it's been long enough, folks. I know we're supposed to deliberate up here, but we have now deliberated through three generations. [*Laughter*]

Audience members. Pass it now! Pass it now! Pass it now!

The President. Pass it now, for them and for you.

God bless you all.

NOTE: The President spoke at 11:10 a.m. on the South Lawn at the White House. In his remarks, he referred to Health Security Express riders Daniel Lumley, Carolyn Mosley, John Cox, and Mr. Cox's late wife, Jan.

The President's News Conference
August 3, 1994

The President. Good evening, ladies and gentlemen. Tonight I want to speak with you about crime, health care, and the progress of our national economic strategy. As I have said so many times, the central mission of this administration, renewing the American dream, requires us to restore economic growth, rebuild American communities, empower individual citizens to take personal responsibility for their own futures, and make Government work for ordinary citizens again. We are making progress.

Remember, we are about, now, a year from the time when Congress passed our economic recovery plan. I remember then that our opponents said if that plan passed the sky would fall, unemployment would go up, the deficit would explode. Well, they were wrong. Look at the facts. We cut $255 billion in spending; raised tax rates on only 1.2 percent of the wealthiest Americans; cut taxes for 15 million working families of modest incomes; made 90 percent of our small businesses eligible for a tax cut and 20 million Americans available or eligible to refinance their college loans at lower interest rates. Now the deficit is going down 3 years in a row for the first time since Harry Truman was President. We've got almost 4 million new jobs, very low inflation, a 1½ percent drop in unemployment.

There were other skeptics later who said the sky would fall if we passed the North American Free Trade Agreement. They, too, were wrong. We can see this year that automobile sales, for example, to Mexico are growing at five times the rate of last year, and our trade with Mexico is growing more rapidly than that with any other country. And while I know an awful lot of people are still hurting, the road ahead looks good. According to Fortune Magazine, for the first time in a decade, all 50 States will expand their private economies next year. Let me say that again. For the first time in a decade, all 50 States will experience economic growth next year.

None of this came without a fight. And now we're involved in two more historic fights. The first is on crime. We have a chance to pass the toughest, smartest crime bill in the history of the United States after 6 years of bickering over it. Let me remind you of what that bill will do. It will put 100,000 police officers on the streets of our communities, a 20 percent increase. It will make "three strikes and you're out" the law of the land. It will ban deadly assault weapons and handgun ownership by minors. It will provide tougher sentences for violent criminals and more prisons to put them in. And we've listened to police, prosecutors, and community leaders who tell us that they need much more for prevention programs, to give our young people something to say yes to as well as something to say no to.

Believe it or not, there are still special interests here in Washington trying to derail this crime bill. But we are fighting them and the American people will win this fight, too.

Still, the recovery we are building, the communities we are trying to make safer, the individual citizens we're trying to empower to compete and win in the global economy, all of these people are at risk unless and until we reform health care.

Our system still costs too much and covers too few. It is actually going in the wrong direction. In the past 5 years, 5 million more Americans have lost their health insurance, almost all

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of them working people and their children. We're fighting for health care reform not just for those who don't have health insurance, but for those who do have it and who could lose it because they have to change jobs, because someone in their family gets sick, because they simply have to pay too much for it. They deserve better, and we're fighting to see that they get it.

We want to guarantee private, not Government, insurance for every American. The plan I originally proposed has been changed, and much of it for the better. The proposals before Congress are less bureaucratic. They're more flexible. They provide more protection and support for small business. They contain a reasonable phase-in time, over a period of years, to make sure we get it right. No bureaucrat will pick your doctor. You can keep your own plan or pick a better one. This approach controls Government spending but relies on competitive forces in the free market to restrain the growth of private health insurance premiums. Much of it has changed for the better. But one rock-solid principle remains: private insurance guaranteed for everyone.

We know it will work. For 20 years Hawaii has required employers and employees to split the cost of insuring all employees. People still pick their doctors there. Health care is getting better there. The economy is doing well there. And almost everything in Hawaii is more expensive than it is here on the mainland, except for health insurance, where small businesses pay health insurance costs that are, on average, 30 percent lower than they are in the rest of America.

Now, after 60 years of trying and 18 months of sometimes trying debate, the question of guaranteeing coverage for all Americans has come to the floor of the Congress and will be decided in the next few weeks in a few critical votes. The votes will be soon and they will be close. I want to urge the American people to tell their Senators and Congressmen to put aside partisanship and think of the American people and their fundamental interests and needs. We have an historic opportunity. We dare not pass it up. This is a fight for the American people we also have to win.

