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Letter to Congressional Leaders Transmitting a Report on Emigration Policies of Mongolia

January 20, 1998

Dear Mr. Speaker: (Dear Mr. President:)

On September 4, 1996, I determined and reported to the Congress that Mongolia was not in violation of the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. This action allowed for the continuation of most-favored-nation status for Mongolia and certain other activities without the requirement of an annual waiver.

As required by law, I am submitting an updated report to the Congress concerning the emigration laws and policies of Mongolia. The report indicates continued Mongolian compliance with U.S. and international standards in the area of emigration.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on January 21.

Interview With Jim Lehrer of the PBS "News Hour"

January 21, 1998

Independent Counsel's Investigation

Mr. Lehrer. Mr. President, welcome.

The President. Thank you, Jim.

Mr. Lehrer. The news of this day is that Kenneth Starr, the independent counsel, is investigating allegations that you suborned perjury by encouraging a 24-year-old woman, former White House intern, to lie under oath in a civil deposition about her having had an affair with you. Mr. President, is that true?

The President. That is not true. That is not true. I did not ask anyone to tell anything other than the truth. There is no improper relationship. And I intend to cooperate with this inquiry. But that is not true.

Mr. Lehrer. "No improper relationship"—define what you mean by that.

The President. Well, I think you know what it means. It means that there is not a sexual relationship, an improper sexual relationship, or any other kind of improper relationship.

Mr. Lehrer. You had no sexual relationship with this young woman?

The President. There is not a sexual relationship—that is accurate.

We are doing our best to cooperate here, but we don't know much yet. And that's all I can say now. What I'm trying to do is to contain my natural impulses and get back to work. I think it's important that we cooperate. I will cooperate. But I want to focus on the work at hand.

Mr. Lehrer. Just for the record, to make sure I understand what your answer means, so there's no ambiguity about it——

The President. There is no——

Mr. Lehrer. All right. You had no conversations with this young woman, Monica Lewinsky, about her testimony, possible testimony before in giving a deposition?

The President. I did not urge anyone to say anything that was untrue. I did not urge anyone to say anything that was untrue. That's my statement to you.

Mr. Lehrer. Did you talk to—excuse me, I'm sorry.

The President. Beyond that, I think it's very important that we let the investigation take its course. But I want you to know that that is my clear position. I didn't ask anyone to go in there and say something that's not true.

Mr. Lehrer. What about your having—another one of the allegations is that you may have asked—or the allegation that's being investigated is that you asked your friend Vernon Jordan——

The President. To do that.

Mr. Lehrer. ——to do that.

The President. I absolutely did not do that. I can tell you I did not do that. I did not do that. He is in no way involved in trying to get anybody to say anything that's not true at my request. I didn't do that.

Now, I don't know what else to tell you. I don't even know—all I know is what I have read here. But I'm going to cooperate. I didn't ask anybody not to tell the truth. There is no improper relationship. The allegations I have read are not true. I do not know what the basis of them is, other than just what you

know. We'll just have to wait and see. And I will be vigorous about it. But I have got to get back to the work of the country.

I was up past midnight with Prime Minister Netanyahu last night; I've got Mr. Arafat coming in; we've got action all over the world and a State of the Union to do. I'll do my best to cooperate with this, just as I have through every other issue that's come up over the last several years. But I have got to get back to work.

Mr. Lehrer. Would you acknowledge, though, Mr. President, this is very serious business, this charge against you that's been made?

The President. And I will cooperate in the inquiry of it.

Mr. Lehrer. What's going on? If it's not true, that means somebody made this up. Is that—

The President. Look, you know as much about this as I do right now. We'll just have to look into it and cooperate. And we'll see. But meanwhile, I've got to go on with the work of the country. I got hired to help the rest of the American people.

Pope's Impact on Cuba-U.S. Relations

Mr. Lehrer. All right. Speaking of the work of the country, other news today, the Pope is arriving in Cuba almost as we speak.

The President. Good thing.

Mr. Lehrer. All right. Has the time come maybe for the United States to also bury some economic and political hatchets with Cuba?

The President. Well, I think that our previous policy, the one that we've had now and the one we've had through Republican and Democratic administrations, of keeping economic pressure on and denying the legitimacy of the Cuban Government, has been a good policy. I have made it clear from the day I got here that we would be prepared to respond to a substantial effort at political or economic opening by Cuba. And we have, as you know, a system for communicating with each other. Nothing would please me greater than to see a new openness there that would justify a response on our part, and I would like to work on it, and I think Mr. Castro knows that. I've tried to proceed in good faith here.

Mr. Lehrer. Have you thought about doing something dramatic? I mean, this is your second term—getting on an airplane and going down, or inviting him to come up here, something like that—just like what the Pope is doing?

