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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

September 15, 1989

REMARKS BY THE PRESIDENT  
AT REGIONAL MEDIA LUNCHEON

The State Dining Room

12:57 P.M. EDT

THE PRESIDENT: Well, welcome to the White House. And before taking your questions, which I'll be glad to receive, I just wanted to say welcome. I hope that your briefings this morning were interesting and I'm delighted to follow on. I brought some experts along in case I stumble and fall; not an unlikely happening in this highly complicated world we're living in. But I'm pleased to have several of our very top advisors with me at this lunch.

Two areas, two items of immediate administration interests -- and hopefully national interest -- drugs and education have the highest priorities as issues of concern to the American people. And we've laid out a national drug strategy. We had a chance to talk about it a little at our table here, to deal with the scourge of drugs over the long term. And it's a complex strategy in which all pieces fit together in a reinforcing way. We're attacking the use of drugs, the supply of drugs, the law enforcement problems, and then the international aspects of this question.

In addition, we've suggested a funding program of about \$8 billion -- making it an \$8 billion effort. And we believe that we've accommodated this kind of spending, which incidentally is a substantial increase, without jeopardizing either the national security interests or without having to raise taxes on the working men and women of this country.

Under Bob Dole's leadership up in the Senate, we are about to engage in detailed discussions with the Democratic leadership in the Congress. And as I said earlier, we're flexible in terms of the funding method, but I strongly believe that we must retain the integrated elements of this drug strategy, which took more than six months to develop. And we can't afford to sacrifice our military preparedness. And you know what I mean by that. Whenever there's a demand for more funds, somebody says we'll simply take it out of the Defense budget. And we're in complicated times. We're in interesting times vis-a-vis the Soviet Union. And we've got a good national security budget and we've got a good national security strategy, and I view protecting that as a prime responsibility of the President of the United States. So our military, incidentally, is an integral part of this drug strategy -- drug effort.

The other issue is this education summit that will be convened on September 27th and 28th in Charlottesville. We've invited the nation's governors to come together for a two-day period to focus on the educational system, a system which is not, in spite of the money being spent per capita, is not making the grade. And in a recent comparison of 13-year-old students in the United States and 11 other countries, the United States placed last in math and near the bottom in science. And we're spending more money on education than most other countries, and frankly getting less in terms of our investment.

So in summary, the results are not there, and the educational system is basically well-fed, but it's undernourished. And we must find innovative, accountable ways to improve performance.

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The governors -- I was asked here why the governors and what about the role of these professionals that are quite knowledgeable -- but in my view, the governors are the most knowledgeable political leadership in terms of education experience. And I am looking to share new ideas in a number of areas, including teacher recruitment and retention; how to instill a drug-free and crime-free environment in our schools; increasing choice -- I'm a great believer in increased choice for parents and students -- and the role of the federal, state and local governments in meeting the educational needs. All these topics will, I'm sure, be discussed. And we're going to have some roll-up-your-sleeve meetings. Hopefully, the outcome will be new ideas that can help us develop national educational goals and objectives. I'm not sure we've had that before.

And let me just say that before coming over here -- and I don't know that you -- maybe you've been briefed on these. There were some new economic statistics released today -- good news. Producer prices declined in August for the third month in a row. The principal reason was a decline in energy prices. And the PPI dropped .4 percent in July, .1 percent in June. Industrial production rose .3 percent in August -- some rebound in the coal and auto industries. And then the merchandise trade deficit, which continues to plague us, but that deficit declined in July to \$7.6 billion -- and that was the smallest deficit since December of 1984. Imports fell \$1 billion while exports were off .6 percent.

So on the net basis, the situation was improved. And I would add that the economy continues to go forward. I think in October it will be the longest expansion, if you will, in the history of the United States. And so I'm not totally relaxed on all corners of the economy, on all quarters, but basically, why, it continues to produce jobs for the American people.

Now, I'll be glad to take questions.

Q Street agents in the DEA, FBI, ATF and so forth tell us that they've developed good working relationships in the fight against drugs, but that frequently their efforts, to do a combined effort, are hampered by the conflicting investigative priorities of the various federal law enforcement agencies. What do you see being done to try to pull that effort together on a policy level among various federal law enforcement agencies?

THE PRESIDENT: One of the roles of the Drug Czar, Bill Bennett, is coordination. And we have had meetings around our Cabinet table to try to cope with these -- bureaucratic competition that exists. I can't tell you we've got it whipped. I can tell you we've made progress. But I think from a management standpoint, the Drug Czar, with the full confidence of the President, offers the best hope to be able to have us minimize, if not eliminate, the rivalries that sometimes have adversely affected the concerted effort.

But I do think it's a little better. I know it's not solved, because even in my line of work you hear directly from some of the various agents in the various departments, so I know we've still got some work ahead. But the answer would be the Drug Czar office. But to get that to work -- because he is not statutorily in the Cabinet -- he has to have the full support of the President.

Q We have treatment programs in Columbus who are very anxious about this money -- if and when, assuming it does come through, for treatment programs. But some of them are worried about the future. Will this money actually come through? If the nation, as you say, is so concerned about drugs, why wouldn't the people be willing to go for a tax increase to pay for this, to know that the money is going to come year after year?

THE PRESIDENT: Well, I touched on that a little bit because of my desire to see the economy continue, and to have more and more jobs for people. And I think a tax increase would be counterproductive in that objective.

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If you have somebody that is deranged -- and I don't want to prejudge this poor soul -- but if he was deranged, I'm afraid you're going to have incidents like this. And it is terrible, and the loss of human life is horrible. But I have seen no evidence that a law would -- banning a specific weapon is going to guard against it.

So my view is, do everything you can in terms of education, do everything you can in terms of enforcing your laws that are on the handbooks. And let me diverge for one minute, because I remember back in the '60s, when I was a member of Congress, and I took my arsenal down to be registered down here at the D.C. Police Headquarters, and the guy looked at me like I'd lost my mind. And it was the second-to-last day of registration, and I had a .22 and .410 and I'm a hunter, and I like that. And I gave them the serial numbers and I said, how many people have registered? He said about -- we estimate about 11 percent. This was the day before, and I said, well, are you getting a lot of criminals to turn their guns in? He said, no, it's a bunch of suckers like you from Northwest Washington. And it made a profound impression on me.

Q Mr. President, speaking of finding funds for the drug war, an independent group of the National Governors Association and the National Conference of State Legislatures just reported that primarily, that money is coming from -- as a diversion from other grants to states and localities for public housing, immigrant training -- programs and juvenile justice. If that's the case, then aren't we essentially paying for the drug war by taking money away from other important needs?

THE PRESIDENT: I don't think it is the case, and I don't think we're paying for it by other important needs. You see, I still am of conviction that there are ways to make the government more efficient in terms of spending, and we spend a tremendous percentage of our Gross National Product -- a high percentage of our GNP on federal, and I think it is much less productive spending in terms of enriching the lives of people, so what we tried to do is suggest certain offsets, and some of them we said we're flexible on this. We're very flexible on how you, the Congress, decide you want to pay for this, but here's our suggestions, and I don't think any one of them would have decimated the quality of life of the individuals in this country.

