored-nation—

*Q.* —most-favored-nation. On the one hand, if you don't give them this, you feel that you'll pressure the government into changing their attitude. On the other hand, the people don't want that to happen because they feel that they will be hurt financially. And then when they're hurt economically and financially, then they'll get less rights and privileges.

*Mr. Smith.* Is this a done deal, your decision on this?

*The President.* I think it is a done deal for the next year. Let me explain the issue here. In order for a country to trade with us, they have to get what's called most-favored-nation status in order to have big trade. China is a huge trading partner of ours, I think now our second biggest trading deficit, with China just behind Japan. They've got one of the fastest growing economies in the world. They're moving away from communism to market economics very quickly. They still put political prisoners in jail. They still, we think, have used prison labor to make products, and we have some other problems with them.

The issue is should we revoke that or should we put conditions on it. I basically have decided to extend most-favored-nation status for a year because I want to support modernization in China, and it's a great opportunity for America there. But I want to make it clear to them that there has to be some progress on human rights and the use of prison labor. Our trade disputes and our disputes about arms sales I'm going to take out of this issue and negotiate directly with them. I think they will appreciate the gesture I'm making, but I hope they understand that the United States just can't turn its back on the abuse of lots of people and especially the use of prison labor and just choking people off when they say their piece.

#### *The Presidency*

*Q.* I'm from Troy, Michigan. My question, Mr. President, when you wake up in the morning, before you get out of bed, do you lie there and think, what stupid little thing is going to happen today? [*Laughter*]

*The President.* Some days I do. What I really think of is stupid little things happen to every-

body, and I just hope that if some stupid little thing happens to me, it won't overshadow all the big good things I'm trying to do.

But actually, when I get up in the morning, I say a little prayer that I won't make any stupid little mistakes and that I'll do right by America today. That's what I do. Then I go out here and run off old age. I do my best to do that.

Mr. Smith. Here we go, Mr. President.

*District of Columbia Statehood*

Q. Good morning, Mr. President. I'm president of the Bloomingdale Civic Association here in Washington, and you're welcome to come to our community at any time.

The President. Thank you. I'd like that.

Q. My question basically is, can you express to the American people why it is important for the District of Columbia to have statehood, to have the opportunity to vote for two Senators and Members of Congress?

The President. Well, I think, frankly, I think having the Senators and the Members of Congress is not as important as having control over your own destiny. The District of Columbia now has more people than 5 other States, pays more taxes than 10 other States, and sent more soldiers to fight in the Persian Gulf war than 20 other States. And yet, every time they turn around, Congress can overturn anything they do through their elected officials.

If they became a State, yes, it's true, they would get two Senators and a Member of Congress, just like the other small States. But the main thing is they would have more control over their own destiny. It's very frustrating for the people in the District to know that Congress can do or not do anything, just like this fellow said here, that they can say, "No, you can't have \$2 million for police." And they can't do it on their own because they don't have the independence. So that's why I've always supported statehood. Once I saw the facts about the size, the taxes, and the contribution to the national interest, I thought they ought to have the right to be independent.

Mr. Smith. We need to take a break. We'll come back with more live from the Rose Garden.

[The network took a commercial break.]

Mr. Smith. We are live at the White House Rose Garden with President Clinton, the first national network town meeting since you were

elected. We appreciate you letting us come in here. We've got lots of questions from more than 200 people in the audience.

Paula.

Ms. Zahn. And this man's been waiting very patiently for the last hour. Please stand, and you can fire away.

*President's Haircut*

Q. I'm from Montana. I work for the Rural Electric. And my question for you is: With all the troubles in the world going on now, how do you like being on the bubble with your haircut?

The President. I just learn to live with it. I think you've got to learn to laugh at things like that. You know, when little things get made big, and big things get made little, you know, and you make a boner—I mean, I really—I told you the truth earlier. I was really trying to avoid inconveniencing people, not trying to inconvenience people. It just winds out being embarrassing when something like that happens to you. And you just have to laugh it off and go on. If you didn't have a sense of humor in this business, you'd be ground down to nothing pretty quick.

Ms. Zahn. Earlier this morning, President Clinton, you said that you would ask your aides on the plane whether the haircut was going to cause any delays or not, and they said no. There's a piece in the Wall Street Journal—

The President. The Secret Service said no.

Ms. Zahn. The Wall Street Journal is suggesting that maybe the staff members don't have enough of a spine to stand up to you. Can you comment on that report?

