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Remarks
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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

January 31, 1998

RADIO ADDRESS OF THE PRESIDENT
TO THE NATION

The Roosevelt Room

Good morning. Today I'd like to talk to you about one of the ways we are strengthening our nation for the 21st century: our bold new efforts to deal with the challenge of global climate through the force of the market and the power of American innovation.

The world's leading climate scientists have concluded, unequivocally, that if we don't reduce the emissions of greenhouse gases into the atmosphere all across the Earth, then the temperature of the Earth will heat up, seas will rise and increasingly severe floods and droughts will occur, disrupting life in low coastal areas, disrupting agricultural production and causing other difficulties for the generations of the 21st century. Fortunately, we can avert these dangers, and do it while keeping our economy going strong.

This past December, America led the world to reach an historic agreement committing nations to reduce greenhouse gas emissions through market forces, new technology and energy efficiency. We can do some things right here, right now, to show that America is doing its part.

In my State of the Union address, I called for an unprecedented commitment of \$6 billion for research and tax incentives to mobilize cutting-edge technology in the fight against global warming. I'd like to explain just what that means to you.

First, we want to help bring down the price of high-efficiency cars for every American. Earlier this month, Ford, GM and Chrysler unveiled prototypes of advanced-technology cars that get more than twice the mileage of today's models -- with no sacrifice in comfort, safety or performance. When cars like these begin to enter the showrooms in the year 2000, we'll give everyone who buys one a \$3,000 tax credit to apply to every size car. When these cars become even more efficient, we'll increase the tax credit to \$4,000. We're committed to making it not only wiser, but actually cheaper, to buy highly efficient cars.

Second, we'll help you turn your home into a model of energy efficiency. We'll offer tax credits that will give you a discount of 20 percent off the cost of energy-saving water heaters and air conditioners. And we'll also offer a tax credit -- worth up to \$2,000 -- to help you put solar panels on your roof or to help you buy an energy-efficient home in the first place.

Third, we will accelerate research on clean, renewable energy and energy-saving technologies. We'll help to develop energy-efficient lighting, refrigerators and other appliances that will mean lower monthly bills for you, and reduced greenhouse gas emissions. And we will work with industry to cut their energy use, so that they can also protect the environment while enhancing the bottom line.

Whenever we act to heal our environment, some always question whether it will hurt our economy. But today our economy is the strongest in a generation and our environment, the cleanest in a generation. Whether the problem has been acid rain, deadly pesticides, polluted rivers or the ozone hole, the ingenuity of the American people has always proved to carry the day -- and we'll do it once again. Working together, we will overcome the challenge of global climate change and create new avenues of growth for our economy. And, most important, we'll honor our deepest responsibility to pass on this home, without harm, to our children, our grandchildren and generations yet to come.

Thanks for listening.

END

THE WHITE HOUSE

Office of the Press Secretary
(La Crosse, Wisconsin)

For Immediate Release

January 28, 1998

REMARKS BY THE VICE PRESIDENT
TO OVERFLOW CROWD

University of Illinois
Champagne-Urbana, Illinois

THE VICE PRESIDENT: Thank you very much. Are you
fired up?

AUDIENCE: (Cheering.)

THE VICE PRESIDENT: I'll tell you what, I haven't
heard a cheer like that since Illinois beat Michigan.
(Applause.) You would have thought Kevin Turner and -- were
introduced up here. (Laughter.)

Did you hear the speech at the warm-up event?

AUDIENCE: (Cheering.)

THE VICE PRESIDENT: We wanted to get up a little
speed and momentum for this one, the main event. Thank you for
being here. (Applause.)

I can't tell you what it means to us to have this
enormous turnout and the wonderful enthusiasm that you're
expressing in your cheers, in your clapping, in your welcome, in
your support of the ideas and the agenda of President Bill
Clinton. Thank you for being here. (Applause.)

We are in a battle for the future of this country
and we need your help. (Applause.) We want to invest more in
education and the environment and health care and people for the
future, and your future in the 21st century. This President is
putting before our nation a set of proposals that will make it
possible for you to be the best prepared and best educated
generation in American history; but we have to convince the
Congress and the whole country to support the ideas that
President Clinton presented in his State of the Union speech last
night.

Well, ladies and gentlemen, we came here because you
know in your hearts that these ideas and proposals are good for
this country and we wanted to hear directly from you the kind of
expressions that you're giving us here today. And with that, let

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me just say that I am proud to be here with you in standing by and supporting the person who is leading us to the 21st century, and I present him to you now, President William Jefferson Clinton. (Applause.)

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Clinton Presidential Records Digital Records Marker

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1/28/98 (II)

Divider Title: _____

THE WHITE HOUSE

Office of the Press Secretary
(La Crosse, Wisconsin)

For Immediate Release

January 28, 1998

REMARKS BY THE PRESIDENT
TO THE PEOPLE OF LA CROSSE, WISCONSIN

La Crosse Convention Center
La Crosse, Wisconsin

5:31 P.M. CST

THE PRESIDENT: Thank you so much. Thank you for the warm welcome -- the "warm" welcome. (Laughter.) Thank you for being here in great numbers and with great enthusiasm. Thank you for sending Ron Kind to Congress. He's a fine man and he represents you well. Thank you, Attorney General Doyle. Thank you, Mayor Mettinger. Thank you, Secretary Riley, for all you do. Thank you, Mr. Vice President, for getting our blood running -- (laughter) -- and for your magnificent leadership. And thank you, Lee and Ruth Mathison, for reminding us about what's best about the United States of America. Didn't they do a good job? Let's give them another hand. (Applause.)

Were any of you here back in 1992, when the Vice President and I came on the bus? (Applause.) I remember we had been on the road 18 hours. We got into the Days Inn about 2:00 a.m. I could barely speak and I was bone tired. But the people that were there for us on that night, giving us high fives, making us feel at home, make it a wonderful memory. And it feels good to be back in God's Country tonight, and I thank you so much for being here. (Applause.)

The Vice President and I even got to speak on the Clinton Street Bridge. (Applause.) And I remember that.

You've heard everybody talk already about the blessings our country enjoys, and I am grateful for that. I'm grateful for the chance that I had last night to outline the State of the Union and to talk about the future. I'm grateful that we really have opened the doors of college education to all Americans for the first time. And I hope everybody here who is a young person knows that because of the tax cuts and the scholarships and the grants and the work-study program and the AmeriCorps program, you ought to go out and tell everybody they can go to college now and they never have to worry about that again. (Applause.)

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But I want to thank you for what you're doing here to make America work from the ground up, to make America work together to give our kids a better future. I can't mention all the local heroes behind me today, but I want to mention one, Jerry Freimark, who has worked with businesses and students to help students in rural areas gain the skills necessary for 21st century careers in banking and finance by learning over interactive TV.

You know, we forget sometimes that people in small towns and rural areas have the same right to the 21st century future everybody else does. And I want you to know that Al Gore and I will never forget that. (Applause.)

But tonight I don't want to talk about that. I want to talk very briefly about that future, because, to me, the most important thing we've done in the last five years is just to try to make America work again for ordinary people so that we can be free to imagine the 21st century, and we can free to build it.

In 1962, President Kennedy said, the time to repair the roof is when the sun is shining. And I couldn't say that any better tonight. I'm grateful that we have -- almost have a balanced budget -- we're going to get one this year or next year. I'm proposing one for next year and I think it will be balanced before the year is out.

Now, let's talk about what we're going to do. And I just want to mention two or three things. I want all of you to think about this and be involved in it. First of all, it's projected we're going to have a big surplus, cumulative, over the next four or five years -- we haven't had one in 30 years. Naturally enough, people are thinking, well, let's cut taxes or let's spend the money -- even though we've still got a debt we've piled up that's quite considerable. What I want to do is to say, before we spend any of that surplus, let's make sure that we have saved the Social Security system so we don't bankrupt our children when the baby boomers retire. (Applause.)

Now, this is a place of community. I can look around -- here's a couple who have been married 51 years, still working, with kids. I want to think about our inter-generational responsibilities. I saw a survey the other day that said young people in their 20s thought it was more likely that they would see UFOs than that they'd ever get to collect Social Security. (Laughter.)

Now, here's what I have to say about that. I don't want to stop people from watching the X-Files, go on and do that. (Laughter.) But I hope you'll also next year participate in the discussions we're going to have all across America -- nonpartisan, across party lines, across age lines -- about the Social Security system -- and what we need to do to make sure that when the baby boomers -- and I'm the oldest baby boomer at

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51 -- when people my age and 18 years younger, when we retire -- and there's so many of us -- that there will be more than ever before more people retired compared to people working -- how are we going to save the system in a way that doesn't put undue burdens on our children and, therefore, undue burdens on our children when they're raising their children. I think that's something we all want.

And let me tell you something. We can do it. It won't be too difficult. But we have to do it in a non-political way and we have to do it as friends and neighbors and family members. La Crosse can be the model for how we save Social Security for the 21st century. And I hope you'll support us in that. (Applause.)

The second thing I want to say is, we've got to save our education system for the 21st century. I could just feel it last night at the State of the Union. I was talking about all the things we had done to open the doors of college, and people were cheering all over America. They thought, oh, my goodness, that's something I won't have to sweat. Why were we cheering? Why? Because we know we have the best system of higher education in the entire world. No one questions that.

I want, in the 21st century, people to be able to say with the absolute same conviction, we have the best system of elementary and secondary education in the entire world. (Applause.)

The third thing I want you to think about is what we can do -- and I talked a little about it last night -- to bring more investment into the inner-city areas and into the small towns and rural areas that have been left behind in this recovery. You know as well as I do we still have a lot of people leaving the farm. The average farmer in America is 59 years old today.

Now, I don't have all the answer, but I come from a rural state that had tough inner-city areas. And I'm proud of the fact that we've got the lowest unemployment rate in 24 years, and I'm glad we've got the highest percentage of people in the work force in history. But you know and I know that there are still people who are working hard and don't have enough to live on, and there are still people who would like to work who don't have jobs. And you know and I know that the prosperity we have seen has still not swept into every neighborhood in America.

So I ask you, let's find a way in the 21st century to make free enterprise reach every rural community and every inner-city neighborhood. We can do it if we'll do it together. (Applause.)

→ The next thing I'd like to mention that I think is very important, and the Vice President talked about it a little

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bit, is the environment. We have a lot of environmental challenges. I'm very proud of the fact that compared to five years ago, the air is cleaner, the water is cleaner, we have fewer toxic waste dumps, our food supply is safer. I am proud of that. But we do have -- the Secretary made that joke about El Nino, and I loved it because I was shaking up here, too, but the truth is that the scientific opinion in the world is virtually unanimous that the climate of the Earth is warming at an unsustainable pace. Even on this cold night. And we know that just small changes in temperature can affect great changes in the surface of the Earth and the way we live.

We know what's mainly causing it is greenhouse gases, the stuff we put out in the air from power plants, from homes, from factories, from farms, from cars, from trucks -- you name it. We also know that without a lot of effort, if we really put our mind to it, we can reduce greenhouse gas emissions and grow the economy.

Now, every time we have faced a new environmental challenge, pessimists have said, oh, goodness, if we do that maybe we can clean the environment, but it will shut our economy down. It has never happened. We have the cleanest environment in history and the strongest economy we've ever had. And I want you to make a commitment here that places like the University of Wisconsin can figure out how to find the technological ways to have the efficient cars, the efficient trucks, the efficient homes, the efficient office buildings, the efficient factories, the efficient electricity generators to make sure we save this planet for our grandchildren and their grandchildren. We can do that in the 21st century. (Applause.)

Finally, I want us to really tap the full measure of the scientific and technological potential of this country. Ron Kind said he hoped that his child and the child he's about to have might be two of those that I talked about last night when I said children born in the next couple of years might well live to see the 22nd century. That is literally true. We have proposed, the Vice President and I and our administration, to create a research fund for the 21st century to make an unprecedented effort in the National Institute of Health, the National Cancer Institute, the National Science Foundation. I hope you will support that.