Health Care Legislation

Q. Mr. President, in January, you waved a pen and said you would veto legislation that didn't guarantee every American private health insurance that could never be taken away. Now you've indicated you will support a Senate bill that does not guarantee coverage and sets a goal of 95 percent, leaving millions of Americans uninsured. Are you now revising your veto threat? And doesn't the fact that you indicated you'd support this less ambitious Senate plan make it harder for House Members to go along with a bill that's more like your original proposal?

The President. Well, first of all, I disagree with your characterization of the Mitchell bill. I believe it will achieve universal coverage for all Americans, and that is the one criteria I have set out. What the Mitchell bill says is, is that if you make a dramatic amount of progress in a short time—that is, if you move from where we are now, at about 83 percent of coverage, up to 95 percent in a few years—that is evidence that we can achieve full coverage in the near future without requiring insurance to be bought. That is what that bill says.

If it is deficit neutral, and if it is passed in the way that it is, I believe it will achieve full coverage, because what the bill also says is, if we don't make that amount of progress in a few years, there will be a requirement on the Congress to provide for full coverage, and if the Congress doesn't act, then automatically employers and employees will be required to purchase insurance. I believe it does meet the objective I set out in the State of the Union Address, and I would sign it.

Q. What about the second part of the question, Mr. President? Doesn't it make the fact that you've now indicated support for a less ambitious Senate bill—won't that make it harder to persuade House people to go along with a stronger bill?

The President. Well, what the Mitchell bill does is to put the employer requirement at the end of the process, rather than at the beginning. And Senator Mitchell is convinced that that is the most ambitious bill he can pass, but that it meets the requirement; and it says to the people who have not been supportive of our approach, "Look, we'll try it in a competitive way first, and if that doesn't work, then we'll have a requirement." I think the same debate is going on in the House.

My own view is that the questions now should shift to the members of the other party, to the congressional Republicans. At one time, when

we started this debate and I said I wanted universal coverage, many Members in Congress stood up and clapped, of both parties. At one time there were 2 dozen Republican Senators on a bill to give universal coverage to all Americans. They have all abandoned that bill. We have reached out to them, as was our responsibility to try to work together in a bipartisan fashion, and every time we have done it, they have moved away.

So the questions now should shift to them: Are we going to cover all Americans or not? Are we going to have a bill that provides health care security or not? If you don't like our approaches in the Senate and the House, what is your alternative? That's what I hope we'll see.

Haiti

Q. Mr. President, on Haiti, you sought and received the approval of the United Nations to launch an invasion if necessary. Why do you need a green light from the international community and not from the American Congress? Will you ask lawmakers to take it up?

The President. Well first, let me say that I agree with the resolution adopted by the Senate today that the action of the United Nations should not be interpreted as an approval by Congress. It has no impact on what Congress would do.

Second, let me say I think all Americans should be pleased that the United Nations has stated with a strong, firm voice—that includes many voices from our own area—that we should keep on the table the option of forcibly removing the dictators who had usurped power in Haiti and who have trampled human rights and murdered innocent people.

Now, let me remind you all of what our interests are there. We have Americans living and working there, several thousands of them. We have a million Haitian Americans in this country who have family and friends there. We have an interest in promoting democracy in our hemisphere. We have an interest in stabilizing those democracies that are in our hemisphere. For the first time ever, 33 of the 35 nations in the Caribbean and Central and South America are governed by popularly elected leaders, but many of those democracies are fragile. As we look ahead to the next century, we need a strong and democratic Latin America and Central America and Caribbean with which to trade and grow.

So those are our fundamental interests. I would welcome the support of the Congress, and I hope that I will have that. Like my predecessors of both parties, I have not agreed that I was constitutionally mandated to get it. But at this moment I think we have done all we need to do because I don't want to cross that bridge until we come to it. We have kept force on the table. We have continued to move it up as an option as the dictators there have been more obstinate. But it is premature, in my judgment, to go beyond that now.

Whitewater Hearings

Q. President Clinton, a number of political analysts, including some who are quite friendly to you, have said that the focus on the Whitewater affair has both undercut public confidence in you and also in your ability to get your programs through Congress. Do you agree with that? And what impact do you think Whitewater has had, particularly with the hearings this week?

The President. Well, I would think, first of all, in the last couple of weeks it should have been very helpful to the administration because we have seen three reports: one from the Special Counsel, Mr. Fiske, who has said there was absolutely no violation of the law in any of these contracts; and then two, one by the Office of Government Ethics and one by Mr. Cutler, the White House Counsel, saying that no ethical rule was violated. Secondly, we have been fully cooperative as we always said we would be. So from my point of view, we've done all we could.