The President. Oh, no. The Secret Service asked, and they were told that there would be no delays. It was just a mess-up. I mean, it was just a mess-up. But it's just not—

Ms. Zahn. Do you wish you hadn't gotten that haircut?

The President. Yeah. I mean, look, I wear a \$40 watch. Do I look like the kind of guy that would go and sit on an airport—you know, I mean, it was just a blow-up. I'm glad they didn't find out about the manicure. [Laughter]

*Health Care Reform*

Q. Good morning, Mr. President. I am from East Dubuque, Illinois. Tomorrow I'm graduating from medical school and will be going into—

*The President.* Congratulations.

*Q.* Thanks—residency training in family practice. I am graduating with over \$100,000 in student loans for medical school alone. I am wondering how you anticipate the health care reform will help me to be able to pay back my student loans, as well as the many colleagues that have a similar situation as I do.

*Mr. Smith.* The fear being that doctors aren't going to make as much money and for folks like this they aren't going to be able to pay the bills, right?

*The President.* First of all—don't sit down yet, I want to look at you—only about 15 percent of our medical school graduates are now doing what this fine woman is doing, coming out as family practitioners. Most medical school graduates now want to be specialists partly because they want to do it, partly because they can have more control over their hours, partly because they can make more money. What we are going to do is try to create more incentives for people to go into family practice: easier to pay off your loans, have Government-targeted assistance to medical school to lower the cost of medical education, give you more opportunities to be in family practice corps, to bring down the cost of your debt. And I don't think that your income will be constricted. I think there will be more reliance on family practice, and we're going to have to do more in primary preventative medicine in America if we're ever going to bring the cost of health care down.

*Ms. Zahn.* I have another health care related question for you from back here.

*Q.* Thanks. I'm from Springfield, Missouri. I'm glad to hear that answer because one of my children is in medical school and going into family health care.

*The President.* That's great.

*Q.* I work for a company that has less than 500 employees. I pay \$50 a month for a health plan, a dental plan, life insurance. Our health plan is self-insured. I don't want to pay more money for health care individually. I'm concerned that my employer may be taxed and have to pay more money, and I would receive less benefits than I am receiving, as well as I want to keep my self-funded health plan. How would the change in health care affect me as an individual?

*The President.* Well, let me say first of all, one of the decisions that has not been finalized yet, at least in our original report, is to what

extent any companies of any size should be able to, in effect, continue their self-insurance efforts. And that's a tough issue because what we're trying to do is get these pools of insurance big enough for small business to have affordable health care because that's been a back-breaker for a lot of small businesses.

The requirement that they're working on in terms of financial contribution would not be a tax over and above what people are paying now. They're trying to hit the national average, maybe even a little below the national average of what employers are paying now. And many, many employers and employees in this country will actually save money if the health care plan comes into effect.

But if you have a national budget, you have to have some sort of national standard for what the contribution will be by employers, but it's not going to be over and above what people are paying now. They're trying to substitute for it, and they're trying to work out what that number is now. To your point of view, if you have a low-cost self-insurance plan, what we're going to try to do is to make sure that the people with low-cost plans and generous coverage don't have less coverage and higher cost. That's not what we're trying to do. What we're trying to do is to broaden the coverage.

*Mr. Smith.* Fifteen minutes after the hour. We need to take a break. We'll come back live to the Rose Garden, right after this.

*The President.* And lower the cost—I'm sorry, I didn't say.

[*The network took a commercial break.*]

*Mr. Smith.* It's about a perfect day in Washington, DC. I think the President is probably hoping it's just as nice up the street a little bit in the Congress. But we've got lots of questions from our audience. Go ahead.

#### *Affordable Housing*

*Q.* Mr. President, I'm an architect from Seattle, Washington. And the question I'd like to ask you is what vision do you and your administration have for the revitalization of housing, both in the urban areas and the rural areas?

*The President.* I think the housing economy, first of all, is a big part of our overall economy. My vision is that we will set in motion market forces—with a little bit of Government support but not a lot—mostly market forces, which will enable us to resume a vigorous homebuilding

sector in the American economy. And let me just mention some of the things that are important to that.

The most important thing is to pass a deficit reduction plan that keeps interest rates down. Interest rates, mortgage rates now are about a 20-year low. Last year, only 47 percent of people under 35 thought they were going to be able to own their own homes. This year, about 74 percent do. That's because interest rates are down, because we're trying to bring the deficit down first.