I hope you will support something that may seem a long way from La Crosse. I hope you will support our mission in space and the international space station. Why? Because when John Glenn, at 77 years old, goes up into space we're going to learn something about how people's bodies work down here on Earth. A lot of our space research is helping us not only to find out what's in the heavens and to protect ourselves in the future, but also to find out what's going on here on Earth, how to preserve our environment, how to improve our health. It may seem a long way from La Crosse, but we have learned that we dare

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not turn away from the frontiers of knowledge. We need to embrace them and make them work for the good of humanity, and we can do it, and I hope you will support that. (Applause.)

The last thing that I want you to think about for the 21st century is how we can make all of America work the way these local community heroes work in their communities. How can we reach across the lines that divide us?

I know that in La Crosse you had a conference on race last month, with the leadership of Thai Vue and June Kjome and Roy Heath and other citizen heroes that are here today. I want to thank them for that. And I thank all of you who participated.

Let me say to you -- I said last night to the American people, we are more interdependent on each other and on the rest of the world than ever before. I mean, whether we like it or not, a third of our economic growth that we all celebrate came because we're selling things to people around the world. We represent four percent of the world's population and, thanks to our hard work and God's good fortune to us, we have about 20 percent of the world's wealth. So we have to work with others around the world.

And when you do business with people, you also have to be good partners, good neighbors, good friends. You have to care about them. And you have to get them to kind of reach out of their own prejudices and problems. I spent a lot of time working on getting people to stop behaving like fools, frankly, and hating each other because they have different races, or difference ethnic backgrounds, or different religious backgrounds -- whether it's in Bosnia or Northern Ireland or the Middle East or in Africa -- around the world, the whole world is tormented by that. Now here in America, we're becoming more and more and more diverse. And if we can prove to the world that we can live together, work together, learn together, and serve in our communities together, you can bet your bottom dollar we'll get along together. And America will still be the shining light of freedom and hope in the world well into the 21st century. And that's what we have to do. (Applause.)

I thank you again for having us here, for waiting in the cold -- or the warm -- (laughter) -- and I don't know how many of you were at the Packers welcome home party, but I thank them for showing up. (Laughter.) Hang in there. There's always next year. (Applause.)

I will never forget looking out on this sea of people tonight, this beautiful old restored street, all the American flags, reading the stories of the American heroes. This is the best of America. This is the best of our past and the hope of our future. (Applause.) And together we can make America's best days ahead.

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(Applause.) Thank you and God bless you all. Thank you.

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5:46 P.M. CST

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1/28/98 (III)

Divider Title: _____

THE WHITE HOUSE

Office of the Press Secretary
(LaCrosse, Wisconsin)

For Immediate Release

January 28, 1998

REMARKS BY THE VICE PRESIDENT
TO THE PEOPLE OF LACROSSE, WISCONSIN

LaCrosse Convention Center
LaCrosse, Wisconsin

5:16 P.M. CST

THE VICE PRESIDENT: Thank you very much, Secretary Riley. Ladies and gentlemen, thank you for that standing ovation. I'm overwhelmed and grateful. (Laughter.) I want to thank Dick Riley for his great leadership. And I want to acknowledge with gratitude as well Congressman Ron Kind, and his wife Tawnee, and his son Johnny. Ron Kind is doing a superb job for this congressional district. He really does you proud. (Applause.)

I want to thank Attorney General Jim Doyle and his son Gabe who is here. And also, I want to say a very special word of thanks to my longtime friend, Mayor John Mettinger, and his wife Dee and his mother Audrey. John and Dee have been close to me and my family for a long time, and I'm really glad to have a chance to see and be with him again.

I want to acknowledge Senate President Fred Risser and Senate Majority Leader Chuck Kula, and thank them for the great job they're doing. And I want to thank Mark Meyer and all the other distinguished guests, including these heroes behind us. And I'm going to call on a couple of them in just a moment to introduce and present to you the President.

But, first of all, I would like to say, Secretary Riley, I've been here to LaCrosse many, many times. This is a community where I have a lot of friends. And I want to tell you this is not cold in January in LaCrosse. (Applause.) In fact, I was just wondering how these folks were enjoying the heat wave here in January. (Applause.) I want to tell you, the last time I was in La Crosse in January, it was so cold people thought I was frozen stiff. (Laughter.) As a matter of fact, it wasn't that long ago that in real freezing temperatures lots of these folks came out and joined in creating the world's largest pacarena (sp) -- am I right about that? (Applause.) Well, maybe some of these kids here could teach me the pacarena a little bit later. I'll try to do it better than the macarena.

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Ladies and gentlemen, last night President Clinton stood before the people of this country and outlined the state of our Union and issued a set of proposals for our future. And as he said, and as you know, because of his leadership and what's been done the last five years, the state of our Union is strong; and under his presidency, it's going to get even stronger. We need your help to make sure of that. (Applause.)

The 21st century can be the most prosperous, the most productive and the best time in all of human history if we share President Bill Clinton's vision and follow his leadership into the 21st century. (Applause.)

In order to talk about the virtues of the plan he presented to the American people, you've got to pause just for a minute and think back to what it was like five years ago -- a little bit more than five years ago -- when Bill Clinton and I came here, to La Crosse, Wisconsin, in 1992, and asked you to help us bring change to America. At that time in America's history our future did not look so rosey.

You remember back to the time when we had a budget deficit of \$300 billion a year, projected the year we took over to be \$357 billion a year; projected to go on up to \$500 billion a year. We were headed for real trouble. Unemployment was very high and on the way up. We were seeing bankruptcies increasing. We were seeing job creation go down, and we were seeing jobs being shipped overseas. Crime and welfare were both on the way up. Investment in education and opportunity were on the way down. The hunger for change was up, and hope for the future was down. It was time for a change. And Wisconsin helped to give our country change. Thank you. (Applause.)

And when we got there to Washington we started working for change. And President Bill Clinton did not miss a minute. He laid out before the United States Congress and the American people a blueprint for a new direction. And I'm here to tell you, ladies and gentlemen, over these last five years we have been able to see the results of that plan for change -- America is now headed in the right direction. We're seeing unemployment down. (Applause.) We've seen the creation of almost 15 million new jobs since you gave us the chance to bring change. And that budget deficit that was projected to be so high this year, this year this President is going to present to the Congress the first balanced budget in three decades. That's progress in the right direction. (Applause.)

And, at the same time he is presenting the first balanced budget in three decades, he is presenting the largest increase in spending for education since the G.I. Bill was passed after World War II. Those are the right priorities. (Applause.)

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He didn't look for scapegoats; he looked for solutions. He moved us beyond the false choices and the empty debates of the past and he said it's time to bring our country together and travel in a new direction. He knew that we could eliminate the deficit and at the same time invest in our people, invest in our future, put people first. He knew that the old debate about whether or not government was the problem or government was the solution was really out-dated and no longer relevant to what we needed to be talking about in America.

He said, let's try a new way, a third way. Let's cut the size of the government, cut down the expense of government, but set the priorities in an effective way and have better government with more investments in education and protecting the environment and technology and jobs and strong families and the infrastructure for a bright future in America. That's what we're doing, with your help. (Applause.)

We've got more Americans owning their own private homes, a higher percentage and a higher absolute number, than in the entire history of the United States of America. Interest rates are down. Crime in all major categories has gone down five years in a row, because we're putting 100,000 community police officers on the streets, investing in prevention, taking the guns off the streets and sidewalks, and instead giving youngsters a chance to say yes to alternatives in life.

→ This is the kind of policy that can restore confidence in self-government. We've got cleaner water, cleaner air. We're cleaning up the toxic dump sites. We're redeveloping and cleaning up the brownfields, refocusing investment in our cities and in our towns, and strengthening our families and communities.

Ladies and gentlemen, we are seeing this nation move in the right direction. And I want to ask each and every one of you -- every single one of you -- to join me in standing beside and supporting President Bill Clinton as he leads our nation into the 21st century. (Applause.)

Now, we've got only 700 days between now and the dawn of the 21st century. And I am convinced that our nation is ready to seize the moment, seize this challenge and face up to it successfully. We want to follow and create a vision of a future in which every child can live out his or her dreams; in which every family has the opportunity to succeed. I believe that we're going to do that by following the blueprint that Bill Clinton laid out last night.

It's time for more and better child care and after-school programs. (Applause.) It's time for a health care consumer's bill of rights, so that medical people make the choices about health care in this country, not accountants and actuaries and economists, so that families can have the care they need. (Applause.)

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Ladies and gentlemen, this President has already shown the way. It is time to continue following his lead and creating that bright future that empowers communities like La Crosse to create a better and brighter way of life. These heroes behind us here have used the tools that have been given to them by the community, by the state, by the federal government. They have used their own initiative. And they have helped to create a better way of life.

I'm proud to be here with them. And I would like to introduce to you two of these heroes from Wisconsin -- Lee and Ruth Mathison of Eau Claire, and I'm going to ask them to introduce the President. To me, Lee and Ruth embody the American community that President Clinton and I have worked so hard to build. They are building a better foundation for the 21st century and are giving so much to future generations.

They've been married 51 years this year. (Applause.) Ruth was a school teacher for 20 years and still volunteers, teaching 3rd graders to use computers at the Longfellow School. (Applause.) Lee was one of those who went overseas in World War II and helped to save our freedom. He fought in the Battle of the Bulge, among other battles in that war. He has been a leader in his community for decades. He served as president of L.E. Phillips Senior Central. And he not only convinced the community that the senior center needed a new building, both he and Ruth devoted countless hours to getting that job done. They're also environmentalists. They volunteer with the Beaver Creek Environmental Reserve. And for these and many other reasons, they have been named this year Volunteers of the Year.

I am very pleased and honored to introduce to you to present the President, Lee and Ruth Mathison. Lee, Ruth, come on up here. (Applause.)

END

5:30 P.M. CST

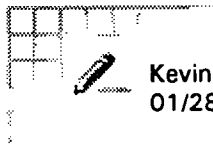
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01/28/98 12:02:48 AM

Record Type: Record

To: All OPD Users, All WHO Users, All PIR Users, All CEQ Users

cc:

Subject: 1998-1-27 State of the Union speech

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

January 27, 1998

STATE OF THE UNION ADDRESS
BY THE PRESIDENT

Hall of the House
United States Capitol

9:12 P.M. EST

THE PRESIDENT: Mr. Speaker, Mr. Vice President, members of the 105th Congress, distinguished guests, my fellow Americans:

Since the last time we met in this chamber, America has lost two patriots and fine public servants. Though they sat on opposite sides of the aisle, Representatives Walter Capps and Sonny Bono shared a deep love for this House and an unshakable commitment to improving the lives of all our people. In the past few weeks they've both been eulogized. Tonight, I think we should begin by sending a message to their families and their friends that we celebrate their lives and give thanks for their service to our nation. (Applause.)

For 209 years it has been the President's duty to report to you on the state of the Union. Because of the hard work and high purpose of the American people, these are good times for America. We have more than 14 million new jobs; the lowest unemployment in 24

years; the lowest core inflation in 30 years; incomes are rising; and we have the highest homeownership in history. Crime has dropped for a record five years in a row. And the welfare rolls are at their lowest levels in 27 years. Our leadership in the world is unrivaled. Ladies and gentlemen, the state of our Union is strong. (Applause.)

With barely 700 days left in the 20th century, this is not a time to rest. It is a time to build, to build the America within reach: an America where everybody has a chance to get ahead with hard work; where every citizen can live in a safe community; where families are strong, schools are good and all young people can go to college; an America where scientists find cures for diseases from diabetes to Alzheimer's to AIDS; an America where every child can stretch a hand across a keyboard and reach every book ever written, every painting ever painted, every symphony ever composed; where government provides opportunity and citizens honor the responsibility to give something back to their communities; an America which leads the world to new heights of peace and prosperity.

This is the America we have begun to build; this is the America we can leave to our children -- if we join together to finish the work at hand. Let us strengthen our nation for the 21st century. (Applause.)

Rarely have Americans lived through so much change, in so many ways, in so short a time. Quietly, but with gathering force, the ground has shifted beneath our feet as we have moved into an Information Age, a global economy, a truly new world.