Now, I can't say what the impact has been. All I can tell you is that I said we would cooperate fully, and we have. I have said repeatedly that I did nothing wrong, and I didn't. And I have continued to work for the welfare and the interest of the American people.

Almost all—I've watched none of these hearings. I've not kept up with them. I've been working on jobs and health care and the crime bill and peace in the Middle East and doing the things I was hired to do by the American people. They will have to make up their mind when all the dust clears what they think the impact of it is. But I'm convinced we're having a very productive time. I think we'll get this crime bill. We have health care bills providing universal coverage on the floor of both Houses

of Congress for the first time in the history of the Republic. No President since Harry Truman has been able to do that, and many have tried, including President Nixon. So I feel good about the progress we're making, and that's all I can worry about. I've got to get up there every day and go to work and try to help the American people.

Q. Mr. President, Roger Altman ran into a real buzz saw in the Whitewater hearings, and even some Democrats are questioning his truthfulness. Does he have the credibility to continue as number two at Treasury? Are you going to ask for his resignation?

The President. Well, let me say, first of all, he spoke with the Senate committee for more than 10 hours yesterday—that's a very long time—and he answered all of their questions. He then spoke for several hours with the House committee today. In that, he admitted that he had not given all the information to them in a timely fashion that he should have. But he said repeatedly that he had not willfully misled them.

I would like to emphasize, first of all, I do not countenance anybody being less than forthright with the Congress. There have been many people, including people that are not particularly friends of our administration, who have talked about how we have been much more cooperative with these investigations than previous administrations have been. That's what I told the American people I would do, and that is what I have done.

But if you look at the facts, let's go back to the fundamental facts: There was no violation of the law; there was no violation of any ethics rule. The Secretary of the Treasury has pointed out that Mr. Altman has done a superb job in his position. He was critical to the passage of our economic program that produced almost 4 million jobs in 18 months. He was important in the passage of our trade initiatives; he has done a good job there. The Secretary of the Treasury has confidence in him, and so do I. And I think he has now answered all the questions that the Senate could possibly have about an incident that involved no violation of the law and no violation of ethics.

Haiti

Q. Mr. President, to come back to Haiti for a moment, you mentioned a number of American interests that we have in Haiti. But what involves national security, if it's at stake? Is there anything in Haiti that involves our security that would require us to go in and invade the country?

The President. Well first of all, I think our security is caught up in whether people in this hemisphere are moving toward democracy and open markets and observation of the rule of law. And when one country in our hemisphere, on our back door, has an election, votes for a leader, then that leader is deposed by people who murder, who kill, who rape, who maim, who throw the human rights monitors out, who now won't even let people leave who have been approved for leaving, it seems to me that if you look at the possible ramifications of that on other countries in the Caribbean and in Central and South America, that is where our security interest is.

I can tell you that as I was calling other nations to get them to help in the Safe Haven project, to be willing to take some Haitians who leave, that is the thing that other leaders mentioned to me over and over again, "We know that many of our democracies are fragile, but we're moving in the right direction. We don't want to see Latin America take one more wrong turn. We're moving right; we want to stay right." And I think that is profoundly important to us.

North Korea

Q. Mr. President, in just another few weeks we will know whether North Korea has transformed more fuel rods into weapons-grade plutonium. What are the consequences if North Korea does make more weapons-grade plutonium, and are you prepared to carry out that threat?

The President. I think I can do no better than to reiterate what I have always said, that North Korea's fate is still in its own hands; it must decide what it own future should be. I think at this time when North Korea has shown a willingness to stop reprocessing and to stop refueling, and when our talks are about to begin again next Friday, we should take the facts as we have them and keep working for progress.

This is an issue which is very important to the long-term security of the United States. The question of a country that belongs to the nonproliferation regime deciding to become a nuclear power, the prospect that nuclear capacity could be transferred either by design or by accident to other countries or to rogue groups, this

is a very serious thing for our long-term security. And we have spent a lot of time to make sure we are firm and deliberate; but that firmness, that deliberateness has led to these talks, which were interrupted when Kim Il-song passed away. We start the talks again on Friday. The agreement the North Koreans made is still holding about refueling and reprocessing. I think we should focus on that now and keep working for a satisfactory conclusion.

Q. Are you confident that we will know whether they violate these agreements?

The President. Yes, I am. I believe that. I have no reason to believe that we will not know if that agreement is violated.