Q Mr. President, the Mayor of Philadelphia and other local elected officials are facing a possible \$80 million deficit within a budget they've already slashed by \$70 million. They took a look at your drug war and said, "It's a great plan, but if you're counting on us for any money, this plan cannot work." Many other good city mayors facing similar budget problems have expressed the same concern. How much of this is going to be passed on to the states and the cities, and if it's a good chunk, as the local officials are saying, how can it work when they have no money?

THE PRESIDENT: Well, you're talking to a president who's facing a rather substantial federal deficit too, so tell the mayor we're in this thing together; we both have enormous deficits. And I am bound under the law to reduce the deficit, the law being Gramm-Rudman-Hollings. And I can't give you the specific figure -- maybe somebody can help me with it -- that's to be passed on to the states. But there are funds to go to the states and municipalities. But it isn't going to be solved by the federal government alone. It is the first time we have had a national strategy. It is aimed at the four categories I told you about. We will do everything we possibly can to help, but the message is, everybody has to be in this together. And the federal government is facing an enormous budget deficit.

Q But their answer to that is, "This can't work." Do you --

THE PRESIDENT: Well, that's the answer of the cynics.

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That is the answer of some of the cynics -- the reflex critics that say the first time out of the box, raise taxes. That's what some say to every problem we face in this country. And I took the case to the American people last year on that, and I don't think the American taxpayer is undertaxed. And we made a proposal that was received enormously well by the American people -- some 70 percent saying they supported this national strategy. And so we can't do everything we'd like to do. I'm going to protect the interests of the working man and woman in this country by not going out and raising his taxes, and still having a strategy that I think is unique and imaginative and will take us an enormous way down the road to solving this drug problem.

Q Mr. President, in the state of Illinois, they have spent a half a billion dollars to build 11 prisons, four more under construction. The county jail in Cook County is fined \$1,000 a day for overcrowding. Aren't you saying, sir, that we're going to have to build more jails out in Illinois, but it will have to be paid by raising taxes in Illinois and in Cook County?

THE PRESIDENT: Well, I've talked to Governor Thompson, who incidentally, signed a rather comprehensive drug bill the day after I announced our strategy. And to me, they dovetail rather nicely. But as you know, the federal government has certain responsibilities for federal prisons. And included in our recommendation are substantial amounts of money for increased prison capacity. And, yes, the states and localities are having to step up themselves and do stuff.

Q Raise taxes to do it?

THE PRESIDENT: Well, that's up to them. I'm not going to criticize a governor or a municipality that has to do something on the revenue side. I'm going to try to hold the line as President of the United States on federal taxes.

Q Mr. President, on drugs and taxes, we're currently paying \$150 billion to \$170 trillion a year to defend Europe. And the Congressional panel estimates that's a lot more than the other 15 NATO countries put together. Since the standard of living is higher in other countries and in Europe than it is here now, and since Gorbachev is offering deep cuts in the Warsaw armed forces, why not halve our contribution to the NATO forces and put that money in on the drug war?

THE PRESIDENT: Because we have a very realistic approach to the Soviet Union, and I am delighted to see the changes that are taking place there. And I've heard a lot of rhetoric and I welcome it. And I hope we can move forward on strategic arms and chemical weapon reductions in accord with the innovative proposal that we made and that NATO supported for conventional forces. But I'm like the guy from Missouri: Show me and take your time and do it right. And Europe has had peace for some 40 years now, and if you look at your textbooks, why, you'll see that that's a long, long time in an area of the world that has been troubled by conflict, in an area of the world that has involved us in this century in two -- where we've been involved in two massive wars that in a -- overnight, expenditures went right through the roof, if we're talking about it in terms of money.

So what I want to do is work -- in the first place, keep the Alliance strong. Secondly, prudently deal with the Soviet leadership. And I'm looking forward to sitting down with Mr. Shevardnadze next week. I'm looking forward to the substance that will be talked by Jim Baker and Shevardnadze out in Wyoming following the meeting with me. But not taking gambles and gambling on the come by making universal cuts in our commitment to a strong NATO. We have got to keep that Alliance strong.

And I know there's almost a euphoria in some quarters that they're no risks in the world anymore. Well, I don't believe that. And if you look at the Soviet Union modernizing its nuclear

arsenal at a rather ferocious pace, I'm prudent enough to say "Why? What's happening here? Why are they doing this? Why, if it's all euphoria and everything is rosy, nobody has anything to worry any more about, how come?" And so, let's not let down our Alliance guarantees because we are more optimistic about peace.

I can look at my grandkids today and say I am much more optimistic about their growing up in a world where they don't go to school worried about nuclear conflict -- much more, but that -- how we handle our end of the equation, I think has a lot to do with that.

Q But the American taxpayer, sir, is paying twice as much as the European taxpayer to defend Europe.

THE PRESIDENT: Well, I'm not sure of your numbers. I've never heard that statistic before. But I'm doing what I think is in the national interest of the United States. And part of that is our participation in an Alliance that has kept the peace for 40 years, and so that's the way I would look at it. And look, if you're asking me would I welcome any country in the Alliance doing more, the answer is yes. And that wouldn't extend just to the NATO Alliance, it would be every alliance we have.

Q Mr. President, there have been many great efforts through the years to interdict drugs and solve our drug problem that way. Do you envision a day when we might throw in the towel and treat it like we did prohibition and say let's shift our money from law enforcement back toward education, accept the legalization of drugs and try to fight in a more academic way?

THE PRESIDENT: No, no. I don't visualize such a day.

Q A local question: You recently nominated St. Louis County Executive Gene McNary to be the Director of Immigration and Naturalization. There are some people, even some admirers of Mr. McNary, who say there doesn't seem to be anything in his background that shows a sensitivity, perhaps, to work with minorities and so forth in that job. What did you see in Mr. McNary that led you to make the appointment to what is a growing -- a job that has a growing responsibility?

THE PRESIDENT: Extraordinarily capable manager. And that job is a major management job, and Gene McNary will do a first-class job in it.

Q Mr. President, today, at this very hour, there are three candidates for mayor of Cleveland taking urinalysis tests to prove that they do not have a drug problem. Has our drug problem in America gotten to that extent where even elected officials now have to prove that they're not a part of the problem, but part of the solution?

THE PRESIDENT: No, I don't know that it's gotten to that case. I am one who favors testing in certain categories. And there's a certain lack of dignity that goes, I guess, with that in some ways. Having said all that, I guess you'll remember that a couple of years ago President Reagan and I submitted ourselves to that -- what some thought was indignity. But if you believe in a drug-free workplace or the drug-free armed forces, certain testing is involved in that. I don't know the context of the Cleveland race, so how much of it is -- I just leave to others to assess how much of it's political and how much of it sets a pattern or sets a standard for others. But I think we've come to the point in this fight on drugs that people should be a little less concerned about testing than they have in the past.

And again, I don't live and die by polls if I did I wouldn't be standing here as President; we all remember that from about a year ago. But I would say that I think there is a shift in public opinion and people are much more serious about this fight on drugs. And I think there's much more support for a drug-free workplace, and I think there is much more support for testing.