The President. I'm glad the Pope is going there. I hope that we will have some real progress toward freedom and opening there, and I'll work on it. But that's still mostly up to Mr. Castro.

Mr. Lehrer. Why is it up to him?

The President. Well, because—look what the Pope is saying. The Pope is saying, "I hope you will release these political prisoners." You know, no American President getting on an airplane and going down there or having him come up here is going to deal with that. I mean, the Cuban-American community—I know a lot of people think they've been too hard on this, but they do have the point that there has been no discernible change in the climate of freedom there. And I hope that the Pope's visit will help to expand freedom, and I hope that after that we'll be able to talk about it a little bit.

Mr. Lehrer. The Pope, in fact, was interviewed on his plane a while ago by some reporters, and they asked him, "What message would you give to the American people," and he—"about the embargo?" And he said, "To change, to change, to change." That would be his message to the American people.

The President. His Holiness is a very great man, and his position on this is identical to that, as far as I know, of every other European leader. And only time will tell whether they were right or we were.

Mr. Lehrer. Explain to Americans who don't follow the Cuban issue very carefully why Cuba is different, say, than China, a Communist country, North Korea, a Communist country, Vietnam—we had a war with Vietnam, as we did with Korea, and in some ways China as well. We have relations with them. Why is Cuba different?

The President. I think Cuba is different, in no small measure, because of the historic legacy we have with them going back to the early sixties. I think it's different because it's the only Communist dictatorship in our

hemisphere, a sort of blot on our neighborhood's commitment to freedom and openness. And a lot of Americans have suffered personal losses there of significant magnitude. And I think, as a practical matter, we probably think we can have a greater influence through economic sanctions in Cuba than we can in other places.

Now, I have worked over the last 5 years in a number of different ways to explore other alternatives in dealing with this issue, and I wouldn't shut the door on any other alternative. But I believe that our denial of legitimacy to the government and our economic pressure has at least made sure that others didn't go down that path, and that now, I think, it's one of the reasons that every country in this hemisphere is a democracy and a market economy except for Cuba. I think a lot of people forget what the impact of our policy toward Cuba and what the highlighting of the Cubans' policies have done to change the governmental structures in other countries in our neighborhood.

So I'm hoping—nobody in the world would be happier than me to see a change in Cuba and a change in our policy before I leave office. But we have to have both; we just can't have one without the other.

Mr. Lehrer. You don't see anything happening anytime soon as a result of the Pope's visit?

The President. Oh, no, I'm very hopeful. I was very pleased when I heard he was going. I wanted him to go, and I hope it will be a good thing.

Middle East Peace Process

Mr. Lehrer. The Middle East: As you said a moment ago, you met with Mr. Netanyahu twice yesterday; you meet with Mr. Arafat tomorrow. First, on Netanyahu, what is it exactly you want him to do?

The President. Well, let's talk about what he wants. What we want is not nearly as important as what he wants, what the Palestinians want, what the other people in the Middle East want. What we want is a just and lasting peace in the Middle East. What I believe that he and his government want is an agreement to go to final status talks in the peace process under circumstances that they believe maximize their security. I think what the Palestinians want is an agreement that moves them toward self-determination under circumstances that maximize their ability to improve the lives of their people and the reach of their popular government.

And we've been out there now for a year—I mean another year, of course, 5 years since I've been President—but since the Hebron withdrawal, we've been out there for a year in the Middle East looking around, listening, talking, watching the frustration, seeing the growing difficulties in the Middle East peace process. And we came up with an approach that we thought, in the ballpark, would satisfy both sides' objectives.

We worked with Mr. Netanyahu yesterday exhaustively to try to narrow the differences. And we didn't get them all eliminated, but we made some headway. And we're going to work with Mr. Arafat tomorrow to try to do that. And then we're going to try to see if there's some way we can put them together. And I'm very hopeful, because I think it's not good for them to keep on fooling with this and not making progress.

Mr. Lehrer. Why does it matter that much to an American President that these two men get together and make an agreement?

The President. Well, first of all, I think it matters in the Middle East because of our historic ties to Israel and the difficulty that it would cause us if there were another war in the region. Secondly, of course, we have major energy interests in the region; a big part of our economic recovery is having access to it. The third thing is we have a lot of friends in the region, beyond Israel, and if they all fall out with one another that's bad for America.

And of course, then if deprivation among the Palestinians leads to a rise of violence and leads to a rise of more militant Islamic fundamentalism in other countries throughout the region, then that could be a destabilizing fact that could really make things tough—if not for me, then for my successors down the road and for the American people down the road in the 21st century.

Mr. Lehrer. So you believe with those who say only America can make peace in the Middle East?