For five years now we have met the challenge of these changes as Americans have at every turning point -- by renewing the

very idea of America: widening the circle of opportunity, deepening the meaning of our freedom, forging a more perfect union.

We shaped a new kind of government for the Information Age. I thank the Vice President for his leadership and the Congress for its support in building a government that is leaner, more flexible, a catalyst for new ideas -- and most of all, a government that gives the American people the tools they need to make the most of their own lives. (Applause.)

We have moved past the sterile debate between those who say government is the enemy and those who say government is the answer. My fellow Americans, we have found a third way. We have the smallest government in 35 years, but a more progressive one. We have a smaller government, but a stronger nation. (Applause.) We are moving steadily toward an even stronger America in the 21st century: an economy that offers opportunity, a society rooted in responsibility and a nation that lives as a community.

First, Americans in this chamber and across our nation have pursued a new strategy for prosperity: fiscal discipline to cut

interest rates and spur growth; investments in education and skills, in science and technology and transportation, to prepare our people for the new economy; new markets for American products and American workers.

When I took office, the deficit for 1998 was projected to be \$357 billion, and heading higher. This year, our deficit is projected to be \$10 billion, and heading lower. (Applause.) For three decades, six Presidents have come before you to warn of the damage deficits pose to our nation. Tonight, I come before you to announce that the federal deficit -- once so incomprehensibly large that it had 11 zeroes -- will be, simply, zero. (Applause.) I will submit to Congress for 1999 the first balanced budget in 30 years. (Applause.) And if we hold fast to fiscal discipline, we may balance the budget this year -- four years ahead of schedule. (Applause.)

You can all be proud of that, because turning a sea of red ink into black is no miracle. It is the product of hard work by the American people, and of two visionary actions in Congress -- the courageous vote in 1993 that led to a cut in the deficit of 90 percent -- (applause) -- and the truly historic bipartisan balanced budget agreement passed by this Congress. (Applause.) Here's the really good news: If we maintain our resolve, we will produce balanced budgets as far as the eye can see.

We must not go back to unwise spending or untargeted tax cuts that risk reopening the deficit. (Applause.) Last year, together we enacted targeted tax cuts so that the typical middle class family will now have the lowest tax rates in 20 years. (Applause.) My plan to balance the budget next year includes both new investments and new tax cuts targeted to the needs of working families: for education, for child care, for the environment.

But whether the issue is tax cuts or spending, I ask all of you to meet this test: Approve only those priorities that can actually be accomplished without adding a dime to the deficit. (Applause.)

Now, if we balance the budget for next year, it is projected that we'll then have a sizeable surplus in the years that immediately follow. What should we do with this projected surplus? I have a simple four-word answer: Save Social Security first. (Applause.) Thank you.

Tonight, I propose that we reserve 100 percent of the surplus -- that's every penny of any surplus -- until we have taken all the necessary measures to strengthen the Social Security system for the 21st century. (Applause.) Let us say to all Americans watching tonight -- whether you're 70 or 50, or whether you just started paying into the system -- Social Security will be there when you need it. (Applause.) Let us make this commitment: Social Security first. Let's do that together. (Applause.)

I also want to say that all the American people who are

watching us tonight should be invited to join in this discussion, in facing these issues squarely, and forming a true consensus on how we should proceed. We'll start by conducting nonpartisan forums in every region of the country -- and I hope that lawmakers of both parties will participate. We'll hold a White House Conference on Social Security in December. And one year from now I will convene the leaders of Congress to craft historic, bipartisan legislation to achieve a landmark for our generation -- a Social Security system that is strong in the 21st century. (Applause.) Thank you.

In an economy that honors opportunity, all Americans must be able to reap the rewards of prosperity. Because these times are good, we can afford to take one simple, sensible step to help millions of workers struggling to provide for their families: We should raise the minimum wage. (Applause.)

The Information Age is, first and foremost, an education age, in which education must start at birth and continue throughout a lifetime. Last year, from this podium, I said that education has to be our highest priority. I laid out a 10-point plan to move us forward and urged all of us to let politics stop at the schoolhouse door. Since then, this Congress, across party lines, and the American people have responded, in the most important year for education in a generation -- expanding public school choice, opening the way to 3,000 new charter schools, working to connect every classroom in the country to the Information Superhighway, committing to expand Head Start to a million children, launching America Reads, sending literally thousands of college students into our elementary schools to make sure all our 8-year-olds can read.

Last year I proposed, and you passed, 220,000 new Pell Grant scholarships for deserving students. (Applause.) Student loans, already less expensive and easier to repay, now you get to deduct the interest. (Applause.) Families all over America now can put their savings into new tax-free education IRAs. And this year, for the first two years of college, families will get a \$1,500 tax credit -- a HOPE Scholarship that will cover the cost of most community college tuition. And for junior and senior year, graduate school, and job training, there is a lifetime learning credit. You did that and you should be very proud of it. (Applause.)

And because of these actions, I have something to say to every family listening to us tonight: Your children can go on to college. If you know a child from a poor family, tell her not to give up -- she can go on to college. If you know a young couple struggling with bills, worried they won't be able to send their children to college, tell them not to give up -- their children can go on to college. If you know somebody who's caught in a dead-end job and afraid he can't afford the classes necessary to get better jobs for the rest of his life, tell him not to give up -- he can go on to college. Because of the things that have been done, we can make college as universal in the 21st century as high school is today. And, my friends, that will change the face and future of America. (Applause.)

We have opened wide the doors of the world's best system of higher education. Now we must make our public elementary and secondary schools the world's best as well -- (applause) -- by raising standards, raising expectations, and raising accountability.

Thanks to the actions of this Congress last year, we will soon have, for the very first time, a voluntary national test based on national standards in 4th grade reading and 8th grade math. Parents have a right to know whether their children are mastering the basics. And every parent already knows the key: good teachers and small classes.

Tonight, I propose the first ever national effort to reduce class size in the early grades. (Applause.) Thank you.

My balanced budget will help to hire 100,000 new teachers who have passed a state competency test. Now, with these teachers -- listen -- with these teachers, we will actually be able to reduce class size in the 1st, 2nd, and 3rd grades to an average of 18 students a class, all across America. (Applause.)

If I've got the math right, more teachers teaching smaller classes requires more classrooms. So I also propose a school construction tax cut to help communities modernize or build 5,000 schools. (Applause.)

We must also demand greater accountability. (Applause.) When we promote a child from grade to grade who hasn't mastered the work, we don't do that child any favors. It is time to end social promotion in America's schools. (Applause.)

Last year, in Chicago, they made that decision -- not to hold our children back, but to lift them up. Chicago stopped social promotion, and started mandatory summer school, to help students who are behind to catch up. I propose -- (applause) -- I propose to help other communities follow Chicago's lead. Let's say to them: Stop promoting children who don't learn, and we will give you the tools to make sure they do. (Applause.)

I also ask this Congress to support our efforts to enlist colleges and universities to reach out to disadvantaged children, starting in the 6th grade, so that they can get the guidance and hope they need so they can know that they, too, will be able to go on to college. (Applause.)

As we enter the 21st century, the global economy requires us to seek opportunity not just at home, but in all the markets of the world. We must shape this global economy, not shrink from it. In the last five years, we have led the way in opening new markets, with 240 trade agreements that remove foreign barriers to products bearing the proud stamp "Made in the USA." Today, record high exports account for fully one-third of our economic growth. I want to keep them going, because that's the way to keep America

growing and to advance a safer, more stable world. (Applause.)

All of you know whatever your views are that I think this a great opportunity for America. I know there is opposition to more comprehensive trade agreements. I have listened carefully and I believe that the opposition is rooted in two fears: first, that our trading partners will have lower environmental and labor standards which will give them an unfair advantage in our market and do their own people no favors, even if there's more business; and, second, that if we have more trade, more of our workers will lose their jobs and have to start over. I think we should seek to advance worker and environmental standards around the world. (Applause.) I have made it abundantly clear that it should be a part of our trade agenda. But we cannot influence other countries' decisions if we send them a message that we're backing away from trade with them.

This year, I will send legislation to Congress, and ask other nations to join us, to fight the most intolerable labor practice of all -- abusive child labor. (Applause.) We should also offer help and hope to those Americans temporarily left behind by the global marketplace or by the march of technology, which may have nothing to do with trade. That's why we have more than doubled funding for training dislocated workers since 1993 -- and if my new budget is adopted, we will triple funding. That's why we must do more, and more quickly, to help workers who lose their jobs for whatever reason.

You know, we help communities in a special way when their military base closes. We ought to help them in the same way if their factory closes. (Applause.) Again, I ask the Congress to continue its bipartisan work to consolidate the tangle of training programs we have today into one single G.I. Bill for Workers, a simple skills grant so people can, on their own, move quickly to new jobs, to higher incomes and brighter futures. (Applause.)

We all know in every way in life change is not always easy, but we have to decide whether we're going to try to hold it back and hide from it or reap its benefits. And remember the big picture here: While we've been entering into hundreds of new trade agreements, we've been creating millions of new jobs.

So this year we will forge new partnerships with Latin America, Asia, and Europe. And we should pass the new African Trade Act -- it has bipartisan support. (Applause.) I will also renew my request for the fast track negotiating authority necessary to open more new markets, create more new jobs, which every President has had for two decades. (Applause.)

You know, whether we like it or not, in ways that are mostly positive, the world's economies are more and more interconnected and interdependent. Today, an economic crisis anywhere can affect economies everywhere. Recent months have brought serious financial problems to Thailand, Indonesia, South Korea, and beyond.

Now, why should Americans be concerned about this? First, these countries are our customers. If they sink into recession, they won't be able to buy the goods we'd like to sell them. Second, they're also our competitors. So if their currencies lose their value and go down, then the price of their goods will drop, flooding our market and others with much cheaper goods, which makes it a lot tougher for our people to compete. And, finally, they are our strategic partners. Their stability bolsters our security. (Applause.)

The American economy remains sound and strong, and I want to keep it that way. But because the turmoil in Asia will have an impact on all the world's economies, including ours, making that negative impact as small as possible is the right thing to do for America -- and the right thing to do for a safer world. (Applause.)

Our policy is clear: No nation can recover if it does not reform itself. But when nations are willing to undertake serious economic reform, we should help them do it. So I call on Congress to renew America's commitment to the International Monetary Fund. (Applause.) And I think we should say to all the people we're trying to represent here that preparing for a far-off storm that may reach our shores is far wiser than ignoring the thunder until the clouds are just overhead. (Applause.)

A strong nation rests on the rock of responsibility. (Applause.) A society rooted in responsibility must first promote the value of work, not welfare. We can be proud that after decades of finger-pointing and failure, together we ended the old welfare system. And we're now replacing welfare checks with paychecks. (Applause.)

Last year, after a record four-year decline in welfare rolls, I challenged our nation to move 2 million more Americans off welfare by the year 2000. I'm pleased to report we have also met that goal, two full years ahead of schedule. (Applause.)

This is a grand achievement, the sum of many acts of individual courage, persistence and hope. For 13 years, Elaine Kinslow of Indianapolis, Indiana, was on and off welfare. Today, she's a dispatcher with the a van company. She's saved enough money to move her family into a good neighborhood, and she's helping other welfare recipients go to work. Elaine Kinslow and all those like her are the real heroes of the welfare revolution. There are millions like her all across America. And I'm happy she could join the First Lady tonight. Elaine, we're very proud of you. Please stand up. (Applause.)

We still have a lot more to do, all of us, to make welfare reform a success -- providing child care, helping families move closer to available jobs, challenging more companies to join our welfare-to-work partnership, increasing child support collections from deadbeat parents who have a duty to support their own children.

I also want to thank Congress for restoring some of the benefits to immigrants who are here legally and working hard -- and I hope you will finish that job this year. (Applause.)

We have to make it possible for all hard-working families to meet their most important responsibilities. Two years ago, we helped guarantee that Americans can keep their health insurance when they change jobs. Last year, we extended health care to up to 5 million children. This year, I challenge Congress to take the next historic steps.