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Q I'd like to talk about a chemical of a different sort. You campaigned as an environmental candidate. Agricultural chemicals are more and more being discussed now as a major pollutant and a major concern. I'm wondering how aggressive your administration is prepared to be in either helping or pressuring Congress to reduce chemical use?

MR. PRESIDENT: I think we have a responsibility to -- under our Environmental Protection Agency -- to look carefully at the realities of agricultural chemicals, because it does get into the food chain and -- if there's abuse. But I also think that you need a balance in it and EPA's looking at it right now. So I'd have to wait and see what recommendations they make and try to do our best. But we can't overlook that because of the controversy that it's caused in the agricultural community. And that's a little broad in general but that's the only way I know to respond to that one.

Q Your drug strategy is often seen as an urban inner-city initiative. How pervasive do you feel the drug problem is -- I come from rural Minnesota -- and how much of a priority is dealing with drug education and interdiction and helping law enforcement in rural areas?

MR. PRESIDENT: Well, I think in terms of interdiction, it's national and the effect of it is national. In terms of the international affairs component, for example, support for Colombia and what they're trying to do, it will impact favorably if we can encourage them on rural America and on city America.

I think you have to look in terms of treatment and in terms of impact of federal money for education on those areas that are where the most heavy use is. And I think we have to do some vectoring of funds to the highest impact areas. And I think you'll see that when the program goes forward. But in terms of education and the need to have kids understand the risk, it is totally national and it cannot be confined just to metropolitan areas.

Q I've been in Washington a few days. There's two things that seem to be on people's minds. The first one is why Joe Gibbs went for "Pass the ball" in the third in two situation. (Laughter.)

The second thing that comes to mind is the drug issue. We all come from across the country, but in our Nation's Capitol, it's a pervasive problem that has intensified for the past four years. Coming from across the country, we sometimes look to D.C. as a symbol of what's going to happen. What do you see your drug plan doing for the people of the Nation's Capitol and the inner city?

MR. PRESIDENT: You mean with --

Q What the drug plan in doing for the people who live in the inner city -- D.C.

MR. PRESIDENT: Raising hope. I see it raising hope and if we follow through, helping solve the problem. It isn't going to solve it alone. It's going to need those 10 black mothers in the D.C. Ward. It's going to need the schools involved with their local control and their local ability to go into their communities with a sensitivity that the Federal Government will never have.

But I see it -- I see the Presidency using the -- the President using the bully pulpit of the Presidency to stay on it -- to encourage and to exhort and to help financially through this national strategy where we can. But I got to keep making the point, the Federal Government isn't going to solve it. But you're asking about inner cities? But you can get the job done and do it in a lot of different ways, including involving ourselves in the lives of others.

And I don't care how much grief I get -- and it's not so

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much anymore because people are beginning to understand it -- about the thousand points of light. But it is one American helping another. It's a teacher who cares. It's a foster parent. It's those ten black mothers in the D.C. Hospital. And it's on and on and on.

And that is how the problem, along with the municipalities and the state governments and the federal government are going to solve this problem. But the President, I think, has a disproportionate responsibility to have a strategy which we now have and then to -- not forget it, to follow-up on it.

And I do believe that in the final analysis we can whip the problem. I was encouraged, and I expect others were here, too, about the decline in casual use of cocaine. Off 30 percent. And that's a good sign.

Now, how do we do the same thing for the crack user -- instead of having it go the wrong way? And I don't see as much on the media, for example, and the entertainment media in terms of condoning that which we now condemn. You don't see that much about it any more. It used to be the joke. And I keep citing -- I hope without prejudice -- the scene in Crocodile Dundee with the guy in his tuxedo and it was humorous, the use of cocaine. Today you don't see that. It's because the industry itself has moved in.

I cited in my drug speech the efforts of a man named Jim Burke who was the former chairman of Johnson & Johnson. He's guaranteeing, to the best of his ability, that \$1 million a day will be spent -- \$1 billion over the next three years -- on reaching out in education -- you know, changing a whole condoning culture into a condemning culture.

And so it's -- I am excited about the potential provided everybody pitches in together. And so what do you say to a kid in the city? There's something better for you, and we've got to prove it.

Q Your last question -- you mentioned your grandchildren a while ago, and this is kind of a personal question, maybe putting this in perspective for us. How do you feel as a human being and as a grandfather about the drug scourge? Are you afraid that your family members, your grandchildren, your friends, relatives, the people in the White House family are going to be seduced by drugs? Do you identify with the grandparents across the nation?

THE PRESIDENT: Yes, I worry about it -- of course I do -- about these kids. Peer group pressure -- enormous. Declining, I hope, but enormous. And so when I stand out there in the garden with the DARE program that teaches these kids out of the efforts by police officers all across this country to turn their back and how to resist peer pressure, I can identify with that -- perhaps more than if I didn't have these 11 grandchildren.

But I'm not pessimistic about it. I think America is waking up, and we are beginning to condemn that which, let's face it, we've condoned. We condoned it in my theory in a kind of a post-Vietnam period, or even in the Vietnam War period. We have got to understand the pressures that lead one that wants to escape. Now we see that it was wrong. We see that in condoning it, for whatever the reason, should have been condemned. And I think as that national more changes -- those national mores change, then I think you're going to find that the future of not just my 11 grandchildren, but the others, is far brighter. And mine, you know, are blessed with not having some of the pressures of a neighborhood where there are high incidences of cocaine use.

But, now we've got to take this changing mores -- these changing mores and have inner city America, highly-impacted America understand. And of course that has to, in my view, be coupled with opportunity -- opportunity to work, have an honest living instead of

one where you're a lookout at \$100 a crack for some drug addict. And so we've got a big educational job to do.

But I do worry about it, and I don't think any kid is immune from this peer pressure. But I'm absolutely convinced it's changing. You know, you can bark on something like a war on drugs and people say, yes, yet another war, and you have your cynics out there. And I can understand it because there have been efforts made and they've gone off the radar screen. But this one isn't going to go off the radar screen.

And what I've got working for me in this time frame in which I'm serving as President is this changing feeling in the country that we've got to do something about it. It's not just the administration, it's not just a handful of teachers or some parents group. It's the country itself. And that is very different, and that is working for us.

And so this gentleman doesn't feel I'm giving him the brush-off. You see, I think if we then go out and legalize drugs, we work just the opposite from what I'm saying are the changed -- the appropriately changing mores in this country, and that's why I strongly oppose it. And as long as I'm President, there will not be any federal-level consideration given to -- federal government-level consideration given to the legalization of narcotics. It simply -- it's counterproductive as we try to help in this whole field of education.

Q In Detroit we have severe drug problems, but we also have other problems: Blight, abandoned housing, and decay. UDAG monies and block grant monies have been decreased significantly over the past few years. Will those monies be returned in some capacity, and how does the Bush administration propose rebuilding America's inner cities, including Detroit?

THE PRESIDENT: We've got a brand new Secretary of Housing who is aggressively going after tenant ownership and changes in the housing programs. I don't want to mislead you. I don't think you'll see a change soon on revenue-sharing or increased UDAGs, for example, you asked about. But I think we've got a program that emphasizes ownership and tenant ownership, helping to clean the existing projects from narcotics reach, and then I come back to jobs -- jobs. And it's got to be the economy that is going to lift people up. A job in the private sector is the best poverty program.