The President. I believe America is uniquely situated to help to broker a peace

in the Middle East. I actually believe only the parties can make peace in the Middle East. I think only Israel and the Palestinians and Syria and Lebanon can join Jordan at that table; that's what I think. I think in the end we need to be very aggressive in stating what our views are; we need to fight hard to at least have our position taken seriously; but in the end, you know, they have to live with the consequences of what they do or don't do, all of them do. And they're going to have to make their own peace.

Mr. Lehrer. The word around, as I'm sure you know, is that you and Netanyahu really just don't like each other very much. Is that right?

The President. I don't think so. It's certainly not true on my part. But we have had differences of opinion on occasion in approach to the peace process, and then there has been a little smattering in the press here, there, and yonder about those differences and whether they were personal in nature. But for me, they're not personal in nature. I enjoy him very much. I like being with him. I like working with him.

We had a difficult, hard day yesterday. We had a long session in the morning, and then he worked with our team, including the Vice President, the Secretary of State, through much of the afternoon. Then after my dinner last night, I came back, and we worked again for a couple hours. So it's hard to do that if you don't like somebody. I really believe that he is an energetic man, and I think that within the limits of his political situation, I believe he's hoping to be able to make a peace and to get to the point where he and Mr. Arafat can negotiate that.

But our job is to see, if you will, from a different perspective, the positions of both the Palestinians and the Israelis. It's sort of like standing too close to an impressionist painting sometime—there's lots of dots on the canvas and the people who are standing too close to it, even though they're painting the canvas, may get lost in the weeds, and then the people that are standing back can see the picture. And it's a beautiful picture if it all gets painted.

So that's what I'm trying to do. I have to keep backing the painters back, so they can see the whole picture, and then getting to the details and trying to help them ram it home. Because the one thing that I worry about is, you just sit there and have the same old conversation over and over again until the cows come home, and it's easy to do. So that's what I'm trying to—I'm trying to broker this thing, be a catalyst, get the people together, and give an honest view of what the picture looks like from back here about what the two artists can live with.

Mr. Lehrer. Well, some people say that it doesn't look like, to the innocent observer, that either one of these guys want to make peace; that you may be forcing them to do something that deep down in their either political hearts or otherwise——

The President. That could be.

Mr. Lehrer. ——they just don't want to do it.

The President. That could be. And I don't know what to say about that.

Mr. Lehrer. But you're not going to give up on it?

The President. No. No. You know, if I don't make any progress, I'll level with the American people and the rest of the world and tell them I'm doing my best but I'm not making any progress. But we were hitting it last night until late, and then we're getting ready now for Mr. Arafat to come, and we'll hit it hard tomorrow. And that's all I know to tell you; we're just going to keep hitting it.

Asian Economies

Mr. Lehrer. On Asia, the Asia financial crisis, what business is it of the United States to save these failing Asian economies?

The President. Well, first of all, we can't save the Asian economies if they won't take primary steps to help themselves, the way Mexico did. You remember, we loaned Mexico some money, and they paid back early with interest, and we made about $500 million because they took tough steps to restore economic growth and create jobs, raise incomes, and get their financial house in order.

That's the first and most important thing the Asians have to do. But in order to make it, they also need the backup of the International Monetary Fund and a plan designed to deal with the particular problems of each country, and then the U.S. and Japan and

Germany and the rest of the Europeans to stand behind that to say, if necessary, we will put together a package to really restore confidence. In most of these Asian economies, the problem is the financial system and people can't pay back their loans or investors take their loans—when their loans are repaid, investors take the money and go somewhere else.

What's that got to do with America? Well, every day now in some of our newspapers you can see what's happening in the Asian stock markets and the Asian currency markets. What happens when a country's currency drops? When a country's currency drops, it doesn't have as much money in dollars, and therefore it can't buy as many American exports. A big part of America's economic growth since 1993 has occurred from exports, a big part of that from exports to Asia. If the value of all their money goes down, they can't keep buying our exports. And that hurts us. Also, if the value of their money goes down, everything they sell in other places in the world is all of a sudden much cheaper, so they can push us out of those markets.

Mr. Lehrer. Cheaper than our stuff?

The President. Correct. So if you want to just look at the plain, brutal, short-term economic interest, that's the short-term economic interest. If you want to look at the long run, we've got an interest in Asia in having stable democracies that are our partners, that work with us to help grow the region and grow with us over the long run to help shoulder burdens like climate change, cleaning up the environment, dealing with global disease, dealing with weapons of mass destruction, contributing to the efforts in Bosnia, ending the nuclear program in North Korea. All those things we depend on the Asian countries to be a part of. They can only do that if they're strong. So, we live in a world that's so interdependent that we need them to be strong if we're going to be strong.

Mr. Lehrer. As you know, there's some Members of Congress who are saying what this really boils down to is welfare for international bankers—that's what we're up to. How do you respond to that? That's going to get—that seems to be growing particularly in the last few days.