President's Approval Rating

Q. Mr. President, as you pointed out in your opening statement, the economy has been growing. Last week we saw the peace agreement, or the framework for a peace agreement between Israel and Jordan. Yet your approval rating continues to slide in the polls. To what do you attribute that? Is it the message? Is it the messengers? And a related part of that question: Has Leon Panetta made any recommendations to you for changes in the White House to improve things here?

The President. Well, first of all, I'm not the best judge of that. Maybe I'm just not as good a talker as you folks thought I was when I got elected President. Maybe there's so much going on it's hard for anything specific to get through. Maybe it's partly a function of the times in which we live.

Whenever we move from one historic era into another—at the end of World War I, at the end of World War II, moving into the cold war; now at the end of the cold war, moving toward the 21st century—our people are filled with a mixture of hope and concern. Almost every American is genuinely concerned about something now, whether it's their economic circumstances, their health care, insecurity over crime, concern about what's happening to the fabric of our society with so many children being born out of wedlock and so many families breaking down. There's something gripping the concern of most Americans. And when people have these balances going on, hope or fear, it is sometimes difficult to get through with the hope and the progress.

I can't worry about that. All I can do is to show up for work here every day and, as I said today to the folks who rode the buses for health care, try to make this the home office of the "American association for ordinary citizens." And if I keep doing that, I think that the future will take care of itself. My only concern is to continue to be able to be effective, and that's what I will work for.

Brit [Brit Hume, ABC News].

Health Care Legislation

Q. Mr. President, on health care, there were indications on Capitol Hill today that time is now becoming an important factor; that there's a need to get legislative language, there's a need to get various budgetary estimates, and that it may be very difficult to get a vote before the end of this month. Are you prepared now to insist that Congress remain in session and not take its recess until there is action in both Houses?

The President. Well, my belief is that Senator Mitchell has done enough work on his bill, and that the House bill has been out there in its basic framework, so that the recess will probably have to be delayed, but could still occur. I do believe that they should and will stay here until they can take action on those bills, each House on its own bill. I believe that will happen, and I think that's a good thing, because that's a way of their putting the American people first, which is something I think should be done.

Dan [Dan Balz, Washington Post].

Q. A two-part question on health care: When you put your own health care plan forward, you said you wanted to build on the private insurance industry. The House bill that Congressman Gephardt has put forward could turn control of almost half the health care system over to the Federal Government. Why do you support that approach, as opposed to your original idea? And secondly, is Senator Mitchell's bill now your new bottom line, your new minimum? If there's anything less than that coming out of the Senate, would that draw a veto?

The President. Let me answer the second question. My goal has been what it has always been. I want a system that will take us to universal coverage. If it takes a few years to get there, that's fine with me. We don't want to mess it up; we want to have the chance to continue to work and strengthen the program along the way.

In the case of the House bill, as you know, I have always thought that we ought to allow

every American to buy into the Federal Employees Health Insurance bill, which is essentially a private plan. The House bill offers a Medicare program, if you will, like the senior citizens buy into now, but only if people decide not to buy private health insurance. So it still has a preference for private health insurance, and I think that is consistent with what I think we should do. I still believe the best thing to do is to build more on the system that most of us have now.

Q. Which approach do you favor, the Mitchell approach or the Gephardt approach?

The President. Well, I'm not going to get into being a legislator. My job is to try to keep the American people's eye on the ball and to try to keep the Members of Congress working together. What I favor is now for our friends on the other side of the aisle and all the Democrats to get together, think about the interests of the American people and come up with a program that solves the problem.

Let me just say, if I might just stop for a moment and say I think it is terribly important in this debate when these issues tend to be complex and detailed to keep our eye on the central reality here, which is how do we solve the problem? I asked two of the people that rode those buses to come here tonight. I want them to just stand up, Daniel Lumley and John Cox.

And let me answer your question this way. Daniel Lumley was a young man who lost his arm riding a motorcycle. He wants to be a schoolteacher, he wants to be a public servant; he wants to know that he'll always be able to get health insurance when he works, even though he has a very apparent preexisting condition. Like millions and millions of Americans with disabilities, he can work and do fine and pay taxes—which releases the burden on the rest of us—if he can get insurance.

