

who now are setting all kinds of records in new business growth and achievements in every area of our national life, but because we still have such a large group of first-generation immigrants, also have the highest high school dropout rates, the highest education problems.

Listen, we can get all this right—we can get all this right—if everybody has a voice that is heard. That is why what you are doing is so profoundly important.

Thank you very much.

NOTE: The President spoke at 10 p.m. at the Grand Havana Room. In his remarks, he referred to State Assembly Speaker Antonio R. Villaraigosa; Los Angeles County Supervisor Gloria Molina; and Lydia Camarillo, executive director, Southwest Voter Registration and Education Project.

Letter to the Secretary of Defense on Space Launch Failures November 29, 1999

Dear Mr. Secretary:

Thank you for conducting and reporting on your thorough and in-depth review of the U.S. space launch failures that occurred in 1998 and 1999. I am pleased to know that you have identified the root causes behind each of the recent launch failures and that you have worked with NASA, the Intelligence Community, and industry to take corrective actions to prevent recurrences. I also appreciate your efforts, and the efforts of industry, in uncovering and addressing the broader systemic concerns that may have contributed to this series of failures.

I have asked Dr. Neal Lane, my Assistant for Science and Technology, and Mr. Sandy Berger, my Assistant for National Security Affairs, to review your report. Now and in the next century, our national security, civil, and commercial space sectors will continue to depend on reliable access to space to achieve our broader national goals. Your report correctly

points out the importance of successfully flying the remaining current fleet of expendable launch vehicles already on contract, with missions valued at more than \$20 billion, while assuring mission success during the transition from these current systems to the modernized Evolved Expendable Launch Vehicles.

Thank you again for the hard work and dedication of the government-industry team in uncovering the technical and management problems associated with these launch failures. Please implement appropriate actions to correct the causes of the failures and ensure our nation's ability to reliably access space in the future.

WILLIAM J. CLINTON

NOTE: This letter was released by the Office of the Press Secretary on December 1. An original was not available for verification of the content of this letter.

Telephone Interview With Michael Paulson of the Seattle Post-Intelligencer in San Francisco, California November 30, 1999

The President. How are you?

Mr. Paulson. I'm good. How are you doing?

The President. I'm great. I'm going to the San Francisco Airport, on my way to L.A. and then to Seattle.

Disruption of the Seattle Round

Mr. Paulson. Excellent. So as far as you know, are there still talks taking place? We just heard on CNN, claiming that the talks are actually canceled, which—we don't even know if that's true.

The President. Well, that's certainly news to me. I heard that the talks were still going on.

Mr. Paulson. I'm sure you've heard it's been kind of a chaotic day here. Do you regret choosing Seattle as the location for this? Do you wish you were heading some place sunny, like Honolulu and San Diego?

The President. Well, I don't think the—I think certainly if we had had it any place in the continental United States, we would have had the same thing. And even if we had gone to Honolulu, there might have been thousands of people there.

What I regret is not that there are protesters there. I have supported the right of people whose interests represent labor union, who represent environmental groups, people who represent the poorer countries of the world coming and expressing their opinions. And I've repeatedly said I thought the WTO process was too closed. It ought to be opened up, and labor and environmental interests ought to be represented, and it ought to be fair for poor countries as well as wealthy countries. What I regret is that a small number of people have done nonpeaceful things and have tried to block access and to prevent meetings. That's wrong. It's not only illegal; it's just wrong.

On the other hand, I think the larger number of people that are there, for peaceful purposes, are healthy. I think what they represent is that in the last 5 years you've seen a dramatic change. Trade is now no longer the province of CEO's, organized interest groups that deal with the economy, and political leaders. It's now—we not only live in a global economy. You've got a global information society, and this whole process is being democratized. And we're going to have to build a new consensus that goes down deeper into every society about what kind of trade policy we want. And I think that is, on balance, a healthy thing.

Anyway, that's kind of where I am on it. I regret very much that a few people have given the protesters a bad name, because I think the fact that the protesters are there—were it not for those stopping meetings, stopping movements, not being peaceful—would be a positive.

Protesters and the World Trade Organization

Mr. Paulson. Right. What is your theory about why people are so upset here?

The President. Well, for one thing, I think that a lot of people feel threatened by all these

changes that are going on in the global economy and the process by which the decisions are made—changing the rules of trade—are made by people who generally have not been very accountable. I mean, the whole WTO—I went to Geneva last year to tell them they ought to open their records.

Mr. Paulson. Right.

The President. I mean, they have secret proceedings and things of that kind.

For another thing, a lot of times when decisions have been made, they aren't honored. The United States won 22 out of 24 cases we filed, and in several cases the people say, "Well, so what?"

And then I think, finally, there are people who question whether these trading rules are benefiting lower income countries, poor countries, and who question whether they're a damage to the environment from certain trading arrangements that wouldn't otherwise be there, and who question whether this is a race to the bottom or the top—so that labor unions in wealthier countries want to have certain basic, core labor standards observed in poorer countries because they think it will be better for average people, so that the trading system actually benefits them. So I think that is bringing all those people out.

