

None of that should prevent us from disagreeing with them. Keep in mind, we're not asking for anything special for China here. All we're saying is, if you look at all the other countries in the world that we trade with, with whom we have serious disagreements, there is no principled, grounded distinction between China and some of the other countries that we have normal trading relationships with for saying we're not going to have them with China.

And I think that we had worked very hard and had made a lot of progress over the last few years in having a principled debate about Chinese policy that was unencumbered by the politics of the moment, and I'm afraid that has slipped up a little bit in the last few weeks. But I hope we can get back to it.

You know, there are a lot of people who disagree with me on this. But you just can't draw a distinction between China and a lot of other countries we have serious disagreements with but we don't have abnormal trade relations with. The idea that America should just stop talking to and stop dealing with any country in the world that does anything we disagree with and that that will make them more likely to do what we agree with, I think there is very little evidence to support that, and there's a whole lot of evidence against it. We tend to get more done when we work with people, when we disagree with them openly, when we push them, and when they have something to gain by working with us. Most people don't respond very well to threats and to isolation.

And once in a while it works when you've got—in certain specific cases—I mean, the trade sanctions worked in South Africa after many years because everybody supported them. And they helped us in Bosnia because everybody supported them. And they helped us in Iraq

because it had the U.N. behind it. But here's a case where I think we've got far more to gain with a constructive engagement with China. It's a very great country with enormous potential, that has cooperated with us in many areas to make the world a safer place in the last few years. And we have now found a forum and a way in which we can honorably express our disagreements and believe we can make some progress on. This is the last time to be making a U-turn and going back to a policy we know won't work when we've got a policy that is working. We need patience and discipline and determination to stay with what we're doing.

#### *General Motors Strike*

*Q.* Mr. President, are you worried about the economic effects of the GM strike? And what is your administration strategy for possible intervention or at least a resolution?

*The President.* Well, I've been briefed on it, obviously, on a regular basis by Secretary Herman. And I'm sure you know that under the governing laws of the United States, the role of the Federal Government in a strike like this is limited. But I would like to encourage the parties to work it out. Our economy is doing well; our auto industry is doing well. They have some, apparently, very legitimate and substantial differences, but we've got a collective bargaining system which I support. And I think they can work it out, and I hope they'll do it in a timely fashion.

*NOTE:* The President spoke at approximately 10:40 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Prime Minister Ryutaro Hashimoto of Japan. A tape was not available for verification of the content of these remarks.

## Teleconference Remarks and a Question-and-Answer Session With the United States Conference of Mayors

*June 19, 1998*

*President Clinton.* Thank you very much, Mayor Helmke, for all your wonderful introductions. I hope they didn't hurt you too much. This one won't cause you as much trouble as the last one did.

Seriously, I want to thank you for your fine leadership of the mayors this year. And Mayor Corradini, I look forward to working with you over the next year. I also want to say hello to your advisory board chair, Mayor Webb, who

joined me at the White House this week when we honored the Broncos together for winning the Super Bowl. And hello to your executive director, Tom Cochran, who does a great job for you day-in and day-out here with us.

Let me also congratulate my good friend Jerry Abramson on his award for distinguished public service. Jerry, I'll always be grateful to you for a lot of things—for your friendship, your support, and especially for your leadership for the 1994 crime bill. All across America, neighborhoods are now safer because of the community police officers you helped to put on the street. You have really made a difference. I congratulate you and thank you again.

And I have some good news about one of your alumni, the former mayor of Laredo, Saul Ramirez. Last year at this meeting I announced his nomination for Assistant Secretary at HUD. Well, I'm giving him a promotion and nominating him now to be the agency's new Deputy Secretary. Congratulations to him and to you.