John Cox left his job with health insurance and went to work for a Christian radio station because he thought it was his mission in life to do that. He thought he was covered by health insurance and he thought his employer was paying it, and he wasn't. When his wife came down sick, because they didn't have health insurance even though he was working, they didn't go to the doctor. They just talked to a doctor over the phone for months and months. Finally, she became so ill they had to see a doctor at an emergency room. By that time she had cancer that had progressed to the point when it could not be fully treated. He took this bus ride across the country when his wife was dying, because she wanted him to. She died during the bus ride. He buried her 2 days ago, and he came up here today to be with us. My answer to you is if the program works for John Cox and for Daniel Lumley, I'll be for it.

Whitewater Hearings

Q. Mr. President, if I could ask you a specific question on these Whitewater hearings, which I know you're not watching, but many of us were watching until 2 a.m. in the morning last night. One of the problems that Roger Altman, the Deputy Treasury Secretary, seems to have is that he didn't recuse himself or step down as chairman of the Resolution Trust Corporation because he feared that there could be some sort of appearance of a conflict. He had decided to step down, but was talked out of it by Bernard Nussbaum, your former Counsel, and other White House aides. That seems to be the source of a lot of problems that he has. And Josh Steiner, the Treasury Chief of Staff, says that you and the First Lady were furious that Roger Altman told the New York Times editorial writer about this decision before you learned about it. What was so bad about his decision to recuse himself if there was nothing that he could have done to interfere in the RTC investigation of Madison Guaranty Savings and Loan?

The President. First of all, I never would promote anybody interfering in any investigation. I welcome this investigation, and it will vindicate what I have been saying all along. I had no problem with Mr. Altman deciding of his own independent judgment and consultation with his superior, the Secretary of the Treasury, that he ought to recuse himself. The only thing that upset me was I did not want to see him stampeded into it if it wasn't the right thing to do. I just wanted the decision to be made on the merits. I think it's a pretty simple, straightforward position I had, and I think it was the right one.

Baseball Strike

Q. Mr. President, Atlanta Braves owner Ted Turner last week called on you to intervene with Government arbitration to head off a baseball strike. Now that your Labor Secretary has met with both sides of the talks, do you see any Government role in this matter? Do you

see anything that you personally can do to head off a strike?

The President. Let me say first of all, just as a lifelong baseball fan, I suppose I have a greater interest in this than maybe a President even should. I mean, the prospect of seeing records that are 30 and 40 years old broken, for those of us who like the offensive as well as the defensive side of baseball, this is an exhilarating thing. I think it would be heartbreaking for the American people if our national pastime didn't get through this whole season. And it's a great opportunity for these young players and what they can become.

Secondly, the Secretary of Labor, as you pointed out, did meet with the representatives of the players and the owners. And we discussed what could be done and tried to facilitate a better communications between them. There may be some other things which can be done, but at this time the situation is sufficiently delicate that I think we need to leave it at that. If we can play a constructive role, we will. We do not want to play a destructive role. We all hope that somehow the strike can be averted.

Health Care Legislation

Q. Mr. President, there are many Democratic Members of the House, your allies, who disagree with you, they don't believe that Senator Mitchell's bill is a universal coverage bill. Are you ready to tell them that you think that Senator Mitchell's bill is the best that can possibly come out of Congress this year?

The President. Well, first of all, let's remember how a bill becomes law. [*Laughter*] It's very important. Senator Mitchell has to find a majority for a bill that can pass the Senate. Then there must be a majority of people supporting a bill that passes the House. The Senate task is very hard because, except on the budget, a tiny minority—41 percent of the Senate—can keep any other bill from even coming to a vote. He has a difficult task. Then the bill goes to a conference and a final bill will come back and will be voted on in both Houses. We have seen many times how a bill passes the House, a bill passes the Senate, a final one comes out that's different from either one. We don't know what will happen.

Let me tell you what I hope will happen. What I hope will happen is that the debates on the floor of the Senate and the House will be widely publicized, heavily watched, and that the debate will grip the imagination of ordinary American citizens who themselves may not be part of any discrete interest group; and that there will be a climate in the country welling up—as I believe it is now—for action that works, that solves the human problem.

I believe George Mitchell, as many of the Senators pointed out, in a situation in which every time he tried to do something, the members of the other party moved away from a position they had previously had—normally when a bill becomes law, if you take one position and the people in the other party take another, you move toward them, they move toward you, you work out an agreement. Here's a case where we had 24 Senators of the other party committed to universal coverage and they have all abandoned the plan they were originally for. And as he has moved toward them, they have moved away. In that environment, I think he has done a fine job with a bill that I personally believe will achieve universal coverage. And that's all I can say. It is my opinion that it will work.

Whitewater Hearings

Q. Mr. President, strictly from a management standpoint, given the conflicting recollections of the various members of the Treasury Department team, do you believe they can continue to work together effectively?