One hundred sixty million of our fellow citizens are in managed care plans. These plans save money and they can improve care. But medical decisions ought to be made by medical doctors, not insurance company accountants. (Applause.) I urge this Congress to reach across the aisle and write into law a Consumer Bill of Rights that says this: You have the right to know all your medical options, not just the cheapest. You have the right to choose the doctor you want for the care you need. (Applause.) You have the right to emergency room care, wherever and whenever you need it. (Applause.) You have the right to keep your medical records confidential. (Applause.) Traditional care or managed care, every American deserves quality care. (Applause.)

Millions of Americans between the ages of 55 and 65 have lost their health insurance. Some are retired; some are laid off; some lose their coverage when their spouses retire. After a lifetime of work, they are left with nowhere to turn. So I ask the Congress: Let these hard-working Americans buy into the Medicare system. It won't add a dime to the deficit -- but the peace of mind it will provide will be priceless. (Applause.)

Next, we must help parents protect their children from the gravest health threat that they face: an epidemic of teen smoking, spread by multimillion-dollar marketing campaigns. I challenge Congress: Let's pass bipartisan, comprehensive legislation that improve public health, protect our tobacco farmers, and change the way tobacco companies do business forever. Let's do what it takes to bring teen smoking down. Let's raise the price of cigarettes by up to \$1.50 a pack over the next 10 years, with penalties on the tobacco industry if it keeps marketing to our children. (Applause.)

Tomorrow, like every day, 3,000 children will start smoking, and 1,000 will die early as a result. Let this Congress be remembered as the Congress that saved their lives. (Applause.)

In the new economy, most parents work harder than ever. They face a constant struggle to balance their obligations to be good workers -- and their even more important obligations to be good parents. The Family and Medical Leave Act was the very first bill I was privileged to sign into law as President in 1993. (Applause.) Since then, about 15 million people have taken advantage of it, and I've met a lot of them all across this country. I ask you to extend

that law to cover 10 million more workers, and to give parents time off when they have to go see their children's teachers or take them to the doctor. (Applause.)

Child care is the next frontier we must face to enable people to succeed at home and at work. Last year, I co-hosted the very first White House Conference on Child Care with one of our foremost experts, America's First Lady. (Applause.) From all corners of America, we heard the same message, without regard to region or income or political affiliation: We've got to raise the quality of child care. We've got to make it safer. We've got to make it more affordable.

So here's my plan: Help families to pay for child care for a million more children. Scholarships and background checks for child care workers, and a new emphasis on early learning. Tax credits for businesses that provide child care for their employees. And a larger child care tax credit for working families. Now, if you pass my plan, what this means is that a family of four with an income of \$35,000 and high child care costs will no longer pay a single penny of federal income tax. (Applause.)

I think this is such a big issue with me because of my own personal experience. I have often wondered how my mother, when she was a young widow, would have been able to go away to school and get an education and come back and support me if my grandparents hadn't been able to take care of me. She and I were really very lucky. How many other families have never had that same opportunity? The truth is, we don't know the answer to that question. But we do know what the answer should be: Not a single American family should ever have to choose between the job they need and the child they love. (Applause.)

A society rooted in responsibility must provide safe streets, safe schools, and safe neighborhoods. We pursued a strategy of more police, tougher punishment, smarter prevention, with crime-fighting partnerships with local law enforcement and citizen groups, where the rubber hits the road. I can report to you tonight that it's working. Violent crime is down, robbery is down, assault is down, burglary is down -- for five years in a row, all across America. (Applause.) We need to finish the job of putting 100,000 more police on our streets. (Applause.)

Again, I ask Congress to pass a juvenile crime bill that provides more prosecutors and probation officers, to crack down on gangs and guns and drugs, and bar violent juveniles from buying guns for life. (Applause.) And I ask you to dramatically expand our support for after-school programs. (Applause.) I think every American should know that most juvenile crime is committed between the hours of 3:00 in the afternoon and 8:00 at night. We can keep so many of our children out of trouble in the first place if we give them someplace to go other than the streets, and we ought to do it. (Applause.)

Drug use is on the decline. I thank General McCaffrey for his leadership. And I thank this Congress for passing the largest antidrug budget in history. (Applause.) I ask you to join me in a ground-breaking effort to hire 1,000 new border patrol agents and to deploy the most sophisticated available new technologies to help close the door on drugs at our borders. (Applause.)

Police, prosecutors, and prevention programs, as good as they are, they can't work if our court system doesn't work. Today there are large number of vacancies in the federal courts. Here is what the Chief Justice of the United States wrote: Judicial vacancies cannot remain at such high levels indefinitely without eroding the quality of justice. I simply ask the United States Senate to heed this plea, and vote on the highly qualified judicial nominees before you, up or down. (Applause.)

We must exercise responsibility not just at home, but around the world. On the eve of a new century, we have the power and the duty to build a new era of peace and security. But, make no mistake about it, today's possibilities are not tomorrow's guarantees. America must stand against the poisoned appeals of extreme nationalism. We must combat an unholy axis of new threats from terrorists, international criminals and drug traffickers. These 21st century predators feed on technology and the free flow of information and ideas and people. And they will be all the more lethal if weapons of mass destruction fall into their hands.

To meet these challenges, we are helping to write international rules of the road for the 21st century, protecting those who join the family of nations and isolating those who do not. Within days, I will ask the Senate for its advice and consent to make Hungary, Poland, and the Czech Republic the newest members of NATO. (Applause.) For 50 years, NATO contained communism and kept America and Europe secure. Now these three formerly communist countries have said yes to democracy. I ask the Senate to say yes to them -- our new allies. (Applause.)

By taking in new members and working closely with new partners, including Russia and Ukraine, NATO can help to assure that Europe is a stronghold for peace in the 21st century.

Next, I will ask Congress to continue its support for our troops and their mission in Bosnia. (Applause.) This Christmas, Hillary and I traveled to Sarajevo with Senator and Mrs. Dole and a bipartisan congressional delegation. We saw children playing in the streets, where two years ago they were hiding from snipers and shells. The shops are filled with food; the cafes were alive with conversation. The progress there is unmistakable -- but it is not yet irreversible.

To take firm root, Bosnia's fragile peace still needs the support of American and allied troops when the current NATO mission ends in June. I think Senator Dole actually said it best. He said, "This is like being ahead in the 4th quarter of a football

game. Now is not the time to walk off the field and forfeit the victory." (Applause.)

I wish all of you could have seen our troops in Tuzla. They're very proud of what they're doing in Bosnia. And we're all very proud of them. (Applause.) One of those brave soldiers is sitting with the First Lady tonight -- Army Sergeant Michael Tolbert. His father was a decorated Vietnam vet. After college in Colorado, he joined the Army. Last year, he led an infantry unit that stopped mob of extremists from taking over a radio station that is a voice of democracy and tolerance in Bosnia. Thank you very much, Sergeant, for what you represent. (Applause.)

In Bosnia and around the world, our men and women in uniform always do their mission well. Our mission must be to keep them well-trained and ready, to improve their quality of life, and to provide the 21st century weapons they need to defeat any enemy. (Applause.)

I ask Congress to join me in pursuing an ambitious agenda to reduce the serious threat of weapons of mass destruction. This year, four decades after it was first proposed by President Eisenhower, a comprehensive nuclear test ban is within reach. By ending nuclear testing we can help to prevent the development of new and more dangerous weapons and make it more difficult for non-nuclear states to build them.

I'm pleased to announce four former Chairmen of the Joint Chiefs of Staff -- Generals John Shalikashvili, Colin Powell, and David Jones, and Admiral William Crowe -- have endorsed this treaty. And I ask the Senate to approve it this year. (Applause.)

Together, we also must also confront the new hazards of chemical and biological weapons, and the outlaw states, terrorists and organized criminals seeking to acquire them. Saddam Hussein has spent the better part of this decade, and much of his nation's wealth, not on providing for the Iraqi people, but on developing nuclear, chemical, and biological weapons -- and the missiles to deliver them. The United Nations weapons inspectors have done a truly remarkable job, finding and destroying more of Iraq's arsenal than was destroyed during the entire Gulf War. Now Saddam Hussein wants to stop them from completing their mission.

I know I speak for everyone in this chamber, Republicans and Democrats, when I say to Saddam Hussein: You cannot defy the will of the world. (Applause.) And when I say to him: You have used weapons of mass destruction before; we are determined to deny you the capacity to use them again. (Applause.)

Last year, the Senate ratified the Chemical Weapons Convention to protect our soldiers and citizens from poison gas. Now we must act to prevent the use of disease as a weapon of war and terror. The Biological Weapons Convention has been in effect for 23 years now. The rules are good, but the enforcement is weak. We must

strengthen it with a new international inspection system to detect and deter cheating.

In the months ahead, I will pursue our security strategy with old allies in Asia and Europe, and new partners from Africa to India and Pakistan, from South America to China. And from Belfast, to Korea to the Middle East, America will continue to stand with those who stand for peace.

Finally, it's long past time to make good on our debt to the United Nations. (Applause.) More and more, we are working with other nations to achieve common goals. If we want America to lead, we've got to set a good example. (Applause.) As we see so clearly in Bosnia, allies who share our goals can also share our burdens. In this new era, our freedom and independence are actually enriched, not weakened, by our increasing interdependence with other nations. But we have to do our part.

Our founders set America on a permanent course toward "a more perfect union." To all of you I say it is a journey we can only make together -- living as one community. First, we have to continue to reform our government -- the instrument of our national community. Everyone knows elections have become too expensive, fueling a fundraising arms race. This year, by March 6th, at long last the Senate will actually vote on bipartisan campaign finance reform proposed by Senators McCain and Feingold. Let's be clear: A vote against McCain and Feingold is a vote for soft money and for the status quo. I ask you to strengthen our democracy and pass campaign finance reform this year. (Applause.)

At least equally important, we have to address the real reason for the explosion in campaign costs -- the high cost of media advertising. (Applause.) To the folks watching at home, those were the groans of pain in the audience. (Laughter.) I will formally request that the Federal Communications Commission act to provide free or reduced-cost television time for candidates who observe spending limits voluntarily. (Applause.) The airwaves are a public trust, and broadcasters also have to help us in this effort to strengthen our democracy.

Under the leadership of Vice President Gore, we've reduced the federal payroll by 300,000 workers, cut 16,000 pages of regulation, eliminated hundreds of programs and improved the operations of virtually every government agency. But we can do more. Like every taxpayer, I'm outraged by the reports of abuses by the IRS. We need some changes there -- new citizen advocacy panels, a stronger taxpayer advocate, phone lines open 24 hours a day, relief for innocent taxpayers. Last year, by an overwhelming bipartisan margin, the House of Representatives passed sweeping IRS reforms. (Applause.) This bill must not now languish in the Senate. Tonight I ask the Senate: follow the House, pass the bipartisan package as your first order of business. (Applause.)

I hope to goodness before I finish I can think of

something to say, "follow the Senate" on, so I'll be out of trouble.
(Laughter.)

A nation that lives as a community must value all its communities. For the past five years, we have worked to bring the spark of private enterprise to inner city and poor rural areas --with community development banks, more commercial loans in the poor neighborhoods, cleanup of polluted sites for development. Under the continued leadership of the Vice President, we propose to triple the number of empowerment zones, to give business incentives to invest in those areas. (Applause.)

We should also should give poor families more help to move into homes of their own, and we should use tax cuts to spur the construction of more low-income housing. (Applause.)

Last year, this Congress took strong action to help the District of Columbia. Let us renew our resolve to make our capital city a great city for all who live and visit here. (Applause.) Our cities are the vibrant hubs of great metropolitan areas. They are still the gateways for new immigrants, from every continent, who come here to work for their own American Dreams. Let's keep our cities going strong into the 21st century. They're a very important part of our future. (Applause.)

Our communities are only as healthy as the air our children breathe, the water they drink, the Earth they will inherit. Last year, we put in place the toughest-ever controls on smog and soot. We moved to protect Yellowstone, the Everglades, Lake Tahoe. We expanded every community's right to know about the toxins that threaten their children. Just yesterday, our food safety plan took effect, using new science to protect consumers from dangers like E. coli and salmonella. (Applause.)