This is the third time we've been able to get together just this year, and I'm only sorry that I can't join you in person. I know that I'll be well represented by members of my Cabinet, including our great HUD Secretary, Andrew Cuomo. I send greetings also to you from Mickey Ibarra, who's with me here and who runs the Office of Intergovernmental Affairs and works hard for you. His Deputy, Lynn Cutler, is stranded in an airport, but she'll soon be in Reno to represent the White House. And I'm proud that senior representatives from a total of 22 Federal agencies are attending your conference. You can tell from the breadth and depth from the team I've sent that my administration is more committed than ever to working with you to help our great cities thrive and reach their fullest potential.

Last week a number of you were able to join me here at the White House as I signed a transportation bill that will help cities to build and modernize roads, bridges, and transit systems for the 21st century. It encourages mass transit, protects the environment, expands opportunities to disadvantaged businesses, and moves more people from welfare to work with transportation assistance. Thank you for helping me pass this law.

In no small part because of the innovation, commitment, and hard work of America's mayors, our cities are revitalized, reenergized, and back in business. The second annual "State of

the Cities" report, which Secretary Cuomo will share with you in much greater detail later, shows that unemployment, crime, poverty rates, all are down and falling in our central cities. New job growth and homeownership rates are up and climbing. Our downtowns are coming back as centers of tourism and entertainment. The state of our cities is strong, and I thank you for leading this renaissance.

America is enjoying the strongest economy in a generation, an era of sunlit prosperity and abundant opportunity, but we cannot afford to sit back and bask in the glow. Instead, we must make the most of this rare moment in our history and ensure that our economic renaissance touches every corner of every community.

As the "State of the Cities" report shows, cities still face critical opportunity gaps when it comes to jobs, to education, and to housing. If we're going to lift even more people out of poverty and bring more middle class families back to our cities, we must do everything we can to close these opportunity gaps. The way we will close our opportunity gaps is with the new vision of government.

Over the past 5½ years, we've moved beyond the false debate between those who said government could solve all our problems and those who said government was the problem. Our new vision has been of government as partner with business, community groups, and individual citizens. It's been a vision of government as catalyst to bring the spark of private enterprise to our hardest-pressed neighborhoods. Whether it's putting more police officers on the streets to fight crime or offering tax incentives to lure businesses back to abandoned downtowns or providing small business loans to inner-city residents, our goal has been to empower people with the tools to make the most of their own lives.

Secretary Cuomo's new streamlined HUD, which David Osborne has called the most exciting reinvention in a decade, epitomizes this vision. Along with the Vice President, who chairs my Community Empowerment Board, I am committed to helping HUD and other Federal agencies work even better for you. And I ask you to support our expanded community empowerment agenda, that reflects our new approach to filling the opportunity gaps in, for our cities.

First, we can fill in the jobs gap and bring more businesses and credit to our central cities

by launching a second round of empowerment zones, renewing community development financial institutions, and supporting HUD's Community Empowerment Fund. I ask you to tell Congress that America needs 50,000 new welfare-to-work housing vouchers to help hard-working people successfully move off welfare by moving closer to their jobs. And I hope you'll work with me to ensure all Americans get the child care assistance they need to be good parents and good workers.

Second, we can begin closing the education gap by helping school districts modernize and build 5,000 schools, hiring more teachers, reducing class sizes in the earliest grades, and creating education opportunity zones to help poorer school districts make the tough reforms they need to improve.

Third, we will bridge the housing gap by strengthening our efforts to fight housing discrimination, raising FHA loan limits, creating more section 8 housing vouchers, helping families with good rental histories turn rent checks into mortgage payments, and expanding the low income housing tax credit. This tax credit now has the support of a majority of Members in the House and the Senate. Let's call on Congress to pass the bill right away.

Finally, I ask for your help on another critical issue for cities: making sure that the 2000 census is as accurate as possible. As you know, census statistics help to determine how much Federal aid your communities receive for roads, WIC, Head Start, job training, and other services. Because of an undercount of inner-city residents in the last census, many of you were short-changed when it came to Federal funds. We must make sure it doesn't happen again. The scientists agree: Statistical sampling is the most accurate and most cost-effective way to get a full and fair count of our people in the year 2000. Let's work together to ensure that we use this method in the next census.

