

Remarks in a Roundtable Discussion on Hurricane Mitch Reconstruction Efforts in Tegucigalpa, Honduras March 9, 1999

President Clinton. Thank you, Mr. President, for your remarks and for the extended visit we have already had today about these matters.

I wanted to have the opportunity today to hear from a broad cross-section of citizens of this country, and so I will be extremely brief. I agree with the President that this period of reconstruction should be seen as the opportunity to build something even better than what was here before. And furthermore, I believe that if all elements of the society are properly involved and feel fairly treated, that the country's social fabric, sense of community will be stronger than it was before the disaster occurred.

Many of you have paid a very high price for what has occurred, and the losses have been staggering. But I think the—I have been quite impressed by what has already been done and by the attitude of the people. What the United States is interested in is how we can best be an effective partner with you from here on in. And so I'm quite interested in your perspective on that, as well as anything you would like to tell me about your present activities.

I'd also like to introduce—this is Congressman Xavier Becerra, who came here before with the First Lady and has just finished a term as the head of the Congressional Hispanic Caucus. He is from California. And I am delighted to have him back with me. And Congressman Reyes from Texas is also here with us.

Moderator. We have our archbishop—perhaps he can kick off the discussion.

[Archbishop Oscar Rodriguez began the discussion by thanking President Clinton, the people, and the churches in the U.S. for their assistance in the aftermath of Hurricane Mitch. He asked the President to support trade expansion and NAFTA parity, cease deportation of Hondurans, and support Central American efforts within the G-7 for multilateral debt relief.]

Moderator. And this is the mayor of Tegucigalpa. I think you know about the accident she had in the helicopter. And after that, she took his job, and here we have her now.

[Mayor Vilma de Castellanos stated that 30 percent of Tegucigalpa was destroyed, mentioning

the impact of loss of life and damage to the economic and social infrastructure of the city. She then presented the President with the key to the city.]

Moderator. And now we have Mario Canawati, who is president of the Chamber of Commerce and Industry of San Pedro Sula and Cortés.

[Mr. Canawati thanked the U.S. Government and people for support during the crisis and reconstruction. He noted that Central America was an important trade partner of the United States, which had been instrumental in Honduran economic and democratic development through the Caribbean Basin Initiative (CBI). He said the textile and apparel industry had been excluded from CBI and that Honduras was losing investment to Mexico as a result. He said that Honduran exports should compete under the same conditions as NAFTA products and called for a new version of CBI.]

Moderator. And perhaps Jacqueline Foglia from the Honduran American Chamber of Commerce would like to speak.

[Ms. Foglia stated that Hurricane Mitch affected agriculture more than other sectors of the economy. She noted that since the garment industry and tourism sectors were not highly affected, these might provide the motor for economic reconstruction. She outlined steps that the Honduran American Chamber of Commerce was taking to advance reconstruction efforts with the Association of American Chambers of Commerce of Latin America, in Washington, DC, such as working toward a U.S. legislative reconstruction package which would include greater access to U.S. markets, promoting faster economic recovery, job creation, and overall economic benefits for Honduras.]

Moderator. And now, Jorge Quinones, director of the Vida Foundation.

[Mr. Quinones thanked the President and the U.S. Agency for International Development (USAID) for its help in Honduran environmental projects. He stated that in the aftermath of the

hurricane, reforestation and sustainable management of water basins were the most formidable challenges in reconstruction. He added that environmental education needed to be a central part of the reconstruction agenda.]

Moderator. And Mariano Flanos now, from Save the Children.

[Mr. Flanos stated that Save the Children used financing from the people and Government of the United States, especially from USAID, to support over 50,000 people in such areas as home construction, rehabilitation of water systems and schools, and equipment for clinics and hospitals.]

Moderator. And now, Ricardo Maduro, a businessman.