The President. It bothers me a lot. First of all, there's some truth to it. That is, if a country like Indonesia gets money from the International Monetary Fund to deal with its financial problems, what are its financial problems? You've got to pay notes when they're coming due. And if somebody made a foolish loan that they should not have made in the first place, that's an only 90-day loan on a building that's going to last for 20 years, for example, you hate to see them get their money back plus a profit at someone else's expense.

On the other hand—and let me say, we're sensitive to that. Secretary Rubin has done a very good job of trying to get these big banks to roll over their debt.

Mr. Lehrer. Take some hits themselves?

The President. Take some hits—at least ride the roller coaster. They'll actually get their interest back——

Mr. Lehrer. If they'll hang in there.

The President. ——and the principal if they hang in there. But they need to hang in there. They don't need to just take the money and run.

On the other hand, if you start saying, well, everybody is going to get half back of what they put in, that will actually speed the rate at which people take money out and reduce the rate at which people put money in; you don't rebuild confidence, and therefore the collapse is more costly. That's what bothers me.

I mean, nobody likes the idea—I don't think any American likes the idea that every single banker in one of these countries that made every bad loan will get paid back. And that, in fact, won't happen. But when you try to pay back most things to stabilize the situation, the reason you're doing it is not to give the people who made the loans their money back; the reason you're doing it is to send a signal to the world that business is back up and going, that you have to be more careful now, but you can trust this country now and you can invest.

So I think—I'm convinced we're doing the right thing for our own economy. I'm convinced we're doing the right thing for our values and our principles. And I hope I can persuade the Congress that we are.

Situation in Iraq

Mr. Lehrer. All right. Another subject, Iraq—bad news today. Apparently, Mr. Butler left. What can you tell us about where that thing stands, in terms of whether the inspectors are going to be allowed to do what they want to do, et cetera?

The President. They seem to want to wait until early March to open the——

Mr. Lehrer. Iraq does?

The President. Iraq—open the sites that Mr. Butler believes that ought to be open. That's a problem for us because we believe that we have to do everything we can, as quickly as we can, to check for chemical and biological weapons stocks. And as I told the American people the last time we had the standoff with Saddam, before he relented and let the inspectors go back, my concern is not to re-fight the Gulf war; my concern is to prepare our people for a new century, not only in positive ways like creating a big international financial framework that works for them, as that we just talked about, but also to make sure we have the tools to protect ourselves against chemical and biological weapons.

So tonight I can't rule out, or in, any options. But I can tell you I'm very concerned about this, and I don't think the American people should lose sight of the issue. What's the issue? Weapons of mass destruction. What's the answer? The U.N. inspectors. What's the problem? Saddam Hussein can't say who, where, or when about these inspection teams. That has to be done by the professionals. And sooner or later, something is going to give here, and I'm just very much hoping that we can reason with him before that happens. But we've got to have those sites open.

Mr. Lehrer. Now, Ambassador Richardson with the U.N. and others in the administration have said the military option—just to pick up, just to continue your sentence—the military option remains on the table. The Ambassador from Iraq to the U.N. was on our program recently, and he pretty much acknowledged that Iraq is banking on that not being real, that the U.S. alone is not going to go in there and take out some suspected anthrax facility, particularly if it's in the palace where Saddam Hussein lives, et cetera, et cetera.

The President. The United States does not relish moving alone, because we live in a world that is increasingly interdependent. We'd like to be partners with other people. But sometimes we have to be prepared to move alone. You used the anthrax example. Think how many people can be killed by just a tiny bit of anthrax. And think about how it's not just a question of whether Saddam Hussein might put them on a Scud missile—an anthrax head—and send it to some city of people he wanted to destroy. Think about all the terrorists and drug runners and other bad actors that could just parade through Baghdad to pick up their stores if we don't take the strongest possible action.

I far prefer the United Nations; I far prefer the inspectors. I have been far from trigger-happy on this thing. But if they really believe that there are no circumstances under which we would act alone, they are sadly mistaken.

And that is not a threat. I have shown that I do not relish this sort of thing. Every time it's discussed around here—I said, you know, one of the great luxuries of being the world's only superpower for a while—and it won't last forever, probably, but for a while—is that there is always time enough to kill. And therefore, we have a moral responsibility to show restraint and to seek partnerships and alliances. And I've done that.

But I don't want to have to explain to my grandchildren why we took a powder on what we think is a very serious biological and chemical weapons program, potentially, by a country that has already used chemical weapons on the Iranians and on the Kurds—their own people.

Mr. Lehrer. So you would order an air strike or whatever it would take to take out some facility if you couldn't get rid of it any other way?

The President. Well, I'm going to stay with my tried and true formulation: I'm not ruling out, or in, any option. I was responding to what you said, that the Iraqi official thought we were just talking because we wouldn't want to discomfit anyone or make them mad. That's not true. This is a serious thing with me. This is a very serious thing. And you imagine the capacity of these tiny

amounts of biological agents to cause great harm; it's something we need to get after.