And you look at the demographics -- and we again bored you all at lunch about this -- but their changing. And in the year 2000 -- and what -- Roger, somebody help me -- 2010 there are going to be more jobs than there are people looking for jobs. And that says then to the federal government, the state government, the government in Detroit -- train people, job retraining -- training them for jobs that will exist. And that, of course, gets back into what we were talking about at our table, about educational excellence. So it's education, job retraining, all of which impact in this question of housing. If a person has a job and a reasonable salary, he hopefully can afford to have an apartment or have a -- make a down payment on a house.

All right, she was very persistent, over here, screaming in outrage because I boycotted the table. This is the last one.

Q Thank you very much.

THE PRESIDENT: I'll say ahead of her question that I've always learned that the last question is the one that gets you in trouble. So let me see the seams on this one. (Laughter.)

Q In Pittsburgh, we are arresting drug suspects and they're being turned loose from the Allegheny County Jail because of overcrowding. Federal court ordering has mandated a certain population cap. Across the river -- Pittsburgh, our state prison facility has been ruled an overcrowded fire trap by another federal

judge. My question is, our Allegheny County Commissioner has written you asking you for permission to open military bases, underused or closed military facilities, to house some of these prisoners, especially the drug suspects that we're letting go. How will you respond to --

THE PRESIDENT: I'll respond to this as being given serious and active consideration. You talk about closing a military base now, come on out and try it sometime. (Laughter.) Even though the law prescribes it, and even though we have a sound program up there right now in the Senate, some people are challenging the closing of these bases. And it isn't much fun to have to go to a community that's been dependent on a base and say we're going to close your base.

Every congressman wants to close bases in somebody else's district -- or every senator, but in someone else's state. And we have a program to do this, and part of it might well be active consideration being given to a concept of using these facilities for jail space. There's some existing bases where we might be able to do that. There's some trading where you take prisoners from one jurisdiction and boarding them in somebody else's jail. They're innovative programs in terms of jail construction of lease backs. And so there's a lot of new thinking going on, including the proposals that are in our strategy of -- and this doesn't get directly to your question -- of more federal prisons.

But I think the man, whoever -- this fellow suggested this -- is on to something, and we will try to be very cooperative in that regard.

Q How soon might you respond to him if he's written about a week or two ago?

THE PRESIDENT: Well, tell him to get in line -- I get about 100 -- let's see, how many -- I'll tell you, one of the great -- they were asking me the joys of this job at the table. One of the frustrations is the mail, and the volume is horrendous. But your having raised it, I trust somebody will -- he will be hearing from him sooner than he might of. But we've got to be responsive on these -- (laughter) -- it's an understandable frustration when somebody asks. And I would simply take this opportunity to ask for forbearance and to say we will endeavor to do our very best.

When I left for summer vacation, the backlog on our mail was something like 100,000 letters. It was down to 9,000 when we got back -- somebody else doing all the heavy lifting, obviously. But we do want to do better on it. And especially when somebody is crying from the heart for help on a problem of this sensitivity. But we'll look into that one and see when he -- and hope he gets a very positive response. I expect your having brought it up, he will.

Listen, thank you all very, very much. (Applause.)

END

1:38 P.M. EDT

## Office of the Press Secretary

For Immediate Release

September 6, 1989

PRESS CONFERENCE BY THE PRESIDENT  
TO DRUG AND CRIME REPORTERSRoom 450  
Old Executive Office Building

11:37 A.M. EDT

THE PRESIDENT: Hello, everybody. Please sit. Well, I'm delighted that Dr. Sullivan and Bill Bennett are with me -- brought the first team in to respond to questions, too. I'm pleased with the -- our announcement on drugs.

There has been -- as I've listened carefully, there has been little, if any, substantive criticism about this national strategy. And listen to the critics, if you will, but recognize that you don't hear much substance. What you're hearing the debate about is how one pays for it or whether it needs to be more in one category or another. I say that because I think that is a tribute to the work of Bill Bennett and the others who helped formulate this first-in-a-lifetime national strategy.

Now, you're familiar with the strategy, but let me just touch a couple of points and then respond to your questions. It's a fully integrated approach. We address all the elements necessary to an effective strategy -- school and drug prevention programs, treatment, laws and criminal justice system, and foreign policy.

On the laws and criminal justice system, we sent a package up to the Congress several months ago on anticrime, including prisons and matters of that nature. And some of our critics fail to understand that that is already up there as a very separate program, but one that ties in, as I tried to point out last night, to our national strategy.

I'm determined that there will be no turf problems. I think, as I look back over my shoulder -- and I had some role in the interdiction as head of a task force. We had some problems with -- turf problems. I think with Bill's -- Bill Bennett's leadership and he and I working shoulder to shoulder, that we can eliminate any of those that might still be lingering. But we've got to work together. And it's not just federal. It's got to be state and local, as well.

There's a bipartisan consensus in this country. I don't think there's any disagreement about the gravity of the threat. And that's important if you want to get something done. I'm challenging the Congress to give us bipartisan support in the implementation of this strategy. And I'm looking to the grass roots support of America's communities in the fight against drugs.

The evidence -- I tried to point it out last night, so I won't repeat it -- the good news being the decline in casual drug use. And that's a significant point. If we can continue that trend, it will make a big impact on the drug market and on the lives of individuals. The bad news, of course, being the persistence of cocaine, the hard users and, of course, the insidious effects of crack.

The criminal justice system -- we're increasing federal funding to states and localities for street-level law enforcement. We're providing federal funding to states for planning, developing and implementing alternative sentencing programs for nonviolent drug

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offenders, including house arrests and this boot camp concept. Boot camp concept -- I don't know, Bill, whether you discussed that here this morning or not.

We're tightening bail and probation, parole and sentencing. Again, I touched on that last night. Requiring drug testing of prisoners. It's interesting how the country has changed its view on testing and I think there's far more support now for drug testing than existed before. We're encouraging the states to vigorously prosecute misdemeanor drug offenses. We've got to go after users. This idea of turning the other way on that one is over as far as I'm concerned and as far as Bill Bennett and the others are concerned.

We're expanding programs to eradicate the domestic marijuana crops. Some of your areas are somehow affected by that. We're providing funding, as I mentioned last night I believe, to HUD to help kick the drug dealers out of the public housing programs. And Jack Kemp was at the speech last night, and he feels that this is adequate funding to make a real impact in the public housing programs.

We encourage states to adopt policies that revoke the driver's licenses of those convicted of a drug offense. That isn't mandated; we're not requiring that or tying it in, but we are encouraging the states to do it. Some I think have already taken action in that regard.

Treatment -- we're increasing the federal spending by some 53 percent, to \$321 million. We're expanding the availability of drug treatment by increasing treatment capacity and the range of treatment methods that are available. Outreach and treatment efforts for pregnant women and newborn babies -- we're going to be more help there.

I've just come from D.C. General. And you want to really have a broken heart and feel something in your heart, go and see these little kids, some of whom are abandoned, some of whom are -- many of whom are born from -- given birth to by mothers who are addicted to cocaine. And we've got to help in that area and I believe we can do a job there.