The President. Well, the management of the Treasury Department is under the jurisdiction of the Secretary of the Treasury. All I can tell you is, the important thing for the American people is the Treasury Department has worked very well. Nearly every American, nearly every expert in this town believes that it has worked very well across a whole broad range of issues, and that the Secretary of the Treasury has done an absolutely superb job in both domestic and international economic arenas with the support of his team. The management questions are things that he will have to resolve. But I will say again, there was no violation of the law, there was no violation of the ethics rules. The errors which were made have been acknowledged and questions have been answered at extreme length. I think that is a very good thing.

Health Care Reform

Q. You've worked hard to open new markets for American businesses. Are you upset or dis-

appointed that businesses have worked so hard against health care reform?

The President. No, because not all businesses have. It is true we have worked hard to open markets for business with NAFTA, with the new worldwide GATT agreement, selling our airplanes, selling our high-tech equipment, reviving our shipbuilding industry—all the things we've done. But frankly, I think the amazing story of this health care debate is not that there are still some business interests against it, but that we have more business interests for it than ever before. Let me just say that many of the Fortune 500 companies support the idea that every business should do what it can to cover the employee and the employee should pay something. We now have 600,000 small businesses who cover their employees and are paying too much, who have come out for our position that all of their colleagues should do the same.

I think that is very impressive. When you look at that plus all the other medical groups that have come out for our approach, it is a truly astonishing thing. And what I hope is, again, when this debate starts that all the people who are doing for something, instead of just against something, I hope that they will prevail.

Press Conferences

Q. Mr. President, will you tell us why you hold so few solo press conferences? This is only your third, and you have been heard to complain that the lords of the right-wing radio have uninterrupted communication with the American people. And you have the same chance but don't take it. Could you tell us why?

The President. I think it's a mistake, and I intend to do more on a more regular basis. Besides that, I actually enjoy these, and I think we should do more and do them on a more regular basis, and I intend to. It's one of the changes that I intend to make.

Health Care Legislation

Q. Mr. President—all right, sir. I wanted to just tell you——

The President. I could hear you in the distance. [*Laughter*]

Q. I've just been informed by a volunteer who knows what she's talking about, Mrs. B.A. Bentsen, wife of the Secretary of the Treasury—she works to get prenatal care for millions of mothers. And she says that the money, the Government money has run out completely for prenatal care, which means that we will have deformed babies that we will have to pay for the rest of their lives in institutions. Can't you do something about this?

The President. Well, of course we can. One of the things that this health care bill will do, either one of them, would be to cover more prenatal care. One of the biggest problems we have in the United States, with about one in six of our people without health insurance, is that a lot of people don't get preventive care when they should. It is true that when women see the doctor several times before their babies are born, the babies are far more likely to be born healthy and at normal birth weight. And that is a focus of both bills. Senator Mitchell's bill, because of the phase-in time, went out of its way to try to take care of that issue.

Syria

Q. Mr. President, if I could go back to a foreign policy issue. Syria appears to be the big missing piece of the puzzle in the Middle East now. Following the meeting between the Israeli Prime Minister and King Hussein of Jordan, do you see any indication that Syria wants to make peace at this point? Do you see any reason for optimism that they're willing to talk directly to Israel?

The President. I think there are difficult issues still between Israel and Syria, but I believe both leaders do want to make peace. As you know, before I announced that King Hussein and Prime Minister Rabin would come here to end their state of war and to commit to establishing full peace, I had a long talk with President Asad on the telephone. I then spoke with him again. I am convinced that he is still very much interested in a comprehensive peace. And we have one piece of public evidence of that, which is that the whole ceremony between Israel and Jordan signing the Washington Declaration was shown on television in Syria without comment. We have other indications that they are. And you may be sure that the Secretary of State and Dennis Ross and all of our team, as well as I, are doing everything we can to keep pushing that.

Q. What are those other indications, sir?

The President. I don't think I should say more than that. We've been pretty successful in the Middle East by letting the parties make their own decisions and letting them percolate up.

Health Care Legislation

Q. You may not be a legislator, but you are the titular head of the Democratic Party. Why should you ask Democrats in the House for marginal constituencies to vote for the Gephardt bill when, in fact, the Mitchell bill may be more politically palatable?

The President. Well, let me say, again, the Senate and the House are going to debate both these bills, and they will work through the process and decide where to come out. But let me say, if you just take Mr. Cox there, he's from Athens, Texas. Now, Athens, Texas, is no different from New York City or San Francisco, California, or my home in Arkansas when it comes to the existence of people who have these problems. And I think the House and the Senate should each pass a bill which they can best explain to their folks back home as something that solves the problem.