And I don't understand why they're not for getting after it. What can they possibly get out of this? If he really cared about his people—he's always talking about how bad his people have been hurt by these sanctions—if he really cared about his people he'd open all these sites, let everybody go in and look at them——

Mr. Lehrer. And get it behind him.

The President. If he's telling the truth, there's nothing there; and if he's not, he'd get it behind it one way or the other. And we could then—he could say, ''Okay, what grounds does the United States have now for stopping the U.N. from lifting the sanctions? I have done everything I've been asked to do.'' And that would be a hard question for us, even though we've got reservations. We've had a hard time answering that question.

Mr. Lehrer. But would you go along with lifting the sanctions?

The President. Right now—our position is, if he complies with all the United Nations sanctions—the conditions of all U.N. resolutions leading to sanctions, that that's what we want Iraq to do. But what he wants is, he wants to have it both ways. He wants to get the sanctions lifted because he thinks people want to do business with him, and he wants to be able to continue to pursue a weapons program that we think presents a danger to the region and maybe to the world and certainly to our own interests and values.

So I just want him to think about it again before they weigh all this too much. I think that's a mistake. I want him to think about it and let these inspectors go back.

Bosnia-Herzegovina

Mr. Lehrer. One more foreign policy area, and that's Bosnia. That just hasn't worked out the way you had hoped, has it?

The President. Well, it hasn't worked out as fast as I'd hoped, but it actually is kind of working out the way I had hoped in the sense that the Dayton peace agreement is very much alive and well. And we've separated the troops—I mean the forces—and the people, and we've got some relocation going on, and we've collected a lot of the bad weapons and destroyed them. We're making some progress on the joint institutions and other things, and we're trying to get that country together.

And I must say, I was very impressed on my recent trip there by the level of support for the United States and the international community in our presence there, the level of support for our staying there, and the level of commitment of so many people to genuine pursuit of peace. And I think we can make it in Bosnia.

Did I think we could all withdraw by now? Yes, I did. But if you had told me, on the other hand—that's the down side. If you had told me, on the other hand, you can go there and stay a couple of years and there won't be any gunshots fired, and the only people you'll lose will be in accidents of one kind or another, and you'll have an increasing amount of harmony in the urbanized areas that you hadn't imagined you would get, and some of the other positive things that have happened, I think we'd all been very happy about that.

So I'm going to stay after this. Again, this may be my congenital optimism, but I believe we're going to make the Bosnian peace process work.

Mr. Lehrer. U.S. troops are going to have to be there a long time, aren't they, Mr. President?

The President. That depends on how long it takes to achieve the mission. What I do think we should do, since it just invites recalcitrance on the part of any parties in Bosnia that don't want to do something that's in the Dayton peace agreement, if the Americans say, ''Well, we're leaving in a year,'' and then the Europeans say, ''We're going to leave as soon as they do,'' then the people who have to make changes say, ''Well, all I've got to do is hang around a year, and I won't have to make any changes at all.'' So I think we should lift the sort of time certain——

Mr. Lehrer. No more deadlines.

The President. ——for withdrawal. Yes. Because it—the world community really hasn't done anything like this in a while—not like this—and it's very complicated. But on the other hand, at bottom, it's about people getting along together and working together and serving together as citizens. And

I have been quite impressed by how much has been done.

U.S. Role in an Interdependent World

Mr. Lehrer. We've been talking now about all these foreign policy things and I was just—if you were to go back through here, only the U.S. can keep peace in Bosnia; only the U.S. can make peace—and make peace in the Middle East; only the U.S. can stabilize——

The President. Facilitate peace.

Mr. Lehrer. Yes, facilitate peace.

The President. Whatever that word is.

Mr. Lehrer. Okay, facilitate peace.

The President. They've got to make the peace.

Mr. Lehrer. Okay. Only the U.S. can help stabilize the economies of Asia; only the U.S. can stare down Saddam Hussein in Iraq. If there are going to be any coalitions, the U.S. has to organize them and make them work. Is this the role of the United States of America for the immediate future?

The President. Well, it's a big part of it. But it also is a part of our role to put together a broad coalition on the climate change treaty to deal with global warming. It's also our role to put together global efforts to stiffen our efforts against biological warfare, or to put together a global effort to support the International Monetary Fund and nations themselves in dealing with the Asian financial crisis.

We live in a world that is interdependent in two or three ways. Number one, what happens in one country affects what happens in another one. We can see that. Number two, what happens on economic issues increasingly has a security impact, and vice versa. I'll just give you—the most blatant example is there's all these articles in the paper about all these countries, that their currency dropped and therefore they can't buy jet airplanes for their air forces. That's the most obvious case.

Mr. Lehrer. Thailand, for example.

