

Remarks on Withdrawal of the Nomination of Anthony Lake To Be Director of Central Intelligence and an Exchange With Reporters *March 18, 1997*

The President. Let me begin by saying that while I do understand his reasons, Tony Lake's decision to withdraw from consideration as Director of Central Intelligence is a real loss to our country and to me. He would have been an outstanding CIA Director because of his intelligence, his unquestioned integrity, his extremely valuable experience. I respect his decision because nobody should have to endure what he has endured in the course of this nomination. But make no mistake about it, it's a loss for the country.

For 4 years, Tony Lake was one of my closest advisers and one of my most trusted ones. He was an integral part of every foreign policy decision we made, and his legacy can be seen around the world, from an end to the war in Bosnia to a fresh start for peace in Haiti, from real hope for peace in the Middle East and Northern Ireland to real progress on arms control. He is a patriot, a professional, and a statesman. Our Nation will miss his service very much, and so will I.

This episode says a lot about how so much work is done in our Nation's Capital. For too long, we have allowed ordinary political processes and honest disagreements among honorable people to degenerate first into political sniping, then into political revenge. And too often, that results in political destruction that absolutely builds nothing for the American people and is not worthy of our responsibilities to them. It is past time for all of us to stop remembering who shot first and why, and instead, to start remembering why we are here and the fact that the American people sent us here to work on their concerns and their future.

The cycle of political destruction must end. And I hope we will let it end today. We can't let partisan bickering stop us from doing the work we were sent here to do. I sense that more and more Democrats and Republicans believe that and believe as I do that we have to seize this opportunity to pass a bipartisan agreement to balance the budget.

There are now some new and hopeful signs that we are in a position to do that. Last month I proposed a balanced budget plan that secures

Medicare and Medicaid, extends health care coverage to more children, strengthens education, gives working families tax relief, and protects the environment. I believe that's the best way to balance the budget. As you know, as part of that plan, the day after my Inauguration I made an offer to the Republican Congress on Medicare, proposing savings that moved half-way toward those envisioned in the most recent Republican plan. Yesterday the Republican leaders showed me flexibility on tax cuts and economic assumptions. This new flexibility is a very positive sign, and I applaud their comments. They move us closer than ever to the point where we can reach an agreement on a balanced budget that is good for the American people.

I'm also encouraged by the extensive work being done by people of good will on both sides of the aisle throughout the Congress. Now it is time to build on all this momentum and make this a season of bipartisan cooperation on the budget. I want a balanced budget plan that can win the support of majorities in both parties in both Houses in Congress.

To that end, I am announcing three steps. First, I'm asking the leaders of the Budget Committees to meet with me tomorrow before I leave for Helsinki to give me their assessment of progress in Congress and the prospect of reaching a bipartisan balanced budget agreement. Second, I'll ask my budget team to meet with the congressional budget leaders over the congressional recess. I'll instruct them to be open-minded and flexible and to work in the spirit of bipartisanship. Third, I will ask these budget officials to report back to me and to the congressional leadership at the White House after the congressional recess on the progress they have made and the best means for reaching the bipartisan agreement we all seek.

This balanced budget plan must be tough and credible. It must strengthen education and protect the environment and protect health care while extending coverage to more children. But let us recognize, balancing the budget will require cooperation from all sides. No one will achieve everything he or she wants. Everyone must be prepared to compromise if we're going

to break the gridlock and finally balance the budget. And that is true for the President as well as for the Congress.

I am determined that we will seize this moment to end the political stalemate and to show the American people how we should do our work here in the Nation's Capital. If we work together in the right spirit, we can achieve what both parties clearly want, a balanced budget that reflects our values, helps our economy, and preserves and strengthens our future.

So let me say with that, also I'm looking very much forward to my trip to Helsinki, and I'm looking forward to coming back, making a positive report to the American people, and getting on with this work on the budget. I'm very hopeful because of what was said yesterday.

Director of Central Intelligence Nomination

Q. Mr. President, have you thought of a successor to your nomination of Mr. Lake? And in doing so, what will you demand of Senator Shelby in that process to avoid what you have stated Mr. Lake has gone through?