I would remind you that we know that universal coverage is popular with the American people. What we also know is that they're concerned about having something that changes something so fundamental in their lives. They want to make sure we fix what is wrong, keep what is right. So in both bills we have reassured the rank-and-file voters. Both bills in different ways may offend various organized interest groups who may be able to advertise and affect the attitudes of rank-and-file voters, but we know that both these bills, by having a longer phase-in time, less bureaucracy, more flexibility and more support for small business, clear choice of plans, that those things have answered the concerns of American voters in every congressional district in the country.

Haiti

Q. Congressman Bill Richardson went recently to Haiti and met for, I think, 5 hours with General Cedras, and he came back and he said Cedras was not an intransigent man. He has been invited to return to Haiti. Has he talked to you about it, and would you consider it a good idea for him to go back to Haiti now that the U.N. has passed this resolution?

The President. I have talked to Congressman Richardson. I have no comment about any further trips. It is difficult to conclude that Mr. Cedras is not intransigent. After all, he promised to leave Haiti on October 30th at the implementation of the Governors Island accord, and he broke his promise. And he has continued to visit untold misery on his people. He knows what to do to end the problems of the people of Haiti, and he can do it.

Economic Plan

Q. Mr. President, earlier this year, last year, rather, in your economic program, you sacrificed a lot of your investment program to get deficit reduction, as we've learned, over the objections of many of those on your staff. The deficit reduction part has worked out even better than you expected, as you said. But since that time the stock market has drifted lower, long-term interest rates are higher than when you took office, and there are some signs of a slow-down on the horizon. Housing starts and new home sales, for example, are down. At this point, do you think perhaps you make a mistake that you went too far into deficit reduction and that, from your point of view, the country might have been better off had you put more money into infrastructure and into investment?

The President. Absolutely not. Given the options that we had, the right decision was made. Let me take you back in time. We had had the slowest job growth rate for the previous 4 years that we'd had since the Great Depression. The economy was going down; the deficit was going up. Our position in the global economy depended on our ability to get the deficit down. Our ability to generate private economic activity depended on our ability to drive interest rates down.

If someone had told any economist a year and a half ago that we could create almost 4 million jobs, take the unemployment rate down over a point and a half, have no inflation and still have long-term rates almost exactly where they were on the date I took office, no one would have believed that. They'd say if you're going to improve the economy that much, long-term interest rates will go way up.

Because we were committed to bringing the deficit down without inflation, interest rates went way down, and then when we had a lot of economic growth, came back up some. The stock market is higher than it was when I took office, and the long-term expectations are very good.

Most businesses expect to grow next year, both large and small. Every survey shows that. Consumer confidence and business confidence

and long-term economic growth are high. The rate of growth may vary from time to time. My job is to keep the growth going and keep jobs coming into the economy and that is what we are doing.

Q. [*Inaudible*]—betrayed your Democratic heritage or your campaign promises?

The President. No.

Q. Do you feel that you're an Eisenhower Republican, as a recent book put it?

The President. No. I think we did the right thing. In the 21st century most job growth is going to come from the private sector. We will have to do more public work in two areas: in infrastructure, just like all of our competitors do, our roads, our bridges, our airports, the things that make you a rich and powerful country; our telecommunications infrastructure that the Vice President's always talking about will have to have various supports. The second thing we'll have to do is we'll have to give more direct or indirect support to create jobs in high unemployment areas. That's what our empowerment zones are all about: enticing people through tax incentives to invest in areas where unemployment is high.

But I would remind you we have increased programs for education and training. We have dramatically increased the availability of low-interest college loans. We have increased the number of people who can apply for national service loans. We have increased Head Start. We have increased immunization eligibility for little kids by millions. We have increased spending on the things which are critical to our future.

Will we have to invest more there? We will. But first we had to get our economic house in order. You cannot keep spending money you don't have and expect to get ahead of the game. We have now done that, and we can focus on investment.

Defense Executive Salaries

Q. Thank you, sir.

The President. You're persistent. I owe it to you just for effort. You'd develop arthritis getting up and down so many times if I didn't—[*laughter*].

Q. Thank you, sir. If I may shift to a fresh subject, the Senate Appropriations Committee is hopping mad about what it calls outrageously high salaries that are being paid to defense and aerospace company executives in this country, compensation that is frequently paid by the taxpayers under Defense Department regulations, and sometimes to the tune of as much as $7 million or more. The committee is offering language which would rule out payments any higher than the salary that the Defense Secretary makes. Do you agree with the committee's finding? And would you support that kind of limit?