Secondly, I think the low income housing credits, tax credits, should be extended. That's in our tax bill, to give people incentives to build houses in inner cities.

The third thing we need to do is to move aggressively in areas where credit is not available to break the credit crunch. And the Government's working hard on that. There are all kinds of sectors of our country that have had a huge dry-up of credit because of the collapse of the S&L's and because of regional recessions. And we're trying to break that.

And finally, we have a Secretary of Housing and Urban Development in Henry Cisneros, the former Mayor of San Antonio, Texas, who has got a wonderful raft of ideas about how to go into community after community and set up partnerships in rural and urban areas to get people to build more houses. So that's basically what we're trying to do. The dream of homeownership, and frankly, the importance to the economy are two things that can merge as part of my vision for rebuilding our country from the grassroots up.

*Ms. Zahn.* President Clinton, we only have a couple of more minutes before we have to take another break. Another quick question for you from over here.

#### *Association With Celebrities*

*Q.* I'm a finance manager from San Jose, California. My perception is that your administration is a little infatuated with Hollywood and celebrities. Is this a valid observation?

*The President.* No. You know, all these politicians from here run out to Hollywood and have fundraisers all the time. Do you know how many fundraisers I had there before I ran for President? Zero. We've had two meetings here in the White House where groups of people from Hollywood have wanted to come in and talk about health care and the environment. We've

had a couple of people from California who have stayed in the Governor's mansion. When my preacher from Arkansas stayed here, nobody wrote it up. When the guy who ran my campaign in Florida stayed here last week, nobody wrote it up. It's another thing where a little thing becomes big because it makes a good story. It doesn't amount to a hill of beans. There are some people in Hollywood who helped me, who care about the country. I treat them like I do everybody else that was part of the campaign and want to be part of it.

But that is absolutely not true. It is not true now, it's not going to be true, and it's never been true. I like to go to the movies and listen to music. Most of you do, too. And that's about the extent of it.

*Ms. Zahn.* Are you concerned, though, that when these little stories that you say just simply blow up—

*The President.* Absolutely. Absolutely—

*Ms. Zahn.* Let me just ask you this—that people who voted for you in the election and bought into this image of the man from Hope and that maybe stories like the \$200 haircut with a guy who has one name might increase their cynicism about what's going on in your administration.

*The President.* Sure it does. Sure it does, which is one reason they're so overplayed. But that doesn't mean they're valid. What I keep telling everybody here is, we have to realize when you're President, you're a long way from most people in America, and so little things become big. So you have to bend over backwards not to do things that you'd never even give a second thought to if you were a private citizen or a Governor or a Senator because they're going to be taken and blown all out of proportion and your whole image is going to be gnarled by it. So we have to be super sensitive not to do things that we would ordinarily do and not give a second about it because of the way it will be perceived in the country. That's absolutely right. And we haven't been very smart about that on a couple of these occasions. But that doesn't mean—

*Ms. Zahn.* Whose fault was that?

*The President.* It means that we have underestimated the fact that the press will play these things big and people will draw those conclusions from it. But she asked me a substantive question, not an image question. She said, has the administration gone Hollywood? The answer

to that is, no, heck no, never, no. Never, Never. [Laughter] That's a substantive answer.

Ms. Zahn. I think the answer is no.

Mr. Smith. We've got lots more to come live from the White House Rose Garden with President Clinton. We've got questions about defense cuts and what happens to the people who are going to lose their jobs as the defense gets cut. And we're going to come back and get answers to those questions in just a minute.

[The network took a commercial break.]

#### *Commemorative Tie*

Mr. Smith. I couldn't let this go; you've got to stand up a second. Okay, now, I didn't know this. I knew there were ties like this, but explain—the President of the United States knows that this tie actually means something and what it means.

The President. This tie is part of a series of ties representing Beatles songs. And this one is "Let It Be." And there's Mother Mary here; there's a line in the song that says, "Mother Mary calls to me, whispers words of wisdom, let it be." And here she is with an angel. And so you're supposed to be able to look at this tie and know the Beatles songs. There's a whole bunch of them, and sometimes we give each other tests. [Laughter]

Mr. Smith. Do you have a question for the President? Okay.

#### *The Presidency*

Q. Yes, I do. It's sort of a change of pace; it's more of a personal question. I was wondering how you felt that you've changed over the last 100 days of your Presidency?

The President. I think I'm a lot more humbled in the face of some of the problems than I was before I became President. I'm still as convinced as I ever was that we can make change. I still think that we can restore a sense of hope and possibility. But a lot of these issues—we talked a little about Bosnia during the break—are very humbling. They're difficult.