The President. Yes. So there's the economics and the security; there's the national and the international. There's all this interdependence. And I just think that in this world, if you happen to be at the moment it's occurring, that this huge new world of interdependence is occurring—and plus you've got all this interdependence at a citizen level with the Internet exploding and the information explosion. We're going to have all kinds of implications with the scientific explosions going on now. And we just happen to be, at this moment in history, the strongest and the wealthiest country around. It is a unique gift for our people. They've worked hard for it, but it's still a blessing. But it's also a unique responsibility.

And, you know, looking back over the last 5 years—I just celebrated my 5th anniversary here—I think that our administration has had good success in changing the role of Government, in changing the debate about Government from—you know, the debate I heard for the 12 years before I got here was the Government is the problem versus Government is the solution. And we've sort of come up with, no, no, Government is neither. Government is a catalyst; it's got to give people the tools to solve their own problems; it's got to be a good partner; it's got to empower neighborhoods and people. So we've got a smaller, more active Government, and yet we've invested more in education, more in science and technology, more in the environment. And it's working, and we've got good results.

We've not been as successful in convincing people in very practical terms about the interdependence of foreign and domestic policy, of economic and security policy. We just haven't been. But I'm hoping we can be more successful.

Mr. Lehrer. The way it would come back to you would be this way, Mr. President. If there's a problem, like Asia has an economic problem, we're the folks that send the most money. You had a problem in Bosnia, Somalia, a military problem—we're the ones that send the most troops. That's how it translates in practice.

The President. Yes, but if you look at it—if you look at—there are some areas in the Bosnian peacekeeping operation, like civilian police, for example, where the Europeans have 9 times as many as we do. We put up more money. You look at the different allocations.

If you look at what's going on in the United Nations, if the congressional position—which

is that we ought to have our U.N. dues lowered to 20 percent—prevails, since a lot of really poor countries pay even less than their fair share of the world's GNP, we'd actually be getting off light compared to many, many other countries—really light. So it's just not true that we always pay an unfair share, but it is true that we are called upon to bear the largest burden.

If it helps us, I think we ought to do it. And if it's right and we can do it at an acceptable price, we ought to do it, whether or not we're sure it helps us. But it's hard to quarrel with the argument that we've been hurt by having 220-odd trade agreements in the last 5 years, when you look at what's happened and a third of our growth coming out of trade. It's hard to quarrel with the argument that we've been hurt by our leadership in Bosnia or the Middle East, in Northern Ireland or any of these other places.

It's hard to quarrel with the fact that our efforts to work with other countries to deal with chemical and biological and nuclear weapons, to deal with climate change, to deal with global disease spread, those things are good for Americans right where they live. And we just simply don't have an option to say, ''Well, I'm sorry, it looks bad in the newspaper today so I think I'll check out of this old world.'' But it looked pretty good there for a couple of years, and we were getting a whole lot more than we were giving, so we liked that.

We've got to be consistent, and we've got to realize that there is an interdependence within our country, on each other, and beyond our country. And I've been working on that. And I'm supposed to be a pretty good communicator, but I don't think I've done as well as I need to. I've got to do more to persuade people.

Racial Divisions in America

Mr. Lehrer. On a domestic issue, one that you've also been talking about a lot—recently, in particular, but you've always talked about it—and that's the racial divisions in this country. Where would you put that in terms of your own concerns and the concerns that you think the average American should have about their country right now as we sit here?

The President. Well, I think the average American should be concerned about it particularly as it relates to the racial disparities in the results we get in living and working and educating in America. I mean, if you look at the number of minorities who are in poor inner-city schools, where the performance is lower than it should be; if you look at the number of people who either don't have jobs or are still underemployed, no matter how strong the economy is; if you look at the patterns of opportunity wherever there are differences, I think we should be concerned about that.

And we don't have to have a fight over affirmative action every time. We can actually say, how are we going to make it possible for more people to live together, learn together, and serve together and work together at the same level of excellence? I think everybody should be concerned about it. I think everybody ought to be concerned about discrimination, where it still exists—and it still does.

And finally, you know, the Vice President gave a brilliant speech on Martin Luther King's Day, Monday, down in Atlanta, talking about how profoundly embedded in the human heart and culture and history the feelings of racial prejudice are. And I think it's really worth—if we're going to be an interdependent country leading an interdependent world, then all this interdependence has got to work. And with all of our diversity, we've got to keep working on it hard. It's not just a question of education. You've got to really work at it all the time.

Mr. Lehrer. Why are you having trouble getting some blunt talk started on this?

The President. I don't know—we finally got some blunt talk going on affirmative action. And there were some pretty compelling stories told in Phoenix the other day. But I would like to see some blunt talk.

Mr. Lehrer. On affirmative action?

The President. Well, we had some blunt talk on affirmative action. I don't think the whole debate ought to be about affirmative action.