The President. I'm not familiar enough with the issue to give you an intelligent answer. I will look into it, and I'll be glad to give you an answer. But I don't know enough about the issue to answer the question in an appropriate way.

Corporate Megamergers

Q. Mr. President, okay—[*laughter*].

The President. I can't believe a member of the press is pushing a microphone away. This is a historic moment in itself. [*Laughter*]

Q. Mr. President, what is the administration doing to stop the megamergers, particularly in the telecommunications industry, in the pharmaceutical industry, and in retailing? We have seen Viacom-Paramount. We now have—Macy's is trying, and we're reading today about American Cyanamid merging with American Home Products, mergers which are not in the interest of the public and the stockholders. And in the case of Macy's, Macy's Federated has a stockholder meeting on the same day as major competitors. They don't want stockholders to come and ask questions. They're in collusion with the competitors, and the administration is not lifting one finger.

The President. Well, you've drawn a lot of conclusions there in a short time. I don't know if I can answer them all. Let me say this: There are two ways in which mergers can be not in the interest of the people of the United States. First is if they violate our antitrust laws; that is, if they do significant damage to the competitive environment. And our administration has tried to reinvigorate the antitrust division of the Justice Department to a significantly higher level than in the last two administrations.

Secondly is, as you suggest, is if there is some illegal erosion of the rights and interests of the stockholders of these companies, or there are workers or others that have legal rights that are being undermined. That is within the jurisdiction of the Securities and Exchange Commission. I think we have a very able person chairing that Commission.

I would be glad to ask them to look into these things more than I'm sure they already are, but I am not in a position to draw the conclusions you have drawn, because I think they are trying to protect the public interest.

Health Care Legislation

Q. There are 37 million uninsured Americans. If you can't get a bill that will cover all of them, and you get one that will cover, say, 20 million, would you really refuse to sign it? And if you do, and don't get a bill at all, how would you explain that to those 20 million?

The President. First of all, keep in mind that most of our problem is with working Americans. And the problem with the so-called "half a loaf" here is that it won't work. That is, we have evidence now in the States—about 40 States have tried to just change the rules on insurance and put a little more money into covering very poor people to increase health care coverage. No one could say that is not good on its own, but the problem is if that is all you do, what has happened in the States is that putting people into a health insurance pool who cost more to insure without expanding the size of the pools leads to higher rates. Once the rates get higher, small businesses on the margin and individuals who are young and healthy get out. That makes the pool even smaller; and rates go up more.

So what would happen, I am convinced, if we did what you suggest is what has happened in the States. Coverage would go up a little bit for a while; then it would go right back down, as it has in the United States for the last 5 years as States have tried to do this.

So, again, I say we have no evidence that unless we are moving toward full coverage that we can control cost and maintain coverage for the working families of the country.

Yes, one more. We're almost out of time.

Haiti

Q. You spoke with some thoroughness tonight about why you think it is in the United States interest to not have a military dictatorship in Haiti. My question is, if an invasion force is dispatched and overthrows that military regime, what are the United States obligations at that point to nurture, to create an environment in that troubled country where democracy would have a chance? And how long would this last?

The President. I think the United States have significant obligations. But if you look at the United Nations resolution and what we have said all along, over the long run what we need is a United Nations mission in Haiti that the United States would be a part of, but that other countries would participate in also, that would do the following things: Number one, it would have to retrain and reorient the military to engaged in the rebuilding of the country. Number two, it would have to reorient and retrain the police to be a genuine police force, not an instrument of terror for one political group. Number three, we would have to, in addition to that, have a real dedicated effort led by a lot of our Haitian-Americans and others to rebuild the troubled economy of Haiti, which is in terrible, terrible shape. All those things we would have to do. But it would not necessarily be the United States doing it. In fact, it could not be; it would be a United Nations mission as envisaged by the United Nations and the resolution that they adopted.

Thank you very much.

Q. Mr. President, can I follow up here—one last question on health care?

The President. One last question on health care? [*Laughter*] Did I recognize you earlier?

Q. You did, but it's a——

The President. Oh, no—I've got to go. [*Laughter*]

NOTE: The President's 68th news conference began at 8 p.m. in the East Room at the White House. In his remarks, he referred to Leon E. Panetta, Chief of Staff to the President, and Dennis B. Ross, Director, Policy Planning Staff, Department of State.