And I'm also very mindful that—just what we were saying before—when you're President, everything you do and everything you say and the way you do it and the way you say it and everybody you come in contact with takes on a meaning far bigger than you might have ever imagined as a Governor, a Senator, a candidate for President, a private citizen. And you have to be much more sensitive to that in order to

make sure that the people know you as you really are.

I think those are the two things that I have learned. I also have learned that it's probably the hardest job in the world. And you've got to reach down real deep every day and try to always rise above yourself and not be deterred by the momentary problems or the drops or raises in the polls. Both drops and increases in the polls are illusory in the end. The only thing that matters is, do you do a good job, and are people's lives better off when you finish than they were when you started. And I just have to keep working on that. I think it requires a much stronger character and a much deeper spirit to be President than it does to run for President. And I just try to work on it every day. I try to grow some every day into the job.

Ms. Zahn. President Clinton, you know the tie you just looked at, the "Let It Be" tie? Here's a man that isn't content to let it be. He has a question for you now. Please stand.

#### *Entitlement Programs and Health Care Reform*

Q. Mr. President, I'm from Los Angeles. My question is on the entitlement programs. Entitlements are 50 percent of the budget, as you know. And I see the constant growth of these entitlement programs. There's no way, as I see it, to curb the budget deficit without reining in these entitlement programs. And now you are going to propose a health care program, which is another entitlement program.

The President. Well, the answer to your question is, the only way to control the health care entitlements is to get control of health care costs. And the only way to control health care costs in this country, in which we're spending 35 percent more of our income on health care than anybody else, is to provide some way for everybody to have some coverage, not lose it when they change jobs, and control public and private costs the way every other advanced nation has done. We cut a lot on the entitlements, on retirement entitlements, public employee entitlements, and health care. We need to cut much more, and we will.

Ms. Zahn. Thank you, President Clinton. We will be back with a half hour more of our town meeting after this break.

[The network took a commercial break.]

Ms. Zahn. Welcome back to "CBS This Morn-

ing” and our special 2-hour meeting with President Clinton. We just had to go into a break, and we were talking about the notion of entitlements from this man back here. And his essential question was, with entitlements representing about at least 50 percent of our budget, when is the Government going to get serious about cutting into these programs? Did I paraphrase that correctly?

*The President.* We have in this budget package that I have presented to the Congress, we have about \$100 billion in cuts in various entitlement programs over the next 5 years in Medicare, in agriculture, in veterans programs. But they’re still going up very rapidly. The only way ultimately to get control of the entitlements is to control overall health costs and bring them in line with inflation. For example, we could cut health care costs even more, but here’s what would happen. If you cut Medicare and Medicaid and you cut what the providers get, the doctors and the hospitals, what do they do? They shift their costs off to you in the private sector. That’s been happening for years now. People who have no health insurance get health care in this country. People whose health care is underfunded get health care anyway. And the cost gets shifted onto private employers and their employees in the form of exploding health insurance premiums. So health care cost in the private sector as a whole are going up as fast or faster than health care costs in the Government sector. And the trick is how to get them under control without messing up the programs, like the gentleman over here who has got a good program where they have control of their own costs. That’s the trick. But you’ve got to deal with the private and the public to do that.

#### *Aerospace Industry*

*Q.* The aerospace community is being assailed by the Europeans on the commercial side, and in some respects the defense budget will assail them on the defense budget side. A combination of those two are making aerospace employment a very delicate issue, a lot of unemployment, a lot of people without jobs. How do you think the new defense budget will address that as part of their program?

*The President.* First of all, I want to answer your question, but I want to make a point since you stood up here, and I appreciate it.

There are budget cuts and budget cuts. Everybody knows we have to bring the defense

budget down. And we have cut it a lot. We are right on the edge. We should not cut it more right now. I feel very strongly about that. A lot of the defense cuts are in areas of contracts where people work in America. The question is what are they going to do when you lay them off? Why is southern California in so much trouble? Largely because of all the defense cuts, with no plans to find anything else. We believe very strongly, in this administration, and I personally believe, based on my experience as a Governor trying to put people back to work, that a portion of the defense cuts should be devoted to three things: one, retraining workers if they need retraining; two, helping companies to develop domestic markets to make up for the defense contracts they lost; and three, helping communities that have been devastated to restructure their economies.