[Mr. Maduro, president of a private education foundation, stated that Hurricane Mitch had substantially damaged the Honduran education infrastructure and reduced the public and private capacity to invest in education. He suggested using nontraditional methods such as radio and television to reach students and expressed the need for more computers in education and teaching English as a second language. A spokesman for the Flores administration said the Government was working with the International Monetary Fund for bilateral and multilateral debt relief, developing a reconstruction master plan with a consultative group in Sweden, and strengthening the mechanisms of financial transparency through international auditing. Representative Xavier Becerra commended the Hondurans for the improvements made since his visit in November 1998 and pledged to work hard in Congress to provide as much support for the region as possible.]

President Clinton. First of all, I would like to thank you all for your presentations and for making them quite specific and to the point. I would like to respond to a number of the points that were made. First of all, I have sent legislation to the Congress, just last week before I came here, asking for greater liberalization of trade for the Central American and Caribbean nations to move closer toward parity with NAFTA in Mexico. I have—it does not go as far in everything that I'm sure a lot of you would do, but it does as much as we believe we can pass in the Congress.

I was profoundly disappointed last year that we did not pass the trade-opening initiative. And

of course, after the hurricane struck, I was even more disappointed. I think now, ironically because of the hurricane, we may have a better chance to pass a bill. And I will do everything I can to that end.

With regard to debt relief, part of the package that I have proposed to the Congress in aid, as opposed to trade, about a \$965 million package, a part of it involves the debt deferral and outright debt forgiveness, both of which would give very much needed debt relief not only to Honduras but to the other Central American nations. If the Congress will go along with me and pass this, it will give me the standing to argue more forcefully to the other nations and to the international organizations that they must follow suit.

I think, clearly, Honduras should be given relief under the highly indebted countries initiative that the United States has done a lot to create. I believe we should do more. I think the fact that the Holy Father has made this a year in which he's calling for people to do more debt relief will, frankly, be enormously helpful, and I told him that when I was in St. Louis recently. And I would urge you to communicate this to the Vatican, that if there could be more of this, like sort of a constant reminder, it would be highly effective, even perhaps establishing some sort of priority saying you ought to do at least Central America and then something in Africa and something in Asia to give hope to the people on those continents, something like that.

But I think on a thing like this it's not enough to say it one time. We have to keep working. But I think Central America has a special claim here, Honduras, Nicaragua, the other countries as well. Because one of the arguments I always hear, even in my own country, about debt forgiveness is, "Well, look, you know if you"—and the former banker here understands this—"if you forgive it all, well, then nobody will want to loan any money tomorrow because they'll think all of that will be forgiven, too." Well, in the aftermath of the worst natural disaster in centuries here, it seems to me that argument just doesn't hold water here. It might be true in the case of an Asian country that had a bad banking system and got in an economic problem for local reasons; but it seems to me, insofar as the present predicament of Central America is a direct result of the hurricane, that argument has no standing.

So I will do the best I can. But again, I would urge all of you to stay on that because relieving the government of the financial burden of the payments will free up a lot of money for education and other things as well.

On the deportation, I think you know, Archbishop Rodriguez, because you spoke in a way that indicated you did, I have done what I could to minimize the impact of some of our immigration laws, not only on Hondurans but on all the people of Central America. I, frankly, believe I have done all I can do under the law. Now, because there was such hardship here, so much devastation, I was able to provide some greater consideration for the Hondurans that have come to the United States. But I think it would be a mistake to sort of openly encourage more people to come, in violation of our laws and quotas, because there is—I have gone to the limit of what I can now do. And I think it is far more important for us to concentrate on getting this aid package passed, getting the debt relief, getting the trade relief, getting the renewal of the economy here going.

Let me just mention three other issues very quickly. One of you mentioned the need for more loans for small business and micro-businesses. We have our USAID Director here with me, Mr. Atwood. I think the United States funded 2 million microenterprise loans last year through AID around the world. My wife is—probably talked about that when she was here. This is a passion of hers and has been for about 15 years now.

And we have found, in our own country, when we have a natural disaster—you know, we had a flood, a 500-year flood in the Mississippi River 5 years ago, and one of the most important funds that we have is the fund that provides for special credit for small businesses who otherwise could not get it.