All these are tough challenges, but I know that if we work together, we can meet them. Last year in San Francisco, we set ourselves a challenge of helping 1,000 police officers buy and move into homes in the communities they serve. Well, I'm proud to announce that the Officer Next Door program has met the challenge. Later today, Secretary Cuomo will present the program's 1,000th key to Deputy Mark Burgess, a key that will unlock the door to his new home in Salt Lake City. With citizens

like Deputy Burgess who are taking active stakes in our community, and with your continued leadership, I know the best is yet to come for America's cities.

Throughout our history, our cities have always been the face America shows the world. Visitors have gotten their first taste of America—our energy, ingenuity, and promise—through our great cities. They've always been the gateway to opportunity for millions of Americans, places where new immigrants have worked hard, built thriving communities, and achieved the American dream. We can, and we will, make sure that dream thrives in our cities well into the 21st century.

Thank you for all you do, and thank you for working with me.

*Mayor Paul Helmke of Fort Wayne, IN.* Thank you, Mr. President. I understand that you have time for a few questions from some of the mayors. I had a few folks I know that wanted to ask you questions.

#### *Millennium Activities*

*Mayor Thomas Menino of Boston, MA.* Mr. President, the millennium is up in 2 years. A lot of cities are preparing for the millennium as we go forward. What is your vision? What do you think that this country should be doing with the new millennium when it comes in the year 2000?

*President Clinton.* Tom, first let me say that I'm very sorry about the floods in Boston. I know our FEMA people are there, and I hope they will all work out of it and dry out of it together.

Let me say to all of you, I think every mayor in America should be heavily involved in celebrating the millennium. And I hope that as a group you will be in close touch with Ellen Lovell, who is running this project for the First Lady and for me, so that we can coordinate what we're doing. I think our vision should be the one that Hillary has articulated: We should honor the past and imagine the future. That means to me that, at a minimum, every city should find someplace in the city important to your city's history and heritage and make sure that you have restored it or protected it or enhanced it for all future generations.

Second, I think every city should identify some great opportunity that you believe is there for your people in the new century, and elevate

that opportunity, highlight it, literally enshrine it as a mission of your city for the future.

And thirdly, of course, I think there should be a great celebration on New Year's Eve 1999/2000, that all the cities in the country participate in, that is tied in with a national celebration and that involves as many Americans as humanly possible.

#### *Education Initiatives*

*Mayor Richard M. Daley of Chicago, IL.* Mr. President, where are we on achieving your education goals, whether it's smaller classrooms or school construction or after-school programs? How can we as an organization be more helpful to you?

*President Clinton.* Well, you can do a lot. Let me deal with each of them in turn.

The only part of the education program that is imperiled by the present setback to the tobacco bill is the funds that we wanted to give the States which would enable them to distribute them to communities to hire the teachers necessary to reduce class size to an average of 18 in the first 3 grades.

The school construction initiative, which would allow us to build or repair 5,000 schools, is still very much alive; it's in my budget; the Congress can approve it. There is some bipartisan support for it. And so I think if the mayors, particularly the Republicans and the Democrats together, could really press this, then when we get down to the appropriations in the month of July and in the month of September, we've got a good chance to get the construction money out. And that would make a huge difference, not only in repairing a lot of older schools that need to be repaired but in providing the needed classroom space, without which we can't have the smaller class sizes.

On the after-school funds, we have funds in both the Justice Department budget and in the Education Department budget; it's just going to be a question of fighting for those things and making sure that they're priorities in the Congress, just as they are priorities for you and for me.

And again, there shouldn't be any politics in this. The evidence is so overwhelming—as you know, in Chicago, where you have tens of thousands of kids eating three meals a day in the schools, that this increases learning and lowers juvenile crime—that I would think that the cities

that have had good experiences with these programs could take the lead.