In the aerospace industry, I am convinced that the real key there is to try to have a competitive airline industry in America that’s healthy and try to make sure the airline manufacturers, the airplane manufacturers and the parts manufacturers, have access to markets at home and abroad. The Commerce Secretary, Ron Brown, has just been around the world doing what he can to open up more markets for aerospace commercially. We cannot afford to lose our world leadership there just because we’re cutting back in defense. Aerospace is one of seven areas of technology that will produce most of the high-wage, high-growth jobs for the world in the next 20 years, and we’ve got to try to maintain our leadership. I just appointed a commission, along with the Congress, completely bipartisan on this issue, to look at ways to revitalize aerospace, and I think we’re going to make some progress.

#### *Homosexuals in the Military*

*Q.* Mr. President, I’m the senior pastor at Christ Chapel in Woodbridge, Virginia. And I would like to say that we in the Woodbridge area pray for you and your administration regularly and daily.

*The President.* Thank you.

*Q.* And allow me to ask the question, give you 2 minutes in the 2 hours and 31 minutes to talk about the issue of gays in the military, if I may. I’m concerned about the degradation of morality in our Nation, in our society, in the military as a whole, and I’m concerned with the long-term consequences of actions, not only

on the issue with gays in the military but also with actions associated with health care in terms of the funding of abortion, issues such as that. The Christian community is very concerned in this Nation about those issues. And I'm somewhat disturbed, particularly, about the policy process for developing these programs.

*The President.* Let's just talk about the gays in the military, because we don't have a lot of time to go into all of it.

First of all, I think the military has a great moral fabric. We know there are homosexuals in the military and always have been. We know that the Tailhook scandal occurred. I don't think Tailhook reflects on the whole Navy. I think that the military has done more to give people a good, coherent set of values and a way to live and succeed in a very complicated and disintegrating world than most of the institutions in this country have. So I think that you should not worry about that.

Here is the issue: There are and always have been homosexuals in the military. The question is whether they should be kicked out, not because of what they do but because of who they are. My view is people should be judged on their conduct. I have not called for any change in the Uniform Code of Conduct. I simply believe if people work hard, play by the rules, and serve, they ought to be able to serve. That does not imply that the rest of the society agrees with the lifestyle, but you just accept as a fact that there are in every country, and always have been, homosexuals who are capable of honoring their country, laying down their lives for their country, and serving. And they should be judged based on their behavior, not their lifestyle. That's my view: their behavior; it's a behavior test.

Let me say this: We almost have a compromise here. Most Americans believe if you don't ask and you don't say and you're not forced to confront it, people should be able to serve. Most Americans believe that the gay lifestyle should not be promoted by the military or anybody else in this country. The issue is a narrow one: Should you be able to acknowledge, if asked, that you are homosexual? And if you don't do anything wrong, should you be booted from the military? We are trying to work this out so that our country does not—I understand what you're saying—so that our country does not appear to be endorsing a gay lifestyle, but we accept people as people and give them

a chance to serve if they play by the rules. I think that is the tough issue for us, and I think we're very close to resolving it here.

*Ms. Zahn.* Could you be satisfied with "don't ask, don't tell, don't investigate"? Might that be where you might end up?

*The President.* Well, we might end up that way as long as it doesn't lead to a whole range of deliberate outings. I mean, we don't want to make it worse. I think we're very close to a compromise along those lines. And I think most Americans will agree when it works out that people are treated properly if they behave properly without the Government appearing to endorse a lifestyle. I think that's what you're concerned about, and it's a legitimate concern. But I have to deal with people as people. And I've had so many people in the military come up to me and say that they have served with homosexuals who served bravely in Vietnam and other places, who were good people, who did not violate any rules. It is them that I am trying to protect.

*Ms. Zahn.* President Clinton, thank you very much. We're going to take a short break here and be back in just a couple of minutes. Lots more to come on "CBS This Morning."

[The network took a commercial break.]

*Mr. Smith.* We're back live in the White House Rose Garden. What's your question for the President?

#### *Health Care Reform*

*Q.* Mr. President, one quick question on the health care issue. It does not yet appear what the health care plan is going to look like, but will we be ensured that we know that the less fortunate of this country and the unemployed will have ready access to quality care?

*The President.* Yes. But it's not just the people who don't have health insurance—the people who have it who are afraid of losing it because somebody in their family's been sick, and they can't change jobs. There are millions of Americans locked into their jobs today because they or someone in their family has a preexisting condition. We need to change the rules so that you can change jobs and you can be unemployed and your business can fail and you don't have to worry about getting health care. I think it's very important. And if we do it right, we can do it and hold down the cost of health care, not drive it up. Keep in mind, your coun-

try spends 35 percent more than any other country on Earth on health care, more of our income. We can do this.