Tonight, I ask you to join me in launching a new Clean Water Initiative, a far-reaching effort to clean our rivers, our lakes, our coastal waters for our children. (Applause.)

Our overriding environmental challenge tonight is the worldwide problem of climate change, global warming, the gathering crisis that requires worldwide action. The vast majority of scientists have concluded unequivocally that if we don't reduce the emission of greenhouse gases, at some point in the next century we'll disrupt our climate and put our children and grandchildren at risk. This past December, America led the world to reach a historic agreement committing our nation to reduce greenhouse gas emissions through market forces, new technologies, energy efficiency. We have it in our power to act right here, right now. I propose \$6 billion in tax cuts and research and development to encourage innovation, renewable energy, fuel-efficient cars, energy-efficient homes.

Every time we have acted to heal our environment,

pessimists have told us it would hurt the economy. Well, today our economy is the strongest in a generation, and our environment is the cleanest in a generation. We have always found a way to clean the environment and grow the economy at the same time. And when it comes to global warming, we'll do it again. (Applause.)

Finally, community means living by the defining American value -- the ideal heard round the world that we are all created equal. Throughout our history, we haven't always honored that ideal and we've never fully lived up to it. Often it's easier to believe that our differences matter more than what we have in common. It may be easier, but it's wrong.

What we have to do in our day and generation to make sure that America becomes truly one nation -- what do we have to do? We're becoming more and more and more diverse. Do you believe we can become one nation? The answer cannot be to dwell on our differences, but to build on our shared values. We all cherish family and faith, freedom and responsibility. We all want our children to grow up in a world where their talents are matched by their opportunities.

I've launched this national initiative on race to help us recognize our common interests and to bridge the opportunity gaps that are keeping us from becoming one America. Let us begin by recognizing what we still must overcome. Discrimination against any American is un-American. (Applause.) We must vigorously enforce the laws that make it illegal. I ask your help to end the backlog at the Equal Employment Opportunity Commission. Sixty thousand of our fellow citizens are waiting in line for justice, and we should act now to end their wait. (Applause.)

We also should recognize that the greatest progress we can make toward building one America lies in the progress we make for all Americans, without regard to race. When we open the doors of college to all Americans, when we rid all our streets of crime, when there are jobs available to people from all our neighborhoods, when we make sure all parents have the child care they need, we're helping to build one nation.

We, in this chamber and in this government, must do all we can to address the continuing American challenge to build one America. But we'll only move forward if all our fellow citizens -- including every one of you at home watching tonight -- is also committed to this cause.

We must work together, learn together, live together, serve together. On the forge of common enterprise Americans of all backgrounds can hammer out a common identity. We see it today in the United States military, in the Peace Corps, in AmeriCorps. Wherever people of all races and backgrounds come together in a shared endeavor and get a fair chance, we do just fine. With shared values and meaningful opportunities and honest communication and citizen service, we can unite a diverse people in freedom and mutual respect. We are many; we must be one. (Applause.)

In that spirit, let us lift our eyes to the new millennium. How will we mark that passage? It just happens once every thousand years. This year, Hillary and I launched the White House Millennium Program to promote America's creativity and innovation, and to preserve our heritage and culture into the 21st century. Our culture lives in every community, and every community has places of historic value that tell our stories as Americans. We should protect them. I am proposing a public-private partnership to advance our arts and humanities, and to celebrate the millennium by saving American's treasures, great and small.

And while we honor the past, let us imagine the future. Think about this -- the entire store of human knowledge now doubles every five years. In the 1980s, scientists identified the gene causing cystic fibrosis -- it took nine years. Last year, scientists located the gene that causes Parkinson's Disease -- in only nine days. Within a decade, "gene chips" will offer a road map for prevention of illnesses throughout a lifetime. Soon we'll be able to carry all the phone calls on Mother's Day on a single strand of fiber the width of a human hair. A child born in 1998 may well live to see the 22nd century.

Tonight, as part of our gift to the millennium, I propose a 21st Century Research Fund for path-breaking scientific inquiry -- the largest funding increase in history for the National Institutes of Health, the National Science Foundation, the National Cancer Institute. (Applause.)

We have already discovered genes for breast cancer and diabetes. I ask you to support this initiative so ours will be the generation that finally wins the war against cancer, and begins a revolution in our fight against all deadly diseases. (Applause.)

As important as all this scientific progress is, we must continue to see that science serves humanity, not the other way around. We must prevent the misuse of genetic tests to discriminate against any American. (Applause.) And we must ratify the ethical consensus of the scientific and religious communities, and ban the cloning of human beings. (Applause.)

We should enable all the world's people to explore the far reaches of cyberspace. Think of this -- the first time I made a State of the Union speech to you, only a handful of physicists used the World Wide Web. Literally, just a handful of people. Now, in schools, in libraries, homes and businesses, millions and millions of Americans surf the Net every day. We must give parents the tools they need to help protect their children from inappropriate material on the Internet. But we also must make sure that we protect the exploding global commercial potential of the Internet. We can do the kinds of things that we need to do and still protect our kids.

For one thing, I ask Congress to step up support for building the next generation Internet. It's getting kind of clogged,

you know. And the next generation Internet will operate at speeds up to a thousand times faster than today.

Even as we explore this inner space in a new millennium we're going to open new frontiers in outer space. Throughout all history, humankind has had only one place to call home -- our planet Earth. Beginning this year, 1998, men and women from 16 countries will build a foothold in the heavens -- the international space station. With its vast expanses, scientists and engineers will actually set sail on an uncharted sea of limitless mystery and unlimited potential. (Applause.)

And this October, a true American hero, a veteran pilot of 149 combat missions and one, five-hour space flight that changed the world, will return to the heavens. Godspeed, John Glenn. (Applause.) John, you will carry with you America's hopes. And on your uniform, once again, you will carry America's flag, marking the unbroken connection between the deeds of America's past and the daring of America's future.

Nearly 200 years ago, a tattered flag, its broad stripes and bright stars still gleaming through the smoke of a fierce battle, moved Francis Scott Key to scribble a few words on the back of an envelope -- the words that became our national anthem. Today, that Star Spangled Banner, along with the Declaration of Independence, the Constitution and the Bill of Rights, are on display just a short walk from here. They are America's treasures and we must also save them for the ages.

I ask all Americans to support our project to restore all our treasures so that the generations of the 21st century can see for themselves the images and the words that are the old and continuing glory of America; an America that has continued to rise through every age, against every challenge, of people of great works and greater possibilities, who have always, always found the wisdom and strength to come together as one nation -- to widen the circle of opportunity, to deepen the meaning of our freedom, to form that "more perfect union." Let that be our gift to the 21st century.

God bless you, and God bless the United States.
(Applause.)

END

10:26 P.M. EST

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12/11/97

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VP Remarks

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 11, 1997

**REMARKS BY THE VICE PRESIDENT
ON KYOTO AGREEMENT**

**The Roosevelt Room
The White House**

12:30 P.M. EST

THE VICE PRESIDENT: Thank you very much. Senator Lieberman, I want to begin by thanking you for your very generous words and for your own leadership. I want to acknowledge your wife, Hadassah -- Joe and Hadassah Lieberman have been great friends to Tipper and me over the years, and I just really admire the principled leadership that Joe Lieberman has brought to environmental issues and practically every other issue that he has dealt with.

I also want to express my thanks to Deb Callahan of the League of Conservation Voters, and Tom Kasten, President of TriGen Industries, for being part of this program. I want to acknowledge my colleagues in President Clinton's Cabinet -- Secretary of the Interior Bruce Babbitt; Secretary of Energy Federico Pena; Administrator of the EPA Carol Browner; the Director of the Federal Emergency Management Administration James Lee Witt; Gene Sperling, head of the Nation Economic Council; Deputy Secretary of Treasury Larry Summers; and Deputy Secretary of Labor Kitty Higgins; and Deputy Secretary of Transportation Mort Downey; Jim Baker of NOAA; and Rich Rominger, Deputy Secretary of Agriculture. I also want to acknowledge Stu Eizenstat and Katie McGinty, both of whom are still coming back from Kyoto.

There are leaders of the business and environmental organizations here -- forgive me for not trying to acknowledge everyone -- but there are some oil company leaders, companies that specialize in conservation products, leaders in businesses that trade emissions rights and so forth. And thank you all for being here.

History was made yesterday in Kyoto because, for the first time, the industrialized nations of the world agreed to a binding and realistic framework to deal with the enormous challenge of global warming. Because of yesterday's agreement, we can now begin to reduce the forms of air pollution that cause global warming. Our air and water here at home will be cleaner, and our businesses will be more competitive in the new global economy.

Over the course of the next century, it will mean that our children's future will be more secure from the dangers that scientists have warned about -- more record floods and droughts, spreading infectious diseases, melting glaciers and rising sea levels and stronger, more

frequent storms.

I'm extremely proud of the work of our negotiating team and I'm especially proud of the work of our chief negotiator, Under Secretary of State Stu Eizenstat, who did a superb job in pulling together all of the facets of this negotiation and he really did a great job; and as mentioned by Senator Lieberman, the work of Katie McGinty, who joined Stu during the final work there. I also want to thank Under Secretary Tim Worth for the five years of hard work that he put into this agreement, and all of the others who have put so much time and effort into this over a long period of time.

No question about the fact that these have been among the most difficult negotiations ever held -- maybe the most difficult. One of the individuals that I met with in Kyoto earlier this week described them as an intricate, three-dimensional chess game. I think that kind of understates the difficulties of it. Over 160 nations participated and there were, as everyone knows, deep and profound differences among the different delegations.

But we hung tough, and in the end the final agreement was based on the core elements of the American proposal. And make no mistake, we stuck by the President's principles and we prevailed. This agreement reflects most of the key elements of the President's plan. It's based on the simple idea that it will not be government bureaucrats or regulators, but free markets and free minds that will be our best bet to win the battle against global warming, while lifting the lives and the hopes of citizens around the world.

The agreement will enhance growth and create new incentives for the rapid development of technologies through a system of joint implementation and emissions trading. It creates binding limits. It asks us to do what we promised, not promise what we cannot do. It is comprehensive, including all six greenhouse gases. And some of you know that there was a big fight there -- we wanted all six of them; most of the rest of the world just wanted to cover half of the greenhouse gases. It's also based on the specific timeline that we proposed. And it will create a level playing field for American industry.

I think that all Americans can and should be proud of the role that our country played in leading the world to finish this agreement. And we would not have reached this critical moment in what has been a decade's long fight, if it had not been for the vision and tenacity of President Clinton. As someone who has cared very deeply about this issue for a long time, I want to express my personal gratitude to President Clinton for his leadership and courage.

Although Kyoto is indeed an important turning point, everybody understands we still have a lot of hard work ahead of us. In many ways, this is just beginning. We still have to press for meaningful participation by key developing nations. We made a good start on that and laid down a foundation, put in place a framework and a negotiating process that will continue in the months ahead on that point. And let's be clear, as we said from the very beginning, we will not submit this agreement for ratification until key developing nations participate in this effort. This is a global problem that will require a global solution. But I am confident that with the framework achieved in Kyoto and the continued negotiations with the developing world

begun there, we will be able to meet this test.

In the coming days and months it will be critical that we avoid looking at this effort through a narrow, political lens. Too much is at stake. We must focus instead on the longer-term future of our planet and our economy, and on the health and well-being of our families and communities.

This is not a Democratic or Republican problem. Nor is it a problem for any one nation alone. It is a problem for the entire world. It's new in that respect, and it requires new thinking and the kind of leadership that President Clinton has provided. The stakes are simply too high -- environmentally, economically and morally -- for us to allow the special interests to get in the way of the common interest of all human kind.