But again I say that if the Republican and Democratic mayors could do this together and say, this is a grassroots American issue, this has nothing to do with partisan politics, that this part of the President's budget should prevail, then I think we have a good chance to win.

So I'd say on two out of three we're in good shape. Whether the States get some more money that then can be used for aid to education to hire those extra teachers depends on whether we can get the tobacco legislation back on track. I'm still hopeful that we can. Anything you can do to encourage Congress not on this point, but on the larger point, to pass legislation to protect our children from the dangers of tobacco and pass something comprehensive that will have credibility in the public health community, that we know will work, will make us closer to that goal as well.

#### *Violence in Schools*

*Mayor Lee R. Clancey of Cedar Rapids, IA.* Mr. President, I have a question that's a side issue related to education concerns. In the next couple of weeks, I'm going to be hosting a meeting with city and school officials on the issue of school violence and how we can prevent it, how we can cope with it, what we can do to address it. And I know it's an issue that concerns many of us in our cities. What is being done at the Federal level, and do you have any suggestions for us to take back to our community?

*President Clinton.* Well, let me first of all, Mayor, say that I applaud you for doing this, all of you, and I applaud your leadership in doing it. I think the first thing I would say is, that in the last couple of years when we've had all these horrible instances of school violence and killing in our schools, we should not lose sight of the fact that, ironically, that has occurred when we've finally seen the first drop in juvenile crime in many, many years.

So I think it's important to keep pushing the larger issue of the after-school funds and the other kinds of programs that we've seen work so well in Boston and elsewhere to drive juvenile crime down.

Then I think we have to say, no matter how low we get juvenile crime, we're going to be at risk of these violent instances in schools because there will always be a small number of children who will be profoundly disturbed,

where some incident at home or at school can set them off, and they live in a culture where the access to guns is too easy and where they're too exposed from their earliest years to repeated barrages of almost casual violence in the media that they see. So, too many children become numb to violence and, I think, take guns in their hands and pull the triggers, often without really feeling and knowing the consequences.

Now, there are, I believe, two things that we can do at the Federal level that we're working on. First, as I said when I was in Springfield, Oregon, I've asked the Attorney General and the Secretary of Education to prepare a manual to train teachers, parents, and hopefully other students as well, on early warning signs of children in trouble, so that we'll be better at picking this up.

In every case where we've had a killing over the last year, there have been some indication that there was something wrong with the young person involved, that something has happened, or the young person said something or friends knew something, that did not lead to preemptive action. So I think we need to really focus on this prevention.

Secondly, we're going to be working on what can be done to get some more police officers out there in and around the schools, just as we have on the streets.

Thirdly, there is a big debate going on in Springfield, Oregon, and in Jonesboro, Arkansas, and I'm sure in all the other communities about what can be done if children are found in trouble, to try to do something before they go over the edge.

The two Senators from Oregon have introduced legislation which would require of any child who was sent home from school because he or she had a gun in school—and there were 6,100 children who had guns in schools and had the guns taken away and were sent home because of our zero tolerance for guns in schools just last year. The Senators think that—their legislation, I think, calls for some sort of mandatory 72-hour examination period, including a psychiatric exam.

Whether this is everything that should be done, exactly what should be done, or not is something we're going to debate up here. But it's not too soon for every mayor and every school leader in the country to determine what should be done if a case occurs like the case in Springfield, Oregon, where the young man

who is now charged with all these killings was sent home the day before with a gun in the school.

Now, presently that's about all that happens, because most cities and most school districts don't have a system for dealing with that. I think you should make sure that your schools do have a system—and maybe not just when a person is found with a gun and sent home but when threats are made or when people say they're going to do something—maybe unspecific threats but give evidence of that. We need some sort of intervention that can get these kids analyzed and then get them quickly to some sort of comprehensive program if necessary, to try to give them the help they need and to take them out of the pressure-cooker situation for a couple of days in the hope that this can be avoided.