Education and prevention. I won't dwell on that one, but it is vitally important, especially when you see the problem of teenage pregnancy and then the abandonment of these kids. So I mentioned last night, we're going to try to get into the classrooms next week on a specially televised national hookup to the schools.

On the budget recommendations, I know some in Congress are calling for a tax increase. I'd like to identify myself with what Secretary Bennett said this morning -- I don't believe we have a drug problem because we aren't paying enough in taxes. And that's where some of this logic leads you to.

We have sent specific suggestions as to how to pay for this program to the Hill and it does not require additional taxes. And I've been in this town long enough to know that there are always going to be people out there who are saying more taxes. If it's not for this subject, it will be for something else. And that isn't necessary to fully fund the national strategy that we came up with -- that I unveiled last night.

So with those comments, I'm wanting to get on to the questioning. I'd be glad -- oh, I didn't touch on the international aspects, but you're familiar with our commitment to interdiction; you're familiar with our Andean strategy. I hope the country is familiar with my respect for what the Colombians are trying to do.

Why don't we start right here.

Q Mr. President, no area suffers more from drugs than South Florida. Are you convinced that the people who lives in these

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crack-infested neighborhoods will very soon be able to walk out of their homes again and feel safe?

THE PRESIDENT: If we get the proper support for this program, they'll have a much better chance to do that. And I can't suggest to you that fully funding this program exactly the way we've suggested it is going to bring instant relief to that -- instant solution to that problem. It should bring instant relief.

And I know how heavily impacted South Florida is particularly, but I would not, recognizing the fact that we have a regional press corps here, suggest that you could convince the people from Chicago or New York or some rural communities that they are less impacted. So it is a national problem. But, yes, I hope that this will be of some relief to an overburdened South Florida.

Q One of the reasons that we're so concerned about drugs here in the District of Columbia is that there have been more than 300 murders this year. While most of them involve drugs, a higher proportion of them are with guns -- handguns.

THE PRESIDENT: Yes.

Q Besides the ban on importing some types of automatic weapons, which we heard about earlier this year, does your plan address -- or what can we do about the tremendous problem of keeping handguns out of drug dealers' hands, off the street?

THE PRESIDENT: We do support local law enforcement, and as you're familiar with, there are very strong laws in the books on registrations, domestically -- I mean in D.C. itself -- not nationally -- D.C. And part of our backing up law enforcement is so that they can enforce local laws, and this is one. And there are plenty of laws and, regrettably, these criminals seem to have a way to acquire weapons even though the law in the District, for example, is very strong against it.

Q Mr. President, do you feel -- would you reconsider approaching the tax structure if, by chance, within two or three years you see no relief with this problem through your drug strategy -- would you consider raising taxes at that point?

THE PRESIDENT: If I thought the only way to get money to solve the drug problem was through increasing taxes, I would do that. But that is not the only way to get money for solving the drug program. And we have made proposals that are well up into the billions that don't require socking it to the taxpayer anymore. But if somebody could convince me that all the federal programs that are in existence are perfect and need not be eliminated, or that there's no way to move funds from one account to another in three years, and the country was still suffering from this malaise, this sickness of drugs, I certainly would be open-minded. But that isn't the case and it won't be the case in three years.

Every program -- every time you make a proposal you have somebody jump up and say raise taxes. So I am not in a mode to raise taxes. I am in a mode to move this national strategy forward and pay for it in the way we have suggested.

Q I have a follow up, sir. Do you have a backup strategy for this strategy in case --

THE PRESIDENT: No, I think this one's going to succeed. We're selling this one; we don't need backup. It's a good strategy and we want it to work.

Q Mr. President, the Democrats, nevertheless, have made it quite clear that they don't think your plan is strong enough across the board -- not in terms of money, but in terms of all the moves that you're proposing -- and they pledge now to strengthen it. The question is, will you resist their efforts and is there any flexibility on your part to strengthen what you've already given?

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THE PRESIDENT: It's \$2 billion higher than the House level -- that they're talking about in the House. They're carping -- those partisan comments. Now, if somebody has a real sincere belief that you need more in treatment and less in something, of course, we're -- the process will work this out. But this is \$2 billion more than the House level. And for a man to come to a meeting -- one of the congressmen yesterday -- and he couldn't wait to get out on the lawn of the White House and say raise taxes. I'm not going to do that. We don't have to do it.

And this gentleman asked a very good question. But nobody is going to convince me that the people are paying too little in taxes. And it came up in the campaign -- we just have differences with some of our political opponents. So what I'm going to try to do is say, look, let's work together on this strategy. Give it a try like this, see if it won't make an impact. There is some encouraging news. What's happening south of our border is encouraging.

Q Mr. President, yesterday your Czar and Dar briefed us.

THE PRESIDENT: What is my Dar? Deputy --

Q Darman.

THE PRESIDENT: Oh, Darman. Excuse me. (Laughter.)

Q According to your Czar. They, in briefing us, they gave us the list of a number of items that they, and we believe you, are recommending might be taken off of other appropriations.

THE PRESIDENT: Good.

Q What are your thoughts on other things that are a little weak in appropriations, that could be taken off to replace these funds?

THE PRESIDENT: Well, I think they gave you a list probably of eight categories or something of that nature, and that takes care of it.

Q Just wondered what your thoughts are.

THE PRESIDENT: My thoughts are that this makes good sense and let's try it.

Q Mr. President, how will it be decided which states receive X amounts of federal money?

THE PRESIDENT: Bill, can you help me on that? I don't know the answer to that question. Which states get what for certain of these programs?

DIRECTOR BENNETT: Most of it is by formula. You've got block grants, you've got grants go out by formula with some amount of discretionary funds. It's the general programmatic rules and regulations. Dr. Sullivan can explain the detail to you -- how the money goes out through at HHS, and Dick Thornburgh can explain how it works in Justice. They're are not going to be radical changes in that -- a few changes --

Q In talking about south of the border, Mr. President, yesterday as you were speaking there were new bombings in Medellin. You've been offering the use of our military in Colombia, Peru and Bolivia, and yet those countries have not been asking for it.

THE PRESIDENT: Oh, no, I beg your pardon.

Q What discussions have you held with the presidents and how desirable is it to involve our military there?

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THE PRESIDENT: Well, we are involving military assets. As you know, there were some \$67 million worth of assets already there or in the delivery process. Maybe you're talking about troops. Mr. Barco -- President Barco, a courageous man, has made clear to me that they don't want American troops. And what I do not want to do, and what I will not do as President, is to take public opinion in a country that is now supporting their President -- Colombia -- in Colombia -- and turn it around by raising the old time-worn specter of American military intervention in Colombia.

As I said last night, if requested, we'd take a very different look at this. But they're making a move, they're doing what's right, they are taking courageous steps. These cartel cowards are fighting back by killing the wives of police officers and taking just brutal steps of that nature. But President Barco is staying firm.

So the United States cannot and should not impose a military armed solution into some sovereign country. And so that's the way I view this. There is a lot of interest in our G-7 partners on an international force. And that's a new concept. It's a concept I addressed myself to, I believe, in the campaign. But I don't think you want to risk turning around public opinion in a country that's struggling to do something now by the intervention -- unilateral intervention of U.S. force into the area.