#### *Homelessness*

*Q.* I've been visiting Washington, DC, and I've noticed a lot of homeless people on the streets. And it really made me sad and everything. And I was just wondering if you had any plans to help them find jobs and get homes.

*The President.* We do, actually. The Secretary of Housing and Urban Development, Mr. Cisneros, has just established a commission on homelessness, and they're supposed to give him a report in September about what we can do to change this. It's a very complicated problem. We're now having some people who don't want to go into the shelters at night because they don't think they'll be safe, and they think they're safer on the streets. It's a very sad thing.

It's a question of jobs, of education, of drug treatment often. But we need to do something. I run by, every day when I run out here, I run by about six homeless people who stop and say, hello, Mr. President. And I talk to them, and I look at them and think, you know, I ought to be able to get those people off the street. If I can do anything, I ought to be able to do that. And we're going to try.

#### *Administration Priorities*

*Q.* Hello, Mr. President, I'd like to get back earlier to what we were discussing. You were talking about how you were filtered to the media. And is there a problem with how you're filtered, from the administration's point of view, and your administration? Or is it something with a focus on too many issues at once and not a specific drive, so the public is not confused?

*Ms. Zahn.* We're really not going to give you much time, 15 seconds, Mr. President. Sorry.

*The President.* I think we have to do more than one thing. But we need to talk about one thing at a time. There's a difference in—we have to—you can't just shut the whole thing down. If we want to have welfare reform and student loans done 8 months from now, we have to start doing them now. But we need to talk about one thing. I need to get better at that, more disciplined. And I'm really working on it, to try to get through all the fog of all the many stories that are out there.

[*The network took a commercial break.*]

*Ms. Zahn.* Welcome back to Washington, in the Rose Garden, where we continue our confrontation with—conversation, not confrontation with—[*laughter*]*—*conversation, talk with, town hall.

*The President.* The truth comes out. [*Laughter*]

#### *Meeting With President Kennedy*

*Ms. Zahn.* The President wanted to say something about how it was more than almost 30 years ago that he was standing in this very spot.

*The President.* This young man asked me where I was standing when I met President Kennedy in the Rose Garden when I was a delegate to the American Legion Boys Nation. He was standing on those steps there, and I was standing here, because they had us lined up in alphabetical order, and I was from Arkansas, and we were at the front of the alphabet. I was also the biggest kid on this side, so when he came over and started shaking hands, I sort—I'm embarrassed to say this, but I kind of elbowed the others out of the way to make sure—[*laughter*]*—*to make sure if he only shook three hands, at least I get to shake his hand. He was good, he shook hands with everybody on the front row.

#### *The Presidency*

*Ms. Zahn.* So if some wide-eyed kid came up to you from that same position, what would you tell him about being President today and maybe what some of your misconceptions were about the job?

*The President.* I would tell him it's an incredible challenge, an exhilaration, and a great honor. And if it ended tomorrow, it would be the greatest honor I ever had. You just have to get up every day and do the best you can.

Abraham Lincoln said one time, if he tried to answer all the charges against him, he'd never get anything else done. If the end brought him out wrong, 10,000 angels claiming he was right wouldn't make any difference. And if the end brought him out all right, then everything that was said before wouldn't make any difference. You just have to keep your eye on the ball. The ball is you and your welfare and what happens to you.

#### *Job Training*

*Q.* Mr. President, I'd like to address the issue of employee training. I believe in your campaign



that you had stated that employers would be putting forth maybe 1.5 percent towards training. I was wondering, is this going to be mandated for employers to put so much into training, or would it be left up to the voluntary action of employers?

*The President.* We don't want a mandate. That is about the average of what employers in the country spend. And what we're trying to do is to work out a system of lifetime training that doesn't have mandates on employers but will give them more incentives to do that. You know, there are a lot of employer mandates right now on Social Security and other things that are just very expensive.