So many times in our nation's history we have banded together and successfully met what seemed to be an insurmountable environmental challenge. And each time the skeptics have said it couldn't be done at all or it could only be done at the cost of ruining our economy. We've heard that often. And each time they were wrong. From cleaning up our rivers and lakes, to combating acid rain, to tackling ozone depletion and others, our technology and our innovation have allowed Americans to enjoy a cleaner environment and a stronger economy at the same time.

Never in history have we had the kind of forceful, persistent environmental protection efforts we've had here in the United States over the last five years, and we've had the strongest sustained economic recovery at the same time that we've had in more than a generation -- 13.5 million new jobs, record low unemployment, the deficit almost eliminated, higher wages and more new businesses while inflation declined. So cleaning up the environment and strengthening our economy go hand in hand.

Before I go to your questions, let me conclude by saying I'm very optimistic today. I believe the American people can meet the challenge of global warming and end up with a better and stronger economy in the process. So on behalf of President Clinton, I call on all Americans in our best bipartisan tradition to join together in this critical undertaking, to stand with us on the right side of history. For in the end, I think that at the core of global warming is not just a challenge, but an opportunity to create a cleaner and more sustainable environment with new jobs and new businesses and a more secure future.

Thank you very much. I appreciate you all being here. (Applause.)

Q Mr. Vice President, how much will this treaty cost the average American in either higher taxes or energy costs?

THE VICE PRESIDENT: Well, we've completely ruled out new taxes of any kind as a means of meeting our obligations under this treaty. We have specifically indicated that the President will propose in his State of the Union address new tax incentives -- that is tax cuts -- to encourage the purchase of the new technologies that will be necessary in order to have more

efficient uses of energy and generate less pollution.

Q Mr. Vice President, will you wait until after Argentina next year, when maybe the developing countries will come on board, before this treaty is officially submitted to the Senate?

THE VICE PRESIDENT: Well, as we said from the very beginning, we will not submit this for ratification until there's meaningful participation by key developing nations. Now, there is a negotiation now underway that will aim toward the meeting in Buenos Aires next November. However, there will also be bilateral talks with key developing nations.

And the progress made in the Kyoto treaty on joint implementation with credit offers mechanisms for pulling developing nations into this, voluntarily. And based on what we heard during these talks in Kyoto, I can tell you that while the world was given the impression that there was a monolithic opinion on the part of the developing world, actually lots of these developing countries have a different position and want to be a part of this treaty. Some of them are suffering the impacts of global warming already. Some of them are trying to urge the others to join in this.

And so we've got a big task ahead of us, but we've got some prospects of getting agreement to bring key developing countries in. We will not -- let me repeat -- we will not submit it to ratification, as we've said from the very beginning, until we have that participation from key developing countries.

Q Mr. Vice President, when you talk about -- are you talking about voluntary -- (inaudible.) The second part of the question is, even before the agreement -- (inaudible) --

THE VICE PRESIDENT: Well, first of all on your first question, no, we're not talking about voluntary limits. We're talking about voluntary agreements to join in binding limits. That's a big difference. And we don't have that yet, but we're heading in that direction and I think that there's reason for optimism that eventually we will get there.

Now, as for the second part of your question, there's going to be a huge debate in our country in the years ahead about why it's in our best interests to secure the future for the next generation and the generations after that. The fact is, we've reached a new period in history when the power that we have with new technologies in our civilization, multiplied by the larger population around the world, leads to the emissions of these greenhouse gases, a form of pollution that traps more heat in the atmosphere and changes the climate. And the consequences are devastating, unless we act. And the awareness of that fact has been growing steadily.

And I think that, as Senator Lieberman said a moment ago, the American people are ahead of the politicians where cleaning up the environment is concerned. They want cleaner air, they want cleaner water, they want less pollution, and they want the new technologies that create new jobs and new businesses as we take the lead here in the United States in making and selling this new generation of products around the world.

Roger V. Salazar @ OVP 12/11/97 11:00:16 AM

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THE WHITE HOUSE

Office of the Vice President

For Immediate Release

Contact : (202) 456-7035

Wednesday, December 10, 1997

STATEMENT OF THE VICE PRESIDENT

I was extremely gratified to learn that the nations of the world agreed in Kyoto today to take strong, binding action against global warming. This historic agreement lays a solid foundation for long-term efforts to protect our climate while creating new opportunities for economic growth.

All Americans can be proud of the role our country played in securing this comprehensive agreement. The core elements were those laid out in President Clinton's proposal, and in the final hours, our skillful negotiating team led by Ambassador Stu Eizenstat led the way in bridging gaps among nations.

Addressing global warming is a long-term challenge and the Kyoto agreement is a vital turning point. Clearly, more work is needed. In particular, we will continue to press for meaningful participation by key developing nations. We are confident that can be achieved.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 1, 1997

REMARKS BY THE PRESIDENT
AT BUDGET MEETING

The Cabinet Room

11:40 A.M. EST

THE PRESIDENT: Today we are planning for the future and we're working on two issues I wanted to mention briefly.

First, we are about to start a meeting, as you can see, with the economic team, planning for the 1998 budget. This will be the sixth year of our economic plan of investing in our people, cut the deficit, expand America's ability to sell abroad. And, as all of you know, the deficit has gone from \$290 billion when I took office to \$23 billion today. Our economy is the strongest in a generation. And what we are going to be doing now is looking to continue this strategy within the confines of the balanced budget. Keep in mind, we have a balanced budget plan, but we don't have a balanced budget yet. We have to keep that uppermost in our minds.

The second thing we're going to be doing is continuing to work on the challenge of climate change, with the Kyoto conference in Japan opening this week. The conference begins today. I've asked the Vice President to go to Kyoto early next week to present our approach, which is both environmentally strong and economically sound.

All of you know that I believe that global warming is one of the great challenges that America must face over the next few decades, and we must begin now. The challenge is not imminent in the sense that most people can't feel it now, but it is clear and it is very profound. It is a danger that the world community would ignore only at its peril.

There are still significant differences between the parties on key issues at the conference. The question before us is whether the nations of the world, both the developed and the developing nations, can put their rhetoric aside and find common ground in a way that enables us to make real progress in reducing the danger of global warming. And this can be done, I firmly believe, without undermining the capacity of the developing countries to grow or, for that matter, the capacity of the developed countries to grow.

We have set forward a plan that is both aggressive and achievable. It represents our commitment to do what we promised to do and to work very hard to avoid promising to do something that neither we nor others can do.

The Vice President will lay out the essence of our plan, explain its central goals: a strong target, a vigorous domestic program, reliance on market mechanisms to reduce the cost of cutting emissions, and meaningful participation by the developing countries -- because the progress that we need to make cannot be made and, indeed the problem cannot be solved, unless all countries are involved. This is a global problem requiring a global solution.

I'm pleased the Vice President is going to Kyoto to present our position. It shows that we consider this to be a profoundly important issue and we have taken it very seriously, we

MORE

have worked very hard on it. An outstanding negotiating team, led by Undersecretary of State Stu Eizenstat, will conduct the negotiations. And I believe that if we all work hard, this will be viewed as a landmark meeting on our way to making progress on this critical challenge.

Q Mr. President, does that mean your position is negotiable and will the Vice President be able to negotiate? Or is he simply stating your position?

THE VICE PRESIDENT: Can I answer that, Mr. President? I'm not going to be the negotiator. Stu Eizenstat is going to be leading the negotiations. And I would like to make it clear that, as others have said, we are perfectly prepared to walk away from an agreement that we don't think will work. And so it should be crystal clear to all the parties there that we're going to present the U.S. position forcefully and clearly. Mr. Eizenstat has the President's authority to negotiate, but the principles the President laid down earlier will be the ones that have to be met in order for the U.S. to participate.

Q Sounds hostile.

THE PRESIDENT: No, we're not hostile. We're going there in good faith, committed to negotiate within our principles. But I think it's very important that we not do something that appears to be politically palatable, but that won't produce the results.

We have a good framework here; we've worked very hard. I personally have spent a lot of time talking to world leaders about this since I announced our position. We spent a lot of time talking about it when I was in Canada, at the APEC meeting. I spent a lot of time when I was in Latin America talking to leaders about it. I spent time on the phone talking to others about it. I talked to President Jiang when he was here.

We're certainly going to negotiate in good faith. But we have to negotiate within the framework of our principles, and our principles are not inconsistent with what others say they want to achieve. So I'm very hopeful.

Q Mr. President, have you heard from the Attorney General about her decision regarding an independent counsel?

THE PRESIDENT: No.

Q When do you expect to hear from her?

THE PRESIDENT: I don't know. I have not heard anything.

Q Mr. President, returning to Kyoto, the United States is proposing one of the more modest proposals of the summit -- at the meeting, I should say. What factors led the administration to back away from its earlier proposal to cut greenhouse gases more dramatically?

THE PRESIDENT: We didn't have an earlier proposal, that I'm aware of. The government of the United States in '92, before I became President, signed on to the Rio conference. And we were attempting to come up with a proposal that we thought we could actually meet within the tools available to us and within the realistic options available to me as President, and consistent with our desire to maintain our rate of growth but to change the energy basis on which we grow our economy.

So we reached a decision we thought was best not only for the United States, but that we thought was achievable and therefore it was responsible for the world.

I think it's very important -- keep in mind, we want to set targets that we can hit. At Rio, I think the world did set some targets in good faith, but there was no real system, no mechanism set up, country by country, to implement that. I'm going to do a much better job of that for the United States now. That is, we're going to have a program to pursue our course and we're going to do it whatever happens at Kyoto. We're going to really work hard at this now.

But I think it's important that we have a goal that makes sense. And I've evaluated where the Europeans are, in fact, with their efforts, where the Asians are, where the Latin Americans are, and what I think we can achieve here.

Also, keep in mind, I think we need to be looking at this in terms of not just what happens in 2010, but where are we in 2020, where are we in 2030. What our objective has to be is to dramatically slow, freeze, and then reduce greenhouse gas emissions for the developed countries, and then get the developing countries to do the same thing, so that over the course of the next few decades we avoid what is otherwise certainly going to happen, which is a dramatic warming of the planet.

This is a problem that needs -- it's a hard problem for democracies to deal with because we like to deal with things that have quick action and quick pay-off. This problem has been developing over decades. If you read the Vice President's book and you look at his charts, you see how much worse it's gotten just in the last few years. But it can't be turned around overnight. And so I think we've reached the right decision.

THE VICE PRESIDENT: Mr. President, if I could add just a word on this -- I think it's important to note that the position outlined and presented by the President that will be presented formally in Kyoto represents almost a 30 percent cut in emissions that would otherwise take place here in the United States by around the year 2010. That would represent a huge change.

The second point, as the President has said, whether there is an agreement in Kyoto or not, the United States is prepared, under President Clinton's leadership, to unilaterally take the steps that we believe should be taken in order to deal with this problem.

Third point, we see Kyoto as the beginning of the process, not the end of the process. And whether the agreement is reached at Kyoto or not, we will work to make sure that the world community comes together over the next few years and follows a sensible plan to solve this problem. And I'm going in order to demonstrate the commitment of the administration to solving that problem, regardless of whether or not we end up being able to sign on to the agreement at Kyoto.

THE PRESIDENT: Let me make just one other point about that to reinforce what the President has said. The goal we have suggested for Kyoto would require a much greater effort from the United States than from the other developed countries in the next few years because we've had so much more growth in the last five years than the other developed countries. So that if you use 1990 as a base year, let's say, instead of 1995, 1997, or some earlier year, it's the year that most clearly puts the burden on us since we've had so much more growth than our other developed partners have since that period.

Now, I'm not complaining about that. We have the most to do; we intend to do it. But I think that to imply that our goals are more modest than others doesn't look at -- you ought to look at who has to do what work between now and then.

Q Your goal is more modest now, though, than it was in 1993, when you proposed a goal for the administration. Is it because of the growth? Is that the reason why you --

THE PRESIDENT: Yes, we grew a lot more. And I don't think we have -- frankly, I don't think we have -- if you want to meet something with market mechanisms and technology and you don't favor taxes and regulation, then you have to have a more sophisticated system with more, sort of, buy-in, more organized, disciplined partnerships than we've had by and large with the private sector. I think that I have to do a better job of having a disciplined, coordinated effort here, which we intend to do now.