Goals of the Seattle Round

Mr. Paulson. What in your mind will make this week a success or a failure?

The President. Well, I think if we can continue to negotiate and can reach some accord on the terms under which to start a new trade round and if I can persuade more of my colleagues that if you don't want people like the protesters outside of every trade meeting from now until the end of time, they're going to have to open the process so that the voices of labor, the environment, and the developing countries can be heard and so that the decisions are transparent, the records are open, and the consequences are clear, we're going to continue to have problems.

And I think, on balance, the world is much better off because we've expanded trade over the last 50 years. And I bet you a lot of the protesters came to the protest wearing shoes that were made in other countries, using cell phones, and maybe a lot of them drove cars that were made—

Mr. Paulson. Right.

The President. —or foreign manufactured. We live in a global economy that on balance has been quite good for the United States, but also good for developing countries. But we've got to make a better case down deeper into society. It's not just trying to convince a few elites in every society that the system of integrated trade on fair and open terms is good for them.

Labor Issues, Trade Sanctions, and the WTO

Mr. Paulson. Let me ask you about labor, which, you know, is a big issue here. What is your position on allowing trade sanctions against countries that violate core labor standards?

The President. I think what we ought to do, first of all, is to adopt the United States position on having a working group on labor within the WTO. And then that working group should develop these core labor standards, and then they ought to be a part of every trade agreement. And ultimately, I would favor a system in which sanctions would come for violating any provision of a trade agreement. But we've got to do this in steps.

I do think it is worth noting that the strongest opposition to this position, however, come from the leaders of developing countries, including a lot of developing countries that have leftwing governments, not rightwing governments, who believe that this is a strategy by the American labor movement to keep them down and keep them poor and keep them from selling products that they would otherwise be highly competitive in, in the American market.

Mr. Paulson. Right. Are they right?

The President. Well, I don't think so. That is, it certainly could be used that way. But what the American labor movement has a right, it seems to me, to is to know that their brothers and sisters throughout the world are actually going to be benefiting from expanded trade.

When I ran for President, there were some countries, small countries in the Caribbean where we had dramatically expanded trade in the years before I became President, where average hourly wages had fallen during the time trade had expanded and the incomes of the countries had gone up. That's not right.

So I wouldn't support labor's objectives if I thought they were just purely protectionist and they didn't want Americans to compete with people from other places, because we can compete quite well. And for every job we've lost

in America, we've gained two or three more. That's why we've got 19.8 million jobs in the last 7 years. We never had job growth like this before. And the trade-related jobs pay higher wages. So if I thought the labor agenda was purely protectionist, I wouldn't be for that.

On the other hand, I think it is legitimate to say that if people are out there working and selling their projects in the international arena and Americans are going to buy them and Europeans are going to buy them—all of us who come from wealthy countries where most people have the basic necessities of life—we ought not to buy from countries that violate the child labor norms; we ought not to buy from countries that basically oppress their workers with labor conditions and lack of a living income. And there is a way to strike the right balance here so that we put a more human face on the global economy.

I feel the same way about environmental standards.

Sovereignty, Environmental Issues, and the WTO

Mr. Paulson. That's the subject I want to ask you about next. As you know, critics are pointing at cases like the shrimp-turtle dispute and saying that corporate lawyers, meeting in secret, can invalidate U.S. laws. Are we yielding some of our sovereignty in being part of the WTO?

The President. Well, we yield the right to be unilateral and not bound by a system of rules every time we join any kind of organization. I mean, if you join any kind of organization in which there are going to be disputes, you can't say that "I'll only follow the rules when we win."

Mr. Paulson. Right.

The President. And you can't say that any organization made up of human beings will be error-free. But I know there was a lot of concern about the way the turtle case was handled. There is also—earlier the Venezuelan oil—

Mr. Paulson. Right.

The President. —where we had a lot of concerns. But I think the answer to that is to make sure that these environmental standards are properly integrated into the WTO deliberation and that we agree that countries ought to have more leeway on higher environmental standards than in other areas.

And again, some people in the developing countries may say, well, that's a protectionist

strategy. But from my point of view, it is not at all. I think that with climate change being the number one environmental problem in the world, it is a mistake not to take into account the environmental consequences, to not only a particular nation but to the climate as a whole, to anything that leads to accelerated deforestation or the increase in greenhouse gas emission.

But see, I've got a whole different take on this than most people do. I believe that one of the biggest economic as well as environmental problems the world has today is that most decisionmakers, not only in the United States but in all the developing countries, still believe the only way to get rich is the way the U.S. and Europe got rich in the industrial era, by burning more coal, burning more oil, putting more greenhouse gases into the atmosphere. And then countries say, "When we get as rich as they are, then we'll turn around and clean it up." But as you know, with climate change, it doesn't work that way. If you warm the climate, you put all this stuff into the air, it takes between 50 and 100 years to turn a lot of this around.