Q To follow up, sir, what about bringing this subject in the drug summit that you are proposing, and how far away are we from a drug summit?

THE PRESIDENT: I'm not sure. We haven't set a date on the drug summit. I think it makes good sense. I did talk to President Barco about that. He is certainly enthusiastic about it. And I think in a summit of that nature there should be an open agenda, all ideas on the table, an open discussion of questions of this nature.

Q Mr. President, Mr. Bennett has written that the choice to do drugs is one of a national crisis in character. I want to ask you two things: why do you think people do drugs? And also, with some of the penalties you're proposing -- denial of housing loans and college loans and so forth -- won't you just be eliminating two programs that might convince someone to avoid a life of drugs?

THE PRESIDENT: No, I think by the time you get up into college loans you ought to know better than to use drugs. We've had a tolerant attitude in the past; we've condoned those things we should have condemned in the past. And now, if, indeed, we're going to fight this war on all fronts, to use a cliché, this makes eminently good sense. I don't think it's fair to go after the street hood and let the casual, university, hip user think that he's doing no damage to society. And so I strongly support what -- this part of the proposal.

Was there another part of it I didn't --

Q Why do you think people do drugs?

THE PRESIDENT: Why do I think they do? Some of it's addictive, some of it is that the whole national attitude hasn't changed properly yet. We're seeing it change now in casual use. We have a much bigger assignment now in education in the neighborhoods and in the communities that are adversely impacted by poverty and ignorance. And so there's a wide array of reasons that people use drugs. Some do it because their peers do it. Some do it because they're told it will make them feel good or that they can make money in it. And there's a wide variety of reasons why people use drugs.

But we should never again as a nation look the other way. We should not have a media -- entertainment media that makes fun and laughter out of something that is this serious. So I have great confidence in the American people in turning something around -- an

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ethic, turning it around, making it more sensible and up-to-date.

Q Mr. President, much of the black community has been skeptical of the other wars that were waged on drugs. Is there something that you can say to them specifically that might ease that skepticism?

THE PRESIDENT: Well, I think there is skepticism. And I would simply say to them, this is the first coordinated national strategy, the first time we've approached this problem on all fronts in a coordinated way. So give us your cooperation. Your own communities are being wiped out by this -- adversely impacted, heavily impacted adversely. More of the pain being right there. And so give this a try. Work with us on prevention and on education and on treatment and help us in terms of law enforcement and be involved and don't look away.

And so I think that -- I hope we can help the skeptic by making clear that we do care about those areas that are most heavily impacted by narcotics.

Q Mr. President, In the past, Colombia was not able to stand firm against the cartel for very long. If the Colombian government's current effort falters, what is your plan?

THE PRESIDENT: My plan is to work with them to see that they don't falter, and to give them the support they need and the support they have requested, and encourage our allies to do that. And that's why I was on the telephone yesterday with Margaret Thatcher and Helmut Kohl. And that's why I'm encouraged when the G-7 meeting in Paris says they are going to help these countries.

Many countries have felt up till now, well, this is someone else's problem. A lot of countries in Europe now being impacted much more heavily than they were, say, five or 10 years ago. So I am not buying into the hypothetical question that what President Barco is going to do should fail. We want him to succeed and we'll work to help him succeed.

Q There have been some suggestions in Detroit that National Guard troops be brought into control areas. Would part of your program foresee using National Guard troops or federalized troops in designated areas to combat rampant drug sales and --

THE PRESIDENT: Well, I haven't discussed that with Bill, and I'd like to defer it to him. I don't know whether that's envisioned here or not.

DIRECTOR BENNETT: Well, that, obviously, in most situations would be left up to governors. We've seen some action in this regard in Oregon. Some of the National Guard troops are backing up the police, doing office and clerical work. But we'd like to consider the use of the National Guard in some other areas, such as the marijuana eradication.

Q Would you like to see -- or would you support National Guard people on the street in a direct line rather than in a staff support situation?

DIRECTOR BENNETT: No, generally not. And what we've found in most cities such as Detroit is that, in most cases, the police are adequate to the job. The problem is after the police make the arrest -- the system doesn't have enough resources to support the arrests through prosecution, conviction, and imprisonment.

Q Sir, what exactly did you ask -- or talk to Mrs. Thatcher and Mr. Kohl about? And how close are you to a G-7 task force? Is that still something that's close to reality?

THE PRESIDENT: Well, the -- discussed with her a follow-on to what we discussed in Paris, and that was G-7 united support for Colombia. And she is enthusiastic about this, and

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Chancellor Kohl was enthusiastic about this. The ball, in a sense -- really, the leadership of the G-7 is still in the French court, President Mitterrand. Chancellor Kohl is visiting with him this week. And so I'm hopeful and very much encouraged by this united response.

Q Mr. President, our Lieutenant Governor in New York, where I'm from, says that the increases you've given toward treatment and law enforcement and, in fact, the whole budget don't add up to the cost of one B-2 bomber. And people back home want to know, even though your commitment toward drug fighting is strong, why your financial priorities aren't toward trying to support the drug fight instead toward military.

THE PRESIDENT: This is Lieutenant Governor who?

Q Stan Lundine, the state of --

THE PRESIDENT: Oh, Lundine. Well, it's not surprising that some think the only way to solve the problem is by greater taxes. I don't know how Mr. Lundine is proposing the federal government pay for the program, but we've made suggestions here that I fully support. But, you know, yes, the B-2 bomber is expensive and, yes, it is important to the national security of this country. And, yes, it's easy for a Lieutenant Governor to make an analogy of that nature. But a President has a responsibility for both -- the national strategy on fighting drugs and the national security of the United States that hopefully will encourage the Soviet Union to move forward productively towards even more arms control.

And so I can understand that; that's a good free one out there, a big target. But I don't know whether this Lieutenant Governor is proposing the elimination of the Stealth technology bomber or not. I don't know where he's coming from. But I think he was using it as a dramatic example. And I am saying to him, we have stepped up by \$2 billion over the House level the resources for the fight against drugs.

And so -- you see, let me go back to the basic point, and then I notice Marlin's restlessness here. The basic point is this -- nobody is criticizing the strategy. No one is coming at us and saying you've left this out or left that out. And I'm very encouraged by that. I think that means that if we do our job properly in selling, we can get support from Democrats as well as Republicans. We've got to do it. The country is fed up. They don't want it to be a Republican answer or a Democratic answer or a liberal or a conservative answer.

So the fact that he -- maybe he is attacking the strategy -- and if so, I'd have to take it back -- but I haven't heard any real substantive attack on the strategy itself. So then you come to the question of whether it's enough or how are you going to pay for it? And there's a wide array of reflexive people up there who say more taxes for anything, and I don't think that's what the American people want. I have a funny feeling that something about the last election was, are we being taxed too little, and nobody jumped up and said, hey, please me more.