Q Why not have the Vice President head the negotiations?

THE PRESIDENT: Because, for one thing, we need him to do other things over the next six days. Stu Eizenstat is a great negotiator; he's the perfect person to do this. The Vice President is going there to announce our policy and to be there and show how important it is. No other country has got someone at the Vice President's level doing the negotiating -- that's not how you negotiate these treaties.

THE VICE PRESIDENT: You can be sure that both the President and I will remain very active behind the scenes, but all of the negotiating will be done -- as is traditional and customary -- by the head of the negotiating team.

THE PRESIDENT: Let me say, they're not going to run away with this -- we'll get daily reports, maybe several times a day, on what's going on. Don't worry about that.

Q -- United States and Japan are considering chipping in as much \$20 billion to the IMF-led loan for South Korea. Two questions. Are those numbers in the ballpark? And, secondly, are you at all concerned about the moral hazard risk element of this, that by persistently bailing out countries you end up leading to the possibility that they will pursue less prudent national policies rather than more prudent ones in the future?

THE PRESIDENT: Well, I would be worried about that if that's what we had done, but that's not what we've done. That is, I favor a strong agreement with the IMF that would actually restore financial stability and confidence in South Korea. And if such an agreement could be made, then I would favor the United States participating along with Japan, much the same way we did in the recent matter involving Indonesia.

But if you look at what we did in Indonesia, if you look at what we did in Mexico, you see that the moral hazard argument doesn't come into play because we didn't agree to provide assistance and backup financial support until there was in place a rigorous plan that had a high likelihood of success in restoring long-term health and stability to the country. If you look at the results that were obtained in Mexico, they took a lot of tough medicine, they took a lot of hits to their economy, but it rebounded much more quickly than anyone thought it would and they paid the money back to us ahead of time and at a profit. And if the plan that was adopted for Indonesia is vigorously implemented in good faith, I believe it will have similar results.

When our finance ministers met in Manila, we agreed that that was the formula that we would try to follow -- that the country would reach a strong agreement with the IMF, and then if more funds were needed, at least in a backup situation, if the IMF fund should not be enough, then the United States, Japan, and others, in accordance with their ability, would be there to do that. I think we should be prepared to do that in the case of Korea if there's a strong agreement that has a high likelihood of restoring stability and confidence.

Q How do you regard the anti-pornography agreement -- Mr. President, their meeting today

THE PRESIDENT: I hope it works. I encouraged them to do it and I'm glad they're doing it. I wish them well.

END

11:55 A.M. EST

POTUS
REMARKS

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

December 1, 1997

REMARKS BY THE PRESIDENT
AT DNC DINNER

Renaissance Mayflower Hotel

7:50 P.M. EST

THE PRESIDENT: Thank you very much. Thank you very much, Governor. I want to thank Jeff and Andy for hosting this event tonight, and I thank all of you for being here. I just came in with at least three members of the White House staff. I think Ginny Apuzzo is already here, but I came in with Sandy Thurman, Craig Smith, and Richard Socarides. And if anybody else is here from the White House, I apologize for making an omission.

Let me say to all of you, first, I really appreciate your being here tonight and your support for our party. Five years ago when I became President, I felt very strongly that our country needed a common, unifying vision to get us into the 21st century that included all Americans who were willing to work hard and obey the law, that guaranteed opportunity in return for responsibility, and that maintained the leadership of our nation in the world.

Five years later I don't think any serious observer could question the fact that our country is in better shape than it was five years ago on virtually every front. The economy is in the best shape it has been in in a generation. We have made genuine progress in resolving a lot of our deepest social problems. The crime rate is dropping in virtually every community in the country. The welfare rolls have dropped by more than at any time in history. We have begun to try to reconcile the demands of work and family, which is in some ways the central dilemma that people with school-age children face and with preschool children.

And we have taken on a lot of issues that had not been taken on before -- the dangers of tobacco to children, something Mr. Tobias has been on me about since long before he ever thought I could become President -- (laughter); the issue of having legal guns in the wrong hands and illegal guns getting into the country when they shouldn't; and also this issue of what it means to be inclusive.

On World AIDS Day I think it's worth pointing out that we've made a lot of dramatic progress in how fast we're moving drugs from the testing stage to approval to market. The increases in investment across the board have helped to lengthen and improve the quality of life of people living with HIV and AIDS. And I still believe that we will be able to find a cure within the next few years if we continue to intensify our efforts. (Applause.)

Now, one of the things that I would like to say, since this is a Democratic Party fundraiser, is that there is a direct chain of events between your support of our efforts and the things which happen in this country. And if you go back over the last five years -- and I won't mention many, but I'd like to mention just a few -- and you look at the areas where there has been a partisan fight and then you look at the areas in which there has been bipartisan cooperation, in both areas you can see the signal difference it makes to have a strong party representing the values that we represent.

MORE

If you look at the partisan fights -- I'll just mention two -- in the '93 budget fight, we didn't have a single -- a single -- Republican vote, but before the Balanced Budget Act kicked in, we had already reduced the deficit by 92 percent because of the work that we did, while increasing investments in medical research, in treatment, in education, in health care, and reducing the budget 92 percent. It was our kind of budget. And reducing income taxes on working families with incomes under \$30,000.

If you look at the Crime Bill debate we had in '94, we had a few -- and I thank God for them -- we had a few Republican votes on a strategy which is now universally accepted as having a dramatic impact on lowering the crime rate -- putting 100,000 police on the street, passing the Brady Bill, passing the assault weapons ban, passing preventive programs. In the last session we actually got a lot of -- a substantial amount of money through the Congress for after-school programs for kids who would otherwise be wandering on the streets or for work programs for kids who are out of school.

Juvenile crime has not dropped as much as regular crime. The overwhelming percentage of juvenile crimes are committed between 3:00 in the afternoon and 7:00 at night.

So that on these issues I think history shows we were right.

Where there was bipartisan cooperation -- I'll just mention two -- in the welfare reform bill, because I had a party in the Congress that would back me, I was able to veto the bill twice when they tried to take guaranteed health care and food away from poor children in welfare families, and because it lacked an adequate commitment to child care for people who were going to work. So when we signed the bill, I think it was a much better bill plainly because of the contribution our party made.

In the balanced budget bill last summer, which I am strongly in favor of, it is true that some of the more liberal members of our caucus didn't vote for it, but over two-thirds of the Democratic Caucus voted for that balanced budget for a very good reason: it contained the biggest increase in child health since Medicaid passed in 1965; the biggest increase in aid to public education since 1965; the biggest increase in opening the doors of higher education since the G.I. Bill in 1945; and a huge increase in medical research through the NIH.

So again I say, the parties make a difference, because they bring to bear their views on public decisions. And if people didn't help them get elected, they wouldn't be able to do that.

If you look at where we are today -- I'd just like to mention one or two things. I believe that we are moving to deal in a more open way with this whole idea of what it means to build one America. The White House Hate Crimes Conference could not have come at a better time. And if you look at some of the terrible things that Governor Romer has been going through in Denver, you see that it is a problem in America in more contexts than one. And I think that's very important.

I hope that the appearance I made at the Human Rights Campaign Fund dinner the other night and the continuing strong support by many members in Congress -- some in both parties -- for ENDA is again another manifestation of the fact that we are continuing to try to expand the barriers of our American community. I think it's very important that we continue to do that.

If I might just mention three other things that are very much on my mind tonight -- that you may want to talk about, or not as we visit -- I have done my best to try to put America in a

position to continue to lead the world and to deal with the new security threats and seize the new opportunities of the new century. I intend, therefore, to continue to try to get fast track authority from the Congress because I think that we have to sell more of our products overseas. And I think only by selling more and by becoming more involved with other countries will we have the leverage to try to elevate international economic, labor, and environmental standards -- something that I strongly support.

I think we have to do it in a way that our party favors, which is to do more, more quickly for people that are displaced here at home. I think we have to take a very strong position, but a realistic one we can get other countries to sign on to, at the climate change meeting in Kyoto. The Vice President is going over there to present our views. I think this is a huge, huge issue and will be for at least another generation.

This, in some ways, is the most difficult of all problems for a democracy to confront -- except if you live in a place that has had a lot of extreme weather in the last five years, you probably don't have any tangible evidence that the climate is warming more rapidly than it has in 10,000 years. But by the time we could all get tangible evidence, it would be too late to do much about it. That's the first problem.

The second problem is this is not like the balanced budget, which will be done in four or five years or six years from the time we started. This is something we'll have to work on for 20 or 30 years, but we have to begin today. Democracies are not very well organized for this sort of challenge. But it is imperative that we do it. And I would implore all of you to do whatever you can to help us build public support for having an aggressive approach to climate change.

One final issue I wanted to mention is this whole matter involving our dispute with Iraq. This is not about the United States and Iraq, per se; nor is it about an attempt to rehash the Gulf War. This is a question of whether we are going to establish in the world a regime that will limit the capacity of rogue nations and illegal groups to manufacture, store, disseminate, sell, or use dangerous biological and chemical weapons or small-scale nuclear weapons. I think it is imperative that we try.

Now, you saw from what happened in the Tokyo subway with the sarin gas that it's hard to envision a totally risk-free world, but, believe me, there are substantial things that can be done to minimize the chance that innocent civilians who travel the world and walk the streets of cities all across the world will be subject to that sort of thing.

So when you see all this stuff playing out in the press, let me assure you that what I am thinking about is whether we can, as part of our responsibilities to the future, create a regime in which we will actually be able to say not that there may never be an incident of chemical or biological use by a terrorist group or a drug trafficker or something else, but that we have done everything that is humanly possible to know where the stockpiles are, to limit them, and to minimize the chances that they can ever be brought into play against innocent human beings.

This is a huge issue and it will require enormous discipline by our country and enormous leadership by our country if we're going to prevail. And this is a case when -- you know, I care a lot about economics and I think that it's easy to demean it. The country is in better shape when everybody has a job that wants one. But this is one issue where economic interest in the short run cannot be allowed to override our solemn obligation to the future to try to

minimize the chance that we'll have any of this in your future or children's future.

Now, having said that, again I say the main point I want you to understand is there is a direct connection between everything I just mentioned and hundreds of things I didn't and your decision to be here supporting our party. And this is a better country today than it was five years ago because of the ideas, the values, and the efforts that you helped to make possible.

Thank you very much. (Applause.)

END

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XXX are of them.

CLINTON: This is not a complicated deal. And there's about an 18-year bulge there that we have to get through, after which, because of the child-rearing habits of our own children and because of immigration, things will kind of settle out again.

It is irresponsible -- I don't know anyone in my generation, anybody in the baby boom generation, who really wants to saddle our kids with an unsustainable economic burden to take care of us in our old age. So we're going to have to make some prudent changes. If we do it now, we're open about it, we don't try to play politics with it, can we do it? We can reduce it nearly to an accounting problem. We'll just do what makes sense and do the common-sense thing and go on. But we have to do it.

We've got to figure to a way to stop this climate change, this global warming. Can we do it without wrecking the economy? Of course we can. Look at all the announcements Detroit has been making just in the last few days about new cars. Of course we can.

We've got mountains of natural gas in this country we haven't even begun to use. We stopped using it 20 years ago because we thought we were running out of it. Now we know it's a good thing we didn't use it; now we need to use it now to stop the climate from warming up too much. We have major challenges. There's another 10 I could give you.

The point I'm making is the country is in good shape now and we can be glad about that. But when you're doing well the last thing you should do in a time of change is to sit on your laurels. When you're doing well you should say, I have been given this opportunity to think long-term about the problem, to think about my children, to think about my grandchildren.

(APPLAUSE)

In Washington, some people have criticized me for trying to have this national -- have a dialogue on race because they say we don't have any riots in the cities. My view is, if I don't ever want any more riots in the cities and I don't like what I see in the problems from Northern Ireland to the Middle East to the tribal wars in Africa to Bosnia, why don't we try to do something about it while we're all getting along more or less. I think that's a pretty good idea.