So I don't know whether there's anything special, Mr. President, we could do to help, for the small and micro-enterprises or to try to establish even a broader and more adequate international fund for such things in the face of disasters. But we always find, even in America, which has a very sophisticated banking system, that they are the first casualties of natural disasters that wreck the economies of whole communities. So if we could help you in that, I would be happy to.

There are just two other things that were mentioned. With regard to the environment, I

think that—you said, sir, that you felt that the disaster would have been even worse had it not been for some of the environmental practices here in Honduras. Yesterday, when I was in Nicaragua, there was no question that it was worse in the places where there had been vast deforestation and nothing to protect the people from the mudslides. And you have a lot of serious—the President was telling me today, you have a lot of serious decisions to make about, you know, how to replenish the soil which has been destroyed, where the topsoil has been carried away or perhaps the nutrients have been washed away and the crops won't grow anymore.

I will do whatever I can. In this aid package, we have some significant amount of money for environmental investments. But I will do whatever I can to be particularly helpful there. I think it would be—not only with the United States but with others as well—I think the more we know about the specific plans and strategies, the better off we will be.

But if you look at our hemisphere, our region here, it's perfectly obvious that the countries that have done the best job of preserving their natural environment are going to be the strongest economically, also, over the long run. And yet, one of the greatest battles we face in the world today, in this larger struggle over climate change, which may or may not have had anything to do with Hurricane Mitch—we don't know. No one knows for sure. But the larger battle is that in most countries, most decision-makers do not believe you can grow an economy unless you continue to use its resources at an unsustainable rate—that is, at a greater rate than they can be replaced—and do not believe you can grow an economy unless you increase, year-in and year-out, the amount of fuel and energy you are using that contributes to greenhouse gases—coal and oil, for example.

Now, all the evidence is against that proposition, but old ideas die hard. And I do believe that because of economies of scale, if for no other reason, and because of some of the stunning examples already set by the preservation of the biosphere or by the energy patterns adopted in Costa Rica, for example, that Central America may be in a unique position to get lots of investment to prove to the rest of the world that we don't have to destroy the environment to grow the economy. And so I would be happy to exert some extra efforts to help

you get some investments in that regard, but again, I think the specifics are important.

For example, I'll just say one thing. The last time I was in Costa Rica, I noticed they were driving—the buses they were using, the school buses they were using, the transportation buses they were using, were powered by electricity or natural gas, and they were all made by a company in Vice President Gore's home State. And there are lots of things—if we knew what the strategy was here and what the priorities were, there might be a lot of things we could do to be helpful.

The last thing I'd like to say is, I want to endorse what was said earlier by you, Mr. Maduro, about education. And I would be happy for us to have a long-term partnership on that, but again, I don't feel that I know enough to know what your immediate priorities are. The United States has had some success in working with countries in various parts of the world in helping to increase more rapidly the number of children going to school. And of course, as you pointed out, there's no point in increasing the number of children going to school unless you have a place for them to go to school, a teacher to teach them, and materials with which they learn. But I do not believe that you can come anywhere close to doing what you want to do in Honduras if it takes you a decade to add one more year to the average schooling.

And there may be a way—I'm going to talk about this a little bit tomorrow—but this is a year in which a lot of countries are trying to pass this international convention against child labor, which the church has been strongly supportive of and which I strongly support. But I think it would be interesting to see whether we could marry the commitment of countries to support the convention against child labor with a commitment of the advanced countries that are pushing to help to dramatically increase investment in those countries in education, so that you're saying not just that you don't want the children in the factory but you do want them in the school. And there may be a way that we could dramatically accelerate the rate, the average schooling here.

Now, I have all these people from my administration here, plus Lieutenant Governor MacKay, former Lieutenant Governor of Florida, who now will be my new Special Envoy to Latin America, and Mr. Atwood and the oth-

ers are all here, so—and your Ambassadors. He's our Ambassador, but I think he's really your Ambassador. [Laughter] But we will follow up on this. On the environment and on education, the more specific you can be about what you want us to do, the more we can be helpful, I think. On all these areas, I will do my best.