And I think we can do this significant increase without raising taxes. And I'm certainly going to do it without diminishing the fundamental national security requirements of the United States. And that's my responsibility, and I'm proud to shoulder it and I think we've come up with a very good answer. And so please -- it's not your obligation, but we will try hard to convince your able Lieutenant Governor that the program we have makes good sense.

Q Mr. President, regarding the outreach issue in education, what role will community-based organizations and national organizations that already are involved in related programs such as AIDS education, drug and tobacco education, play in your program?

THE PRESIDENT: Well, last night I tried to make clear

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that they play a significant role, and we are -- we have funds in there to support certain kinds of educational programs. But, as you know, seven percent of the total funds for education come from the federal government. Ninety three percent -- I've got the Secretary -- oops, he's gone. Good -- I won't be corrected. (Laughter.) Ninety three percent come from state and local.

So these entities have an inordinately important responsibility in the whole education process. And nothing in a federal strategy on drugs -- a national strategy -- should diminish the responsibility, if you will, of the local and state educational entities. We'll try to give them the financial support we can in the program here, but -- in treatment and things of this nature -- but in terms of the overall education, it has got to be done through state and local as well as federal support. But, remember, the totals put the responsibility on state and local to even do a better job in terms of education.

I was just out -- again, I don't want to burden you with the emotion of my visit to D.C. General Hospital, but I was deeply touched by seeing these abandoned babies -- they're called boarder babies in this particular hospital -- and the mother comes in, has the baby and takes off.

And there has got to be an educational role here. There's got to be a better chance for kids through education of parents, whether it's about pregnancy itself, or whether it's on the need for a little kid to have love, or whatever it is. And so education is going to be a key here and the local and state role will not be diminished. I hope it will be supplemented a little bit, but will not certainly be diminished by a federal education program.

And I don't get teased as much as I used to about my concept of a thousand points of light. But it's a valid concept. When I talked about what Jim Burke was doing last night, encouraging his associates to come up with a million dollars a day in education money that will be on public television -- I mean, on regular network television, that's a contribution to education. And there are other 999 points of light out there -- in teachers and in parents and in others who are involving themselves in the lives of other people.

And so to really solve this problem, we owe the American people a national strategy and we've come up with it. And I want to work my hardest to see that it is implemented. But it cannot usurp the function of these thousand points of light. It's there. It's at the level of love; the level of local education; parental concern; neighbor involving with neighbor; one's involving himself or herself in the life of another that this problem is going to be solved. And I'm absolutely convinced of it. And I'm more convinced of it than ever after holding in my arms one of those abandoned babies. You guys are reporters, but go out there and try it on for size. And you'll understand why I feel as strongly as I do about the involvement of people.

And I might say to those in the D.C. area -- the commitment of these nurses and these doctors to these kids that are born without hope is so encouraging. The only love they may ever get in their lives is when they are a month old, and we've got to change that. We've got to change it through education. The ethic has got to change. Too late now to condone those things we should have been condemning and drug use -- casual drug use is one of them.

Thank you all very much.

THE PRESS: Thank you.

END

12:09 P.M. EDT

ANTICIPATED QUESTIONS AND ANSWERS  
MIDWESTERN PRESS BRIEFING  
FRIDAY, SEPTEMBER 15, 1989

DRUG STRATEGY

Many previous Administrations have launched anti-drug  
Why do you think this particular Strategy will work?

Unlike past anti-drug efforts, this strategy will work because it is a truly **coordinated national effort**. This means federal, state and local levels must work together. In fact, at the federal level, Director Bennett's leadership has already brought about strong interagency cooperation. We're urging the state and local levels to follow this lead, and join us in this coordinated strategy.

If you could name the one distinguishing strength of this Strategy above all others, what would it be?

The Strategy's biggest strength is this: it is **comprehensive**. This is the first such national strategy designed to end drug use and drug trafficking, a fully integrated approach that is an assault on every front. Our plan addresses all the elements necessary to an effective strategy: school and drug prevention programs, our treatment system, our laws and criminal justice system, and our foreign policy. In short, it is just as comprehensive as the problem. With this strategy, we now have a plan that coordinates our resources, our programs and the people who run them.

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records.  
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**Exactly what will your Strategy mean for my community?**

Keep in mind that this is a **national, not a federal strategy**. And while Washington cannot solve this problem alone, Washington will have a role to play. For example, in communities across the country, we will work through HUD to kick drug dealers out of public housing, and the Department of Education will spearhead the Drug Free Schools and Communities program. As far as actual dollars are concerned, we'll be increasing Federal support of local treatment programs by \$321 million, increasing assistance to State and local law enforcement by \$200 million, and expanding education and prevention programs in local schools and communities by \$233 million.

Communities, too, have just as big a role to play. The Administration is urging State and local governments to enact tougher laws, and increase their funding of local anti-drug efforts. And <sup>most</sup> importantly of all, increased community involvement is key. We are calling on every school, college, university, and workplace to adopt tough, fair anti-drug policies.

**How are you going to pay for everything you've proposed?**

**Realistically, don't you think we're going to have to raise taxes?**

No, I don't think we have to raise taxes. If we can formulate a strategy that works without raising taxes, why not give it a try? The American people simply do not want higher taxes, and said so during the last Presidential election. I

heard Bill Bennett put it this way the other day: Low taxes did not cause the drug problem, and high taxes are not going to solve it.

The Director of the Office of Management and Budget *has* transmitted a letter to the Appropriations Committee ~~yesterday~~ recommending funding levels and areas where money can be offset. The Congress helped formulate this Strategy, and I am looking to the Congressional leadership for bipartisan support in its funding and implementation.

**Do you really think the money is enough?**

There isn't enough money in the Treasury to pay for everything everyone would like to do. However, this proposal -- at nearly \$8 billion -- is the single largest drug budget increase ever.

But as I said in my national address, those who judge our strategy only by its price tag simply don't understand the problem. We all know that money alone won't solve our problems -- so we're looking at a coordinated national strategy that unites the American people at the grassroots level in this difficult fight.

People in my community believe that we could solve the drug problem if people just stopped buying drugs. Why spend large sums on police and interdiction when we could just stop the problem through prevention and treatment plans?

We need to deal with both the supply and demand side of the equation. It is harder for users to stop while drugs are easily available. We must attempt to reduce the supply because fewer people will be able to use drugs when drugs are less available. Good law enforcement deters demand. By making it harder to obtain drugs, we increase the effectiveness of prevention programs.

Second, when users seeking help can't physically get to a treatment program because dealers are on the streets and in the hallways intimidating them, then enforcement is the first step to treatment. For both these reasons, we are stepping up our enforcement and interdiction measures.

#### AGRICULTURE AND TRADE

How big a role do you envision for agriculture in correcting the trade imbalance?

Agriculture is a major player in the U.S. economy because it accounts for 16 percent of the U.S. GNP. Agriculture does its part in reducing the trade deficit by providing a constant positive trade balance. *Ag exports over last 7 years up 9%*

What do you think <sup>are</sup> the most important issues in agriculture ~~are~~ facing the Administration now?