The President. Well, first of all, all I want from any Member of Congress and any committee chair is to give any nominee of mine a fair hearing, a reasonable benefit of the doubt, a respectful listening, and a prompt disposal of the matter, one way or the other. So that's all I want for anybody that I send up there. I support the senatorial review process, but like anything else, it has to be run in an efficient and forthright manner if it's going to be effective.

In answer to your first question, yes, I have given some thought to it, and I expect that quite soon I will have a name for you. But I would ask you to respect the fact that, you know, we have to do some review of our own before we send a name up there, and it's really not fair to put someone out on the line on this until we know that the President has, in fact, determined to nominate him or her.

Q. Mr. President, Mr. Lake said he had enough votes to get confirmed. Why not just stick with it, fight the good fight, and go all the way to a vote?

The President. Well, that was, of course, my preference. I told them that I was deeply disappointed and that I wanted to fight. I know Tony Lake. I have seen him operate. I know how tough-minded he is and how confident he is. I know what a role he played just in the

Bosnian matter, just to cite one example. I know how he kept us working on many different fronts for 4 years in national security. And just yesterday I talked to one Republican Senator—I called him about another matter, but I talked to him about Tony Lake, and he is a strong supporter of Tony Lake, and he talked what an able man he was and how much he regretted how politicized this process had become.

I think Tony felt two things. First of all, that he did have the votes to get out of the committee if he could ever get a vote. I think he was convinced after he even went so far as to let the leaders of the committee look at FBI data, which was really an unprecedented thing to do in that kind of forum and, although it was apparently very appropriate and positive toward him, that there still was—there's always something else, always something else to delay. I think he believed that they might have the ability to delay his hearings for another month or two or three. Already, this is very late for any kind of nomination to be stuck in hearings by any kind of historical standard. And I think he was afraid that there might never be a hearing.

And secondly, I think he was afraid that the longer this went on with delay, the more it would damage the Agency. He was very concerned—all the time he worked for me, he was very concerned about the integrity, the strength, the effectiveness of the intelligence agencies—all of them of the Government—and especially the CIA, and he didn't want to do anything that would further weaken the Agency.

So that's what he said to me, and I accept his reasons. But if it had been up to me, I'd be here a year from now still fighting for it because I think he's a good man.

Q. We're told there were some personal accusations, Mr. President. Did anyone on the Hill cross the line in your view?

The President. Well, let me say, I don't believe that I can contribute to the public interest by getting into what I think has already been an example of what's wrong with Washington, not what's right with it. What I wanted to say is that we need to put this hearing process in a proper context. Hearings need to be scheduled properly, matters need to be resolved. When questions are asked, everybody involved needs to be able to believe and see and sense that they're being asked in good faith and not simply for the purpose of trying to undermine someone

or delay a process forever. That's what I think needs to be done. But I don't want to contribute to the difficulties of this particular moment, and neither does Tony Lake.

And personal recriminations are not important here. The public's interest is all that matters. And we are not serving the public interest here when we waste our energies on trying to undermine each other. That's the point I—we're not doing that. That does not serve the public interest. And all of us are up here to do that and only that. So we can have these honest disagreements in a proper context without doing it. And nearly everybody I know understands where the balance is and knows when it's gone too far.

Helsinki Summit

Q. Mr. President, what tone does it set for the Helsinki summit when President Yeltsin is quoted yesterday as saying he'll give no more concessions and your Secretary of State says today that's inappropriate language?

The President. Well, let me say, first of all, I'm glad to see President Yeltsin up and around and healthy, and I appreciate, in light of my condition, that he agreed to move the meeting from Moscow to Helsinki so it will be a little closer to me than it otherwise would have been.

We have never had a meeting that didn't result in constructive progress in the relations between the United States and Russia and in matters of our common concern. And I believe this will be such a meeting. There's been a lot going on in Russia in the last several weeks, and I would just caution everyone not to overreact too much to any particular event or statement. Let us get in there. I have always had a good, honest, open relation with President Yeltsin. I expect we will continue to do that.

And let me remind you of the stakes involved in Helsinki. Number one, we're going to talk about our shared desire for a Europe that is free and democratic, secure and united, and my hope that we can achieve an agreement between Russia and NATO that will be part of that. We do have some evidence that Russia and NATO can have a positive, not a negative, relationship in our remarkable partnership in Bosnia.