I believe that we can do a lot more on the prevention front. And we now know, just looking at the facts of all these cases, that there were significant early warnings in at least several of them that might have permitted, with the right kind of intervention, circumstances to develop that would have avoided the tragedies.

So that's what I would ask you to look at. Everybody should know: What does your school district do with a child that makes a threat? What does your school district do with a child that has a gun? Does the school have a system where they encourage other kids to talk to responsible adults if they hear some child making a threat? Most of these children, if they could just get 4 or 5 or 6 years down the road, would look back in horror that they ever entertained such a thought—if we can avoid it happening in the first place.

So I think we can do better. We're determined to do our part. And after you have your meeting, if the mayors and the others from whom you hear have any other ideas, for goodness' sakes, give them to us. This is something we've got to do more on.

*Mayor Helmke.* I want to thank you, Mr. President. I know your time is short, but we appreciate you taking the time this afternoon to talk to us and taking the time again this past year. You've worked collaboratively with us, consistently with us. We know you're concerned about the city issues and you're always willing to listen to us and we thank you for that.

In particular, I wanted to thank you for working closely with us this last year while I've been

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president of the mayors group. It's been an experience, and we appreciate all of your efforts this past year. And you've outlined a number of things that we need to continue to work with in the future, and we plan to do that with you, too.

So again, thank you very much. We thank you or all of your efforts and for your staff members and Cabinet officers that are here, too. Thank you, Mr. President.

*President Clinton.* Thank you, Mr. Mayor. Thank you all, and I'll turn it over to Secretary Cuomo and the rest of our crowd. Have a great meeting.

NOTE: The President spoke by satellite at 5:20 p.m. from Room 459 of the Old Executive Office Building to the meeting in Reno, NV. In his remarks, he referred to Mayor Paul Helmke of Fort Wayne, IN, president, Mayor Deedee Corradini of Salt Lake City, UT, president-elect, and J. Thomas Cochran, executive director, U.S. Conference of Mayors; Mayor Wellington E. Webb of Denver, CO; Mayor Jerry E. Abramson of Louisville, KY; and David Osborne, president, Public Strategies Group, Inc.

## Statement on Internal Revenue Service Reform Legislation

*June 19, 1998*

I am very pleased that our efforts to reform the IRS took a major step forward today with a bipartisan agreement reconciling the House and Senate legislation. I have worked very hard to give the American people an IRS that is fairer and more responsive to their needs. Enactment of this compromise reform will build on our initiative to give Americans a modern, customer-friendly IRS.

Our new IRS Commissioner, Charles Rossotti, has brought forceful leadership and the best management techniques from the private sector to the agency. This bipartisan compromise will give him the tools he needs to succeed, while expanding taxpayer rights. It will allow the IRS to bring in talent and expertise from the private sector, strengthen the Taxpayer Advocate's office, and expand the convenient and popular practice of filing tax returns electronically and over the phone. We are pleased that Congress incorporated the Commissioner's sweeping reor-

ganization of the IRS along customer service lines and addressed our concerns about earlier versions of this reform by correcting provisions that would have inadvertently allowed non-compliant taxpayers to avoid paying their fair share of taxes. The Congress also made sure that the Treasury Secretary and the IRS Commissioner will serve on the board overseeing the IRS.

Under the leadership of the Vice President and Secretary Rubin, we have made great strides in our efforts to revamp customer service at the IRS. We have expanded phone and office hours, created popular new problem-solving days, and launched independent citizen advocacy panels. We cannot solve every problem at the IRS at once, but we are committed to correcting problems when they arise, and this bill will help us do that. I urge Congress to send me this compromise legislation quickly, but to make sure that it is fully and properly funded.

## Statement on Signing the Religious Liberty and Charitable Donation Protection Act

*June 19, 1998*

I was very pleased to sign today S. 1244, the Religious Liberty and Charitable Donation Protection Act. This bill protects the religious

and charitable contributions made by people who later declare bankruptcy.