~~I know Secretary Yeutter is spending a lot of time on the 1990 Farm Bill, the Uruguay Round of agricultural trade~~

*all which <sup>are</sup> ~~are~~ important.*

negotiations, food safety, and environmental issues. The next four years at the Department will probably be the busiest in its history. In the next 15 months, for example, Secretary Yeutter and his team will negotiate with Congress on the Farm Bill, attend talks with the 96 GATT-members on new rules of the road for international agriculture trade, and then have to modify the farm legislation to make it consistent with the ending results of the GATT talks.

In fact, my Trade Representative, Carla Hills, has been in Europe this week with a simple -- and urgent -- message. We need ambitious results in these trade talks. For too long, we have only reacted to changes in global trade. The Uruguay Round is this century's last, best change to act. (The final session of the Uruguay Round has been set for the first week in December of 1990.)

**What is the status of the extension of the steel VRAs and the negotiation of the international consensus on the elimination of unfair trade practices?**

We have had several rounds of negotiations with each of our major steel trading partners on the extension of the steel VRAs. I expect these negotiations to intensify in the next two weeks. It is our expectation that we will conclude new steel agreements with these countries by September 30.

I am equally optimistic about the success of the international consensus on the elimination of unfair trade

practices in the steel sector. The negotiation of such a consensus is critical. We must get to the root cause of the steel problem -- pervasive unfair trade and closed markets -- if we are to have a long-term solution for steel. Based on the results of our discussions with our trading partners to date, I can tell you that many of them share our concerns. I believe we can work together to address unfair trade in this sector in a positive way.

Is the U.S. already extending the economic assistance to Poland and Hungary that you announced in Warsaw and Budapest, and are we doing anything more now that a Solidarity government has been installed in Poland?

Yes, we are moving quickly ahead on all the announced programs. Secretary Mosbacher will be <sup>working with</sup> ~~informing~~ the Polish and Hungarian governments <sup>on steps</sup> ~~about these~~ when he visits Budapest and Warsaw September 17 - 20. Secretary Mosbacher is taking a group of distinguished American businessmen with him to each country to intensify the pace of private sector involvement in these countries. We have already met with other Western countries to coordinate assistance, and additional food aid is already on its way to Poland.

The Administration has sent a request to Congress for legislation to establish Enterprise Funds for Poland and Hungary, and to give us authority to extend OPIC, GSP, environmental and labor programs. The Congress has promised quick consideration.

**What is the current status of our trade relationship with Japan?**

As you know, I recently had the pleasure of meeting with the new Prime Minister on his first visit to Washington. Trade was an important part of our agenda. A substantial increase in Japan's imports, especially of manufactured goods, is a key element in clearing up our trade problems. The Japanese government has pledged to make Japan an importing "superpower." I told the Prime Minister I supported this pledge. I urged that prompt and effective measures be taken to make that goal a reality.

And in order to reduce our bilateral trade deficit, we have launched new initiatives to increase market access in Japan for U.S. exports of satellites, supercomputers and wood products, and have engaged the Japanese Government in talks aimed at a mutual elimination of structural barriers to trade and payments adjustments.

Japan is already our major market for agricultural products and a key consumer of many semi-processed exports. Our goal is to greatly increase sales of U.S. manufactured goods in Japan, in addition to these more traditional sales. We seek to increase U.S. exports to Japan, not restrict Japanese sales here.

Last week, an extensive exchange with the Japanese was held in the U.S.-Japan Trade Committee to address these and other market access problems.

What will EC 1992 mean for U.S. business and U.S. exporters, and what is the Administration doing to help U.S. business adjust to EC 1992?

The EC will not be a fragmented market consisting of 12 countries anymore. Although their Governments will remain separate, the EC will become a "single internal" market of 320 million people worth over \$4 trillion.

The EC 1992 program should benefit U.S. business, as long as the EC internal market is completed in an open manner. For example, EC 1992 will mean harmonization of industrial standards and the opening of markets in traditionally state-dominated fields such as telecommunications and broadcasting. These should benefit U.S. exporters.

Our sole concern is that when trade barriers are lowered within Europe, new barriers are not raised between Europe and the rest of the world. Our aspiration -- and expectation -- is that in removing internal barriers, EC 1992 will not result in higher external barriers to the rest of the world. My Administration is making every effort to work with the Europeans to ensure this outcome.

The Commerce Department has negotiated or helped negotiate important agreements with the EC on both industrial standards and financial services. The Commerce Department has also set up an office to inform businesses of key developments on the EC 1992 program, helping businesses take advantage of the market opportunities.

EDUCATION

What is realistically going to be the result of the Education Summit? ~~Do you really think that by your sitting down with the Governors we can expect any improvement in education to result?~~  
What do you hope to accomplish?

If we examine what has happened across the country since "A Nation At Risk," <sup>the report</sup> ~~we are aware~~ <sup>we know</sup> that although a number of states adopted comprehensive reforms, many others did not. It is also true that elements of long-lasting reform, such as providing more <sup>parental</sup> choice <sup>for in</sup> ~~among the schools~~ <sup>for their children</sup> ~~students attend~~, are not yet pervasive in America. It is clear that we need a mechanism for obtaining a national consensus on what must be done across the entire country to improve education. Building that national consensus begins with collectively determining what our national aspirations are and how we are going to assure that we achieve them. Sitting down with the governors begins that process.

Why are ~~all the~~ education leaders being excluded from the Education Summit?

They are not. The summit process begins with a number of small-group meetings <sup>I will be holding with education leaders</sup> ~~with me~~ prior to the Charlottesville meeting. <sup>with education leaders.</sup> ~~Education leaders will attend one of those meetings,~~ <sup>these meetings give us the</sup> and will have an opportunity to discuss their concerns and advise me on what avenues <sup>we</sup> ~~I~~ should pursue at the summit. The conference itself is just that -- a summit meeting of all of the chief

In fact, one was held this week.

executives in the nation with the President of the United States.

~~It has only the~~ <sup>Only</sup> ~~governors in attendance~~ <sup>will</sup> for two reasons.

First, the fact that on two prior occasions of great national importance the President met with the governors as a group (Teddy Roosevelt on conservation and Franklin Roosevelt on matters

related to the Great Depression) lends an important level of symbolic significance to a meeting <sup>the</sup> ~~with~~ <sup>by</sup> ~~governors~~ -- it places <sup>ing</sup>

<sup>our</sup> ~~the educational~~ <sup>crisis</sup> emergency on a very high plane. Secondly, <sup>visible</sup> ~~it is~~ <sup>while the</sup>

<sup>Federal government solving our</sup> ~~very clear that our attack on educational problems, to this point~~

~~has depended very heavily on governors to lead the way --~~ <sup>must be</sup> ~~the way --~~

education is, after all, a state responsibility and maintaining that focus, along with a bipartisan political orientation, is extremely important.

#### What topics are going to be discussed?

Revitalizing the teaching profession; improving learning among students; the responsibilities and authority of various levels of government; restructuring education and providing more choice; achieving a competitive workforce and providing for lifelong learning in our society; and issues related to postsecondary education.

What is the role of the Secretary of Education in the Education Summit? Is he being left out of the planning process? Will he be at your side during the Summit?

The Secretary of Education has been intimately involved in the planning of the summit and will play a significant role in its program.

**Will you be making a major announcement at the Education Summit?**

I will deliver a major address as part of the summit.

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