Let me tell you where we're beginning. What we're beginning is with the kids who just get out of high school and with older people who come back into 2-year vocational training programs. We're going to try to help to set up a system by putting a little Federal money in and by giving States and localities more flexibility over the money we spend now to guarantee that people will always be able to go back and get at least 2 years of education after high school even if they don't go to college. And then we want to move from there to see what we can do to give the employer community more incentives to do that kind of training or access those things, because the average 18-year-old will change jobs eight times in a lifetime. And if we want to raise incomes in America, we've got to have a very well-trained work force, and people have to think of education as something they do always. We're going to have workers in their sixties going back to school and learning new skills. And if it is a source of security, they will be excited about it. We've got to find a way to make change the friend of Americans, instead of the enemies. That's the idea. But I don't want to mandate it.

#### Education

*Mr. Smith.* We have a couple of young women here who are about to become teachers, right?

*Q.* Correct. The standardized test scores for students in countries like Japan, France, and Canada exceed the ones in America. And as we're going into the 21st century, what changes will you propose to make sure that the students in America—in other words, we become the leader?

*Mr. Smith.* Competitive, competitive—one minute.

*The President.* We are trying right now to write in the national education Goals 2000—[inaudible]—law of the land. I then want some national standardized exams that really mean something and aren't bogus and that are updated annually. And we want tougher and higher standards for teachers that have some national credibility, national standards.

I want you to understand, however, we don't go to school as long as a lot of other countries do. And we have a much more economic and social diversity than other countries, more immigrants, a lot more poor people, a lot of differences. But our system can achieve international excellence if we have clear standards and clear ways of training people and then if we judge the schools more based on their results rather than the bureaucratic inputs. So that's basically what we're trying to do.

*Mr. Smith.* Thank you. We will be back with more live from the Rose Garden and President Clinton in just a second.

[The network took a commercial break.]

*Mr. Smith.* We're back live in the Rose Garden at the White House with President Clinton.

Did you vote for President Clinton?

*Q.* Yes, I did.

*Mr. Smith.* And have been worried about him a little bit?

*Q.* Yes, I have been.

*The President.* So has my mother. I'm glad you—[laughter]—

*Q.* I'm old enough to be his mother, but I'm the wrong gender. [Laughter] No, I was concerned. But frankly, since being here this morning, I am reinforced in my hopes or belief that you'll do a good job. I really am. I think you're on the right track. You've given me a lot more confidence. Thank you.

#### Health Care Reform

*Ms. Zahn.* Well actually, I have one question about Chelsea here, but before we get there, before we go off the air, I just wondered if you could give us a little more information on health care this morning. We know that some of your economic advisers have been advising against going with the big bang theory of doing this health care reform all at once. What exactly are their fears? What are they worried about and are those fears warranted?

*The President.* Well, they're afraid that we

won't be able to get savings out of the system. Basically, to go back to this man's question here on the health care issue, if you look at America compared to other countries, we spend more on insurance and paperwork, Government regulation, and other things than any other country does. What our attempt is going to be is to get savings out of all of that and use that to cover the uninsured and to make it cheaper for farmers, for small business people, and for self-employed people to get insurance. That's the deal. Some of them are afraid we can't get the savings quick enough, so they say we ought to have just a major medical coverage and protect people from disaster. But if you look at the economics, the economics are a disaster. If you have a—I don't know—a \$3,000 deductible or something like that, well, what have you got? You don't have much. That's what a lot of people have today. So what I want to do is to phase in the coverage, but when you give it to people, give them something that's worth having, that really gives family security. I think the American people would rather us phase it in and do it gradually and do it right and then give people something that's worth something, than do it overnight but give them something that's not worth a nickel.

*Ms. Zahn.* Can we talk about a family member now?

*The President.* Yes.

#### *Chelsea Clinton's Education*

*Q.* Hi. I'm a freshman in high school. My question was, sometime ago you said that our schools are safe. And if so, how come you won't let Chelsea go to a public school?

*The President.* No, I didn't say our schools are safe, I said they could be. The question of personal safety had nothing to do with it. My daughter was always in a public school, and her public school education is serving her quite well now. She's doing well in the school she's in. She and her mother and I reviewed all the possible schools we could send her to, including—we looked at three private schools and three public schools. We examined, and we thought a lot about it. We decided that this was best for her for a number of reasons. One is my daughter is not a public figure. She does not want to be a public figure. She does not like getting a lot of publicity. And frankly, she has more privacy and more control over her destiny where she is than she would if she were

at the public school that she was also interested in attending. All three of us made a family decision that it would be best for her under these circumstances.

I also think the school that she decided to attend has some very special things about it, including a requirement that children do community service. There's a whole approach that the Friends have to the education system that she was interested in exploring. But it was not a rejection of the public schools. It was a decision that because of who she is and where she is and the circumstance she's in, she would be happier in a—she'd feel that she could be more of a normal kid if she could do that. That's the only reason we did it. We didn't reject the public schools.