I mean, you know, look at what we've done, for example, with something that's supposed to have a civil rights impact that's

largely economic, the Community Reinvestment Act. It passed in 1977, over 20 years ago. Now, the Community Reinvestment Act was set up to say to the bank regulators, "Look, you guys go in and look at these banks and tell them, you've got to take some of your money and invest it in inner cities and neighborhoods and with people who otherwise would not get it so they have a chance to build homes, to build businesses, to create jobs, to build neighborhoods." In the 20-year history of the Community Reinvestment Act, 85 percent-plus of the money loaned out under it to poor inner-city neighborhoods has been loaned in the 5 years since I've been President.

So I think there are things we can do to improve education, to improve job growth, to improve not just having jobs but also income and ownership among minorities, to create opportunities for service that will bring people together, that will also mean fewer racial discrimination claims that have to be dealt with by Government, and also I think will help to tame the savage heart that still lurks within so many of us.

President's Goals and Accomplishments

Mr. Lehrer. What should the American people think about their President right now? You're going into your—the last 3 years of your administration; you got all this controversy today; you've got all kinds of things in the air.

The President. I think they ought to, first of all, think that—I came to office after the '92 election with a real theory of what I wanted to do to build America's bridge to the 21st century; that I wanted to strengthen our Union, and I wanted to broaden our set of opportunities, and I wanted to deepen our freedom, and I wanted to prepare for this modern world.

I had an idea about changing the philosophy of Government, which I talked about earlier. I had an idea that all of our policies ought to be rooted in my three little words: opportunity, responsibility, and community. We had a plan for changing the economic policy of the country, the welfare policy of the country, the crime policy of the country, the policy helping people balance work and family, of integrating economic and other kinds of foreign policy. We had all these plans, and I think you'd have to say, on balance, it's working pretty good.

So the first thing I would hope they say is, the President might be right about his philosophy of Government and the values and the principles that we ought to be looking to, and about this whole interdependence business—because we do have the lowest unemployment rate, the lowest inflation rate in a generation, the lowest crime rate in a generation, the biggest drop in welfare ever, dropping rates of juvenile crime, teen pregnancy, drug use, and we're moving ahead in the world.

The second thing I'd like for them to say is, we've still got some significant challenges out there before we are completely prepared for this new era. We've got the entitlement challenge: How are our parents going to be on Social Security and how are the baby boomers going to be on Social Security without bankrupting their kids? We've got the work and family challenge still there: How can you do the most important work of society, raising children, and still be good at work? We've got the environment and economy challenge out there: How do you deal with climate change and clean air, clean water, safe food, diseases spreading—all this sort of stuff—preserving the environment, growing the economy? Those are just three of the big changes out there.

Look at the world. You know, in America we talk about diversity, and it's a real positive thing. We say we're going to get all these people together. In a world where the Internet can also give you information about how to make a terrorist bomb, and there's more and more diversity among religious and racial and ethnic hatreds, how can you make sure the world is about community, not conflict?

These are huge questions. And I don't think any serious person believes we've resolved all these questions. So when I look at '98, yes, I want to balance the budget; yes, I've got this great child care initiative which deals with work and family; I've got a Medicare initiative and the Medicare commission, which deals with honoring our obligations to our parents. But we've still got a bunch of work to do.

So the second thing I want them to say is, yes, he was right the first 5 years, and we're way ahead of where we were 5 years ago, but we've got a huge amount to do yet, a huge amount before we're really ready for the year 2000 and the 21st century.

Independent Counsel's Investigation

Mr. Lehrer. But on a more personal level, Mr. President, you're a week from your State of the Union Address, and here you're under investigation for a very, very serious crime—allegation of a serious crime. I mean, what does that do to your ability to do all of these things that we've been talking about, whether it's the Middle East or whether it's child care reform or what?

The President. Well, I've got to do my best. I'd be less than candid if I said it was just hunky-dory. But I've been living with this sort of thing for a long time. And my experience has been, unfortunately, sometimes when one charge dies, another one just lifts up to take its place. But I can tell you, whatever I feel about it, I owe it to the American people to put it in a little box and keep working for them. This job is not like other jobs in that sense. You don't get to take a vacation from your obligations to the whole country. You must have to remember why you ran, understand what's happening and why, and go back and hit it tomorrow. That's all you can do.

Mr. Lehrer. But going back to what we said at the beginning, what we were talking about, isn't this one different than all the others? This one isn't about a land deal in Arkansas, or it's not even about sex. It's about other things, about a serious matter.

The President. But all the others, a lot of them were about serious matters. They just faded away.

Mr. Lehrer. I'm not suggesting that they weren't serious——

The President. All I can tell you is I'll do my best to help them get to the bottom of it. I did not ask anybody to lie under oath. I did not do that. That's the allegation. I didn't do it. And we'll just get to the bottom of it. We'll go on.