Number two, the United States and Russia still have a heavy responsibility to lead the world further away from the nuclear issue. And we've got to go forward with START II; we've got to go forward with what happens after that.

We've got a whole range of issues around nuclear issues that have to be dealt with.

And number three, there are a lot of economic issues that have to be dealt with. Russia has the potential of having terrific economic growth in ways that would, I think, alleviate a lot of these other anxieties that are there and a lot of other questions people have, if we do the right things from here on out.

So we've got a broad, tough agenda. We're going to have to do a lot of work in a day and an evening before. But I'm very optimistic about it, and I just wouldn't overreact to any particular thing that's said or done between now and then. Let us have the meeting, do the work, see what kind of product we can produce, and discuss it.

Recovery From Knee Surgery

Q. How's your health? How's your health, are you getting around all right?

The President. I'm getting around all right. I'm doing two sessions of therapy a day of, more or less, an hour each. And I'm trying to, number one, continue to get more flexibility and strength in this leg to keep it from atrophying and also to just get the flexibility back. And then I'm trying to make sure that I know how to use the rest of my body to keep it protected. Some of it's sort of embarrassing. I had to learn how to get in and out of a shower again, you know, with a walker and all that kind of stuff—but just using the crutches properly, getting up and down stairs with crutches, when I should use the wheelchair. We're using the wheelchair more now, before Helsinki, because we want to minimize the chance of any kind of injury, and I want to keep my energy level as high as possible. So I'm using the wheelchair more. And when I get back I'll probably use my crutches relatively more. So I'm dealing with all that.

But basically, it's been an interesting learning experience—rather humbling. I've been very blessed. I've got a great team of sports doctors and therapists who have helped me, and I'm hoping that I can avoid gaining a lot of weight and that I can stay in reasonably good shape during this period of convalescence and repair. But it's been good.

Efforts To Balance the Budget

Q. Mr. President, you praised the Republicans for flexibility. Are you willing to forgo the tax cuts you sought yourself?

The President. Well, let me say, first of all, I've actually produced a budget that does give the tax cuts that I believe—that are much more limited than they had previously proposed and are sharply targeted toward education and childrearing. That's first. Secondly, I consider those education investments and the children's investments a part of advancing America's family and education agenda. But in terms of all the details of the budget, I think all of us have to be willing to show some flexibility. They have shown some flexibility here, and their recent

comments by the leaders were really quite forthcoming. And we all need to recognize that, and all of us need to be flexible as we go into these negotiations.

There are all kinds of things that each of us will care about more than other things. But I think that I have to say that on all these issues I have to show flexibility; they have to show flexibility. We'll put our heads together, and we'll come out with an agreement. And I think that if we do that it will be in the best interests of the American people.

Thank you.

NOTE: The President spoke at 4:25 p.m. in the Residence at the White House. In his remarks, he referred to President Boris Yeltsin of Russia.

Statement on Legislation To Reauthorize the Export-Import Bank and the Overseas Private Investment Corporation

March 18, 1997

Today my administration is transmitting to Congress legislation to reauthorize both the Export-Import Bank of the United States and the Overseas Private Investment Corporation (OPIC). I am also asking that my requests for these agencies and for the U.S. Trade and Development Agency (TDA) be fully funded.

These three specialized agencies play important complementary roles in helping U.S. firms compete for valued export markets. Never in our recent history have exports been more critical to American economic growth and to the creation of high-paying U.S. jobs. Other major trading countries rely heavily on government trade and finance agencies to help their companies compete in the world's fastest growing economies. Because of our efforts over the past 4 years, the United States has signed more than 200 new trade agreements and is once again

the world's leading exporter. We need Ex-Im Bank, OPIC, and TDA to help maintain that position and continue to create good jobs for our people.

The appropriations for these agencies are relatively modest, particularly compared to the benefits of increased export growth that ripple throughout the entire U.S. economy. Each of these programs delivers public benefits by expanding U.S. commercial opportunities abroad, helping meet competition from other countries, and broadening the base of U.S. export-oriented businesses. Each has taken steps to streamline its own operations and improve its coordination with other agencies. My administration stands ready to work with Congress on ideas for further improvements that will yield even greater benefits for the American economy.