But we know now that it is technologically possible to grow the economy and reduce greenhouse gas emission, if you're a rich country, and stabilize them, if you're a poor country, by taking a totally different energy course into the future. The technologies are available right now. And that's what I think we have to sell people on. And then we've got to really work hard to get these technologies widely disseminated into the developing economies, so that India, China, these other places can use them to create jobs and raise income while they protect their environment. That's a sale we've got to make. And it ought to be part of the decision-making process of the WTO to promote that policy.

U.S. Goals in the Seattle Round

Mr. Paulson. Let me ask you one last question. What is the U.S. willing to give up at these talks? I mean, these are negotiations, and other countries would like to talk about our antidumping laws. What can we put on the table?

The President. Well, first of all, I think we ought to support the general rules that reduce tariffs and other trade barriers. And we ought to be for accelerating access to our market, for countries that follow responsible policies. That's at the heart of my Caribbean Basin initiative

and my Africa trade bill, and I have reached out to those countries to try to do that. And we ought to do that.

But I would not be for giving up our dumping laws, and I'll tell you why: because we already have the most open markets in the world. We have—when the Asian economy collapsed in '97, we could have closed our markets, and we didn't. And so it exploded our trade deficit. Our trade deficit is about 4 percent of our income now.

I'm for open borders because we get more products at lower cost, and it's a great pressure against inflation coming back into our economy. And we still have created almost 20 million jobs. But I don't think it's right to allow a temporary economic emergency to lead to a surge of steel dumping, for example, like we went through, and then to throw a lot of Americans out of business in capital-intensive industries who might not be able to get back into business, just because of an economic crisis somewhere else and because nobody else will take the products. I mean, for the Europeans to tell us we should stop dumping, when during the Asian crisis we bought literally 10 times as much foreign steel as they did, is a little ludicrous—when they have absolute quotas on the number of foreign cars they will buy, that we don't have—is ludicrous.

So we can't give up our dumping laws as long as we have the most open markets in the world, and we keep them open to help these countries keep going, and other countries don't do the same. They shouldn't be able to take advantage of temporary economic developments to do something that otherwise the free market economy wouldn't support.

If you look at what our steel industry did, they shed over half of their employment; they spent billions of dollars modernizing technology. They were, under normal circumstances, internationally competitive. They should not have been put out of business by people dumping from Japan, from Russia, from any other country during the period of crisis that we just went through.

Disruption of the Seattle Round

Mr. Paulson. Okay. So as far as you know, the talks are still on, right? You haven't learned anything—

The President. Yes. While we've been talking, as far as I know, they're still on. And I think

they ought to stay on. And I think, again, if we can just get by the few people that are being—that aren't being peaceful and the people that are trying to stop people from meeting, I think the presence of others with legitimate questions about the WTO process, the environment and labor and how poor countries are treated, I think this can be a net positive because we're going to have to build a much deeper consensus for global trade to carry it forward.

Mr. Paulson. Okay. We'll see you tomorrow.
The President. Thank you.

NOTE: The President spoke at approximately 4:50 p.m. from the Presidential motorcade en route to San Francisco International Airport. This interview was released by the Office of the Press Secretary on December 1. A tape was not available for verification of the content of this interview.

Radio Remarks on World AIDS Day December 1, 1999

Since the beginning of the AIDS pandemic, more than 50 million men, women, and children worldwide have been infected with the HIV virus. Each day, 16,000 more become infected, half of whom are young people under the age of 25.

And while we've made great strides in treating AIDS here at home, there is much more that needs to be done, particularly in the developing world, where AIDS poses our greatest challenge.

Today, on World AIDS Day, and every day, we must join together as a global community to stem the tide of new infection, to care for

those who are sick, and to continue our quest for a vaccine and a cure.

NOTE: The President's remarks were recorded at approximately 10 a.m. on November 29 in the Roosevelt Room at the White House for later broadcast. The transcript was made available by the Office of the Press Secretary on November 30 but was embargoed for release until noon on December 1. These remarks were also made available on the White House Press Office Radio Actuality Line.

Remarks to the Trade Community in Seattle, Washington December 1, 1999

Thank you very much. Good afternoon. John, thank you for your introduction, and thank you for your example. I want to say a little more in a minute about the points that you made, but I thank you for being here.

Thank you very much, Patricia Davis. And I'd also like to thank the other people from the port here and the American Presidents Line who gave me a tour earlier of the port and how it works, with the rail and the trucking systems of this area. I thank you, Secretary Glickman and Secretary Slater, who's also here, for your support of trade; and Senator Murray, who had to go give another speech; Congressman McDermott, Congressman Inslee, from here in Washington.

We have a very large delegation from Congress. I'd like to ask all the Members of Congress who are here to please stand, so you'll see what the level of interest is. We have Representatives from the House and the Senate, from the Republican and the Democratic Parties here. And we're very glad to be in Washington State, Governor Locke, and in Seattle, Mayor Schell. We thank you for hosting us.

I thank all the other farmers who are here. And I'd like to say a special word of welcome to the children who are here, who are part of the WTO Trade Winds program.

Last year, Seattle sold \$34 billion in exports to foreign markets, making it the largest exporter among all American cities, everything