And meanwhile, I've got to keep working at this. I can't just ignore the fact that every day that passes is one more day that I don't have to do what I came here to do. And I think the results that America has enjoyed indicates that's a pretty good argument for doing what I came here to do.

Public Approval of the President

Mr. Lehrer. Whatever the personal things may be, the polls show that people approve of your job as President, even though they may not have that high regard of you as a person.

The President. Hardly anyone has ever been subject to the level of attack I have. You know, it made a lot of people mad when I got elected President. And the better the country does, it seems like the madder some of them get. But that's not important. What's important here is what happens to the American people. I mean, there are sacrifices to being President, and in some periods of history the price is higher than others. I'm just doing the best I can for my country.

Paula Jones Lawsuit

Mr. Lehrer. We're sitting here in the Roosevelt Room in the White House, it's 4:15 p.m., Eastern Time. All of the cable news organizations have been full of this story all day. The newspapers are probably going to be full of it tomorrow and the news—this story is going to be there and be there and be there. The Paula Jones trial coming up in May, and you're going——

The President. I'm looking forward to that.

Mr. Lehrer. Why?

The President. Because I believe that the evidence will show what I have been saying, that I did not do what I was accused of doing. It's very difficult, you know—one of the things that people learn is you can charge people with all kinds of things; it's almost impossible to prove your innocence. That's almost impossible to do. I think I'll be able to do that. We're working hard at it.

Mr. Lehrer. What about the additional element here? You're the President of the United States. You've got—certainly you've got personal things that you want to prove or disprove, et cetera. But when does just the process become demeaning to the Presidency? I mean, somebody said—in fact they said it on our program—that this trial in May

will be tabloid nirvana. And look—just what happened——

The President. I tried to spare the country that. That's the only reason that we asked the Supreme Court to affirm that, absent some terrible emergency, the President shouldn't be subject to suits, so that he wouldn't become a political target. They made a different decision. And they have made the decision that this was good for the country. So I'm taking it and dealing with it the best I can.

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Mr. Lehrer. And the new thing, you're going to be, you know, pour it on, nothing is going to change?

The President. I have got to go to work every day. You know, whatever people say about me, whatever happens to me, I can't say that people didn't tell me they were going to go after me because they thought I represented a new direction in American politics and they thought we could make things better. And I can't say that they haven't been as good as their word—every day, you know, just a whole bunch of them trying to make sure that gets done. But I just have to keep working at it.

I didn't come here for money or power or anything else. I came here to spend my time, do my job, and go back to my life. That's all I want to do. And that's what I'm trying to do for the best interests of America. And so far, the results have been good, and I just hope the people will keep that in mind.

Mr. Lehrer. Mr. President, thank you very much.

The President. Thank you.

NOTE: The interview began at 3:30 p.m. in the Roosevelt Room at the White House. It was videotaped for evening broadcast on Public Broadcasting Service television stations nationwide. In his remarks, the President referred to Monica Lewinsky, former White House intern and subject of Independent Counsel Kenneth Starr's newly expanded investigation; President Fidel Castro of Cuba; Richard Butler, chairman, United Nations Special Commission; and President Saddam Hussein of Iraq.

Excerpt of a Telephone Interview With Morton Kondrake and Ed Henry of Roll Call

January 21, 1998

Independent Counsel's Investigation

Mr. Henry. Hello, Mr. President, this is Ed Henry. How are you?

The President. Hi, Ed.

Mr. Kondrake. A few questions about the breaking news. Do you think that this Monica Lewinsky story is going to overshadow your State of the Union Address?

The President. Well, I hope not. But you guys will have to make that decision. The press will make that decision.

Mr. Henry. Some Republicans have been talking about impeachment for months now. And even your former adviser George Stephanopoulos mentioned it this morning, that it could lead to that. What is your reaction to the suggestion that this may lead to impeachment?

The President. Well, I don't believe it will. I'm going to cooperate with this investigation. And I made it very clear that the allegations are not true. I didn't ask anybody not to tell the truth. And I'll cooperate. So I think that there will be a lot of stirring and there will be a lot of speculation about how this all was done and what it means and what it portends, and you all will handle it however you will. I'm just going to go back to work and do the best I can.

Mr. Kondrake. Do you think you have to refer to it in some way in the speech on Tuesday?

The President. I've given no thought to that, no.

Mr. Henry. Will this cloud your ability to get anything done with this Congress as you head into the new session?

The President. Well, that will be up to them. I don't think so. It's election year; they'll want to get some things done, too. And we've got a lot to do. I'm going to give them the first balanced budget, 3 years ahead of time, and a great child care initiative and an important Medicare initiative. We've got a Medicare commission meeting. We're going to be able to actually see this budget balanced and start to run a little surplus. We've