The last thing I'd like to say is, I'd like to thank the gentleman from Save the Children. My wife and I have been involved with Save the Children for more than 20 years, long before we ever thought we would be in national political life. And as soon as this hurricane occurred, she gave some money from her foundation to Save the Children through operations here. So I thank you for what you're doing. The organization has done great work in our home area as well, and I thank all of you.

This was a very good set of presentations, and you gave me a lot to go home and work on.

[President Carlos Roberto Flores of Honduras expressed his appreciation to President Clinton and noted the representation in the audience of nongovernmental organizations, labor unions, private enterprise, and religious groups. He said his government did not want to promote emigration to the United States, but asked that Hondurans already there receive the same treatment other Central American countries' nationals receive by law.]

President Clinton. Well, I think you know that I strongly believe in that. I think that the present American immigration law and how it treats people that were in our country as of some time ago is an inexcusable remnant of the cold war and wrong. I haven't said anything to you I haven't said at home. I think that—people came to the United States because they felt oppressed and are entitled to stay in our country because they came here; it shouldn't matter whether they felt the oppression from the left or the right. I mean, if it's a rational category, people should be treated the same regardless of what the facts are. But the real issue is that all the countries in Central America should be treated the same insofar as whatever the objective facts were that brought the people to our country. So if people should come home, then they should be treated the same; if people should be able to stay, they should be treated the same. That's what I believe.

[President Flores said he was optimistic about Honduras' recuperation from Hurricane Mitch but expressed concern that the difficulties it presented could undermine the democracy his nation had fought so hard to attain. He said the challenge would be to show the Honduran people that the system would work for them. He concluded by thanking the President for coming.]

President Clinton. Thank you. Let me just say one thing as we break up. I have heard this—and one of the reasons I am grateful that we have Members of our Congress here is that we have these bills up there; they can be addressed now. I think there is an overwhelming understanding in both parties in the Congress that we have to pass the aid bill. And I think

the only thing that we have to do is to make sure that political considerations in America that have nothing to do with Central America, things that are back home don't in any way hold up the consideration of either piece of legislation, and so we will work hard on it.

Thank you.

Oh, I have to get my key to the city. If I wear this to dinner tonight, I'll get a discount. *[Laughter]*

Thank you.

NOTE: The discussion began at 2:52 p.m. in the conference room at the Central Bank. In his remarks, the President referred to Pope John Paul II. A portion of these remarks could not be verified because the tape was incomplete.

Statement on the Kennedy-Murray Amendment to Proposed Education Flexibility Partnership Legislation

March 9, 1999

For the second day in a row, the Republican leadership has continued its efforts to stand in the way of voting on an amendment to finish the job of hiring 100,000 teachers to reduce class size. Communities across the country need to know that Congress will live up to the bipartisan commitment we made last fall to fund this effort. The American people expect us to

work together to improve the education of our students. I call on the Republican leadership to allow an up-or-down vote on more teachers and smaller classes, and I call on every Senator to support the Murray-Kennedy measure to reduce class size and hire well-prepared teachers across the Nation.

Message to the Congress Transmitting the Report of the National Endowment for the Arts

March 9, 1999

To the Congress of the United States:

It is my pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for Fiscal Year 1997.

The Arts Endowment awards more than one thousand grants each year to nonprofit arts organizations for projects that bring the arts to millions of Americans. Once again, this year's grants reflect the diversity of our Nation's culture and the creativity of our artists. Whether seeing a classic theatrical production in Connecticut or

an art exhibition in Arizona, whether listening to a symphony in Iowa or participating in a fine arts training program for inner-city students in Louisiana, Americans who benefit from Arts Endowment grants have experienced the power and joy of the arts in their lives.

Arts Endowment grants in 1997 supported:

- projects in theater, dance, music, visual arts, and the other artistic disciplines, demonstrating that our diversity is an asset—