*Mr. Smith.* We've got just a little bit less than a minute right here and a real important question, Mr. President.

#### *Community Involvement*

*Q.* I'm going to ask you the question that President Kennedy admonished us all to ask 33 years ago: What can we do to help our country?

*Mr. Smith.* And the clock is running, 30 seconds.

*The President.* You can do what you're doing today. You can keep asking us questions and keep saying to people: Put aside the partisan politics and try to solve the problems of the country. Get something done. You're going to make mistakes if you try to do something, but move us forward. The second thing you can do is to let everybody know that you're willing to do your part if everybody else does theirs, if it's fair. The third thing you can do is to go back home and ask, what problem do we have in this community that Bill Clinton can't do anything about, except maybe set an example, and try to deal with some of these. The family problems we've got, the children's problems we've got, a lot of the value problems we've got, they have to be dealt with one-on-one from the grassroots up. And every American needs to be involved in community service like that. The Government cannot solve some of these problems, and if we did more at the local level our Government would function better.

*Mr. Smith.* We're going to wrap things up from the White House when we come back.

[*The network took a commercial break.*]

*Mr. Smith.* We got Josh here from Indianap-

olis. What's the title of your paper you just wrote?

Q. "Arkansas: The State Where the People Rule."

Mr. Smith. And you don't think you'll get extra credit for getting it signed by the President? [Laughter]

Ms. Zahn. This wraps our special 2-hour edition of "CBS This Morning," our town meeting with President Clinton. Thank you so much for your time today.

The President. Thank you very much.

Ms. Zahn. Will you ever invite us back into the Rose Garden here?

The President. Absolutely. I'd like for all of you to come back.

Ms. Zahn. All right. Have a good day everybody. See you in the morning.

NOTE: The town meeting began at 7:03 a.m. in the Rose Garden at the White House.

## Interview With Connie Chung and Dan Rather of CBS News

May 27, 1993

Ms. Chung. Good morning, Mr. President.

Mr. Rather. Good morning, Mr. President.

The President. Good morning, Dan. Good morning, Connie.

Ms. Chung. Mr. President, I was watching you on "CBS This Morning," and you were very funny. I think I heard you say that you also had a manicure in California. Is that right?

The President. I was kidding, you know. It was a joke. J-O-K-E. [Laughter]

### Media Coverage

Ms. Chung. But I also could hear a lot of excuses when you talked about the Travel Office problem, the haircut, the economy, the jobs stimulus program. Why not admit if indeed there was a mistake perhaps with the Travel Office or with the haircut? Why not just say so?

The President. I did say that. I mean, the haircut thing was a boner, but I'm just saying I did ask whether I would inconvenience anybody and was told I wouldn't. It was a mistake. What else is there to say?

The Travel Office thing, obviously I don't think it was handled as well as it should have been, and so I said so. Now that I've said this, I challenge you to tell the American people that I think that we have a right to run an office with three people instead of seven at taxpayers' expense, the primary job of which is to arrange travel for people who travel with me. And I challenge you to tell the American people that we saved 25 percent on the very first flight that we put out for competitive bid. I take responsibility for any mistakes made in the White

House, and mistakes were made in the way that was handled, absolutely. But the goal was to save taxpayer money and to save the press money. And the press complained to me about how much the plane rides cost. I'm just trying to fix it. I still think we can achieve the goal and correct the mistakes. We did make a mistake.

Obviously, on the stimulus thing—no one asked me about that—if we would have followed the right strategy somehow we would have won, and we didn't. But if you try to do a lot of things, you're going to make some mistakes. I'm going to admit my mistakes. All I want to do is to have the kind of relationship, with you and others, that will present me as I am to the American people and not as some sort of clay figure that's all pulled out of shape. I'm going to make a lot of—you get out and go to bat every day, you're going to make mistakes. Babe Ruth struck out twice as many times as he hit home runs. And so I expect to strike out. But I'm going to make a few hits too, if I keep going to bat.

Mr. Rather. Mr. President, we will accept that challenge. And Connie joins the "CBS Evening News" next Tuesday night; we hope you'll be watching. She'll accept that challenge and meet what you said.

The President. I think you two will be great together. I'm excited about it.

Mr. Rather. Thank you, Mr. President, thank you.

The President. Bye-bye. Thank you.

Mr. Rather. Mr. President, if we could be