(APPLAUSE)

I say that because ideas have consequences. I think the approach that Sheila Jackson Lee embodies: that you can be pro-business and pro-labor; that you can have compassion for people who deserve and need help and still be fiscally responsible; that you can be tough on crime, but still smart enough to realize the best approach is to keep kids out of trouble in the first place; that you can grow the economy and preserve the environment; that you can reduce the size of government and the burden of bureaucracy and still

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increase your investment in education and the future and science and technology. In other words, a modern balanced, common sense, progressive approach.

It seems to me that that is what we need for quite a long while to come in the United States -- not because things aren't doing well now, not because I'm not grateful, but because I don't think we're anywhere near finishing the transition we have to make as a country if we really want 21st century America to be a place where every single child can live up to his or her God-given capacities if they're responsible enough to do it, where we know we're going to be one America celebrating our diversity but bound together by things that are more important, and where we're still the world's leading force for peace and freedom and prosperity. And I don't think you think it either.

I think every one of you, if you'd be really honest, would say I'm really glad we're doing well, but do we have challenges over the long run? You bet we do. It matters. Ideas have consequences. The approach you take matters. This woman has made a positive contribution to the direction of America, and I believe what we're doing needs to continue beyond the service that I can render as president. I believe it needs to continue well into the next century and, thanks to your presence here, she's got a good chance to do that, and I want you to make sure it happens.

Thank you and God bless you.

(APPLAUSE)

END

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 22, 1997

REMARKS BY THE PRESIDENT
ON GLOBAL CLIMATE CHANGE

National Geographic Society
Washington, D.C.

2:57 P.M. EDT

THE PRESIDENT: Thank you very much. Mr. Murphy, Mr. Vice President, to all of you who are here. I thank especially the members of Congress who are here, the leaders of labor and business who are here, all the members of the administration, and especially the White House staff members that the Vice President mentioned and the Secretary of Energy, the Administrator of the EPA, and the others who have helped us to come to this moment.

On the way in here we were met by the leaders of the National Geographic, and I complimented them on their recent two-part series on the Roman Empire. It's a fascinating story of how the Empire rose, how it sustained itself for hundreds of years, why it fell, and speculations on what, if any, relevance it might have to the United States and, indeed, the West.

And one of the gentlemen said, well, you know, we got a lot of interesting comments on that, including a letter referencing a statue we had of the bust of Emperor Vespasian. And one of our readers said, why in the world did you put a statue of Gene Hackman in a piece on the Roman Empire? (Laughter.) And I say that basically to say, in some senses, the more things change, the more they remain the same. (Laughter.)

For what sustains any civilization, and now what will sustain all of our civilizations, is the constant effort at renewal, the ability to avoid denial and to proceed into the future in a way that is realistic and humane, but resolute. Six years ago tomorrow, not long after I started running for President, I went back to my alma mater at Georgetown and began a series of three speeches outlining my vision for America in the 21st century -- how we could keep the American Dream alive for all of our people, how we could maintain America's leadership for peace and freedom and prosperity, and how we could come together across the lines that divide us as one America.

And together, we've made a lot of progress in the last nearly five years now that the Vice President and I have been privileged to work at this task. At the threshold of a new century, our economy is thriving, our social fabric is mending, we've helped to lead the world toward greater peace and cooperation.

I think this has happened, in no small measure, in part because we had a different philosophy about the role of government. Today, it is smaller and more focused and more oriented toward giving people the tools and the conditions they need to solve their own problems and toward working in partnership with our citizens. More important, I believe it's happened because we made tough choices but not false choices.

On the economy, we made the choice to balance the budget and to invest in our people and our future. On crime, we made the choice to be tough and smart about prevention and changing the conditions in which crime occurs. On welfare, we made the choice to require work, but also to support the children of people who have been on welfare. On families, we made the choice to help parents find more and better jobs and to have the necessary time and resources for their children. And on the environment, we made the choice to clean our air, water, and land, to improve our food supply, and to grow the economy.

This kind of commonsense approach, rooted in our most basic values and our enduring optimism about the capacity of free people to meet the challenges of every age must be brought to bear on the work that remains to pave the way for our people and for the world toward a new century and a new millenium.

Today we have a clear responsibility and a golden opportunity to conquer one of the most important challenges of the 21st century -- the challenge of climate change -- with an environmentally sound and economically strong strategy, to achieve meaningful reductions in greenhouse gases in the United States and throughout the industrialized and the developing world. It is a strategy that, if properly implemented, will create a wealth of new opportunities for entrepreneurs at home, uphold our leadership abroad, and harness the power of free markets to free our planet from an unacceptable risk; a strategy as consistent with our commitment to reject false choices.

America can stand up for our national interest and stand up for the common interest of the international community. America can build on prosperity today and ensure a healthy planet for our children tomorrow.

In so many ways the problem of climate change reflects the new realities of the new century. Many previous threats could be met within our own borders, but global warming requires an international solution. Many previous threats came from single enemies, but global warming derives from millions of sources. Many previous threats posed clear and present danger; global warming is far more subtle, warning us not with roaring tanks or burning rivers but with invisible gases, slow changes in our surroundings, increasingly severe climatic disruptions that, thank God, have not yet hit home for most Americans. But make no mistake, the problem is real. And if we do not change our course now, the consequences sooner or later will be destructive for America and for the world.

The vast majority of the world's climate scientists have concluded that if the countries of the world do not work together to cut the emission of greenhouse gases, then temperatures will rise and will disrupt the climate. In fact, most scientists say the process has already begun. Disruptive weather events are increasing. Disease-bearing insects are moving to areas that used to be too cold for them. Average temperatures are rising. Glacial formations are receding.

Scientists don't yet know what the precise consequences will be. But we do know enough now to know that the Industrial Age has dramatically increased greenhouse gases in the atmosphere, where they take a century or more to dissipate; and that the process must be slowed, then stopped, then reduced if we want to continue our economic progress and preserve the quality of life in the United States and throughout our planet. We know what we have to do.

Greenhouse gas emissions are caused mostly by the inefficient burning of coal or oil for energy. Roughly a third of these emissions come from industry, a third from transportation, a third from residential and commercial buildings. In each case, the conversion of fuel to energy use is extremely inefficient and could be made much cleaner with existing technologies or those already on the horizon, in ways that will not weaken the economy but in fact will add to our strength in new businesses and new jobs. If we do this properly, we will not jeopardize our prosperity -- we will increase it.

With that principle in mind, I'm announcing the instruction I'm giving to our negotiators as they pursue a realistic and effective international climate change treaty. And I'm announcing a far-reaching proposal that provides flexible market-based and cost-effective ways to achieve meaningful reductions here in America. I want to emphasize that we cannot wait until the treaty is negotiated and ratified to act. The United States has less than 5 percent of the world's people, enjoys 22 percent of the world's wealth, but emits more than 25 percent of the world's greenhouse gases. We must begin now to take out our insurance policy on the future.

In the international climate negotiations, the United States will pursue a comprehensive framework that includes three elements, which, taken together, will enable us to build a strong and robust global agreement. First, the United States proposes at Kyoto that we commit to the binding and realistic target of returning to emissions of 1990 levels between 2008 and 2012. And we should not stop there. We should commit to reduce emissions below 1990 levels in the five-year period thereafter, and we must work toward further reductions in the years ahead.

The industrialized nations tried to reduce emissions to 1990 levels once before with a voluntary approach, but regrettably, most of us -- including especially the United States -- fell short. We must find new resolve to achieve these reductions, and to do that we simply must commit to binding limits.

Second, we will embrace flexible mechanisms for meeting these limits. We propose an innovative, joint implementation system that allows a firm in one country to invest in a project that reduces emissions in another country and receive credit for those reductions at home. And we propose an international system of emissions trading. These innovations will cut worldwide pollution, keep costs low, and help developing countries protect their environment, too, without sacrificing their economic growth.

Third, both industrialized and developing countries must participate in meeting the challenge of climate change. The industrialized world must lead, but developing countries also must be engaged. The United States will not assume binding obligations unless key developing nations meaningfully participate in this effort.

As President Carlos Menem stated forcefully last week when I visited him in Argentina, a global problem such as climate change requires a global answer. If the entire industrialized world reduces emissions over the next several decades, but emissions from the developing world continue to grow at their current pace, concentrations of greenhouse gasses in the atmosphere will continue to climb. Developing countries have an opportunity to chart a different energy future consistent with their growth potential and their legitimate economic aspirations.

What Argentina, with dramatic projected economic growth, recognizes is true for other countries as well: We can and we must work together on this problem in a way that benefits us all. Here at home, we must move forward by unleashing the full power of free markets and technological innovations to meet the challenge of climate change. I propose a sweeping plan to provide incentives and lift road blocks to help our companies and our citizens find new and creative ways of reducing greenhouse gas emissions.

First, we must enact tax cuts and make research and development investments worth up to \$5 billion over the next five years -- targeted incentives to encourage energy efficiency and the use of cleaner energy sources.

Second, we must urge companies to take early actions to reduce emissions by ensuring that they receive appropriate credit for showing the way.

Third, we must create a market system for reducing emissions wherever they can be achieved most inexpensively, here or abroad; a system that will draw on our successful experience with acid rain permit trading.

Fourth, we must reinvent how the federal government, the nation's largest energy consumer, buys and uses energy. Through new technology, renewable energy resources, innovative partnerships with private firms and assessments of greenhouse gas emissions from major federal projects, the federal government will play an important role in helping our nation to meet its goal. Today, as a down payment on our million solar roof initiative, I commit the federal government to have 20,000 systems on federal buildings by 2010.

Fifth, we must unleash competition in the electricity industry, to remove outdated regulations and save Americans billions of dollars. We must do it in a way that leads to even greater progress in cleaning our air and delivers a significant down payment in reducing greenhouse gas emissions. Today, two-thirds of the energy used to provide electricity is squandered in waste heat. We can do much, much better.

Sixth, we must continue to encourage key industry sectors to prepare their own greenhouse gas reduction plans. And we must, along with state and local government, remove the barriers to the most energy efficient usage possible. There are ways the federal government can help industry to achieve meaningful reductions voluntarily, and we will redouble our efforts to do so.

This plan is sensible and sound. Since it's a long-term problem requiring a long-term solution, it will be phased in over time. But we want to get moving now. We will start with our package of strong market incentives, tax cuts, and cooperative efforts with industry. We want to stimulate early action and encourage leadership. And as we reduce our emissions over the next decade with these efforts, we will perform regular reviews to see what works best for the environment, the economy, and our national security.

After we have accumulated a decade of experience, a decade of data, a decade of technological innovation, we will launch a broad emissions trading initiative to ensure that we hit our binding targets. At that time, if there are dislocations caused by the changing patterns of energy use in America, we have a moral obligation to respond to those to help the workers and the enterprises affected -- no less than we do today by any change in our economy which affects people through no fault of their own.

This plan plays to our strengths -- innovation, creativity, entrepreneurship. Our companies already are showing the way by developing tremendous environmental technologies and implementing commonsense conservation solutions.

Just yesterday, Secretary Pena announced a dramatic breakthrough in fuel cell technology, funded by the Department of Energy research -- a breakthrough that will clear the way toward developing cars that are twice as efficient as today's models and reduce pollution by 90 percent. The breakthrough was made possible by our path-breaking partnership with the auto industry to create a

new generation of vehicles. A different design, producing similar results, has been developed by a project funded by the Defense Advanced Research Products Agency and the Commerce Department's National Institute of Science and Technology.

The Energy Department discovery is amazing in what it does. Today, gasoline is used very inefficiently in internal combustion engines -- about 80 percent of its energy capacity is lost. The DOE project announced yesterday by A.D. Little and Company uses 84 percent of the gasoline directly going into the fuel cell. That's increased efficiency of more than four times traditional engine usage.

And I might add, from the point of view of all the people that are involved in the present system, continuing to use gasoline means that you don't have to change any of the distribution systems that are out there. It's a very important, but by no means the only, discovery that's been made that points the way toward the future we have to embrace.

I also want to emphasize, however, that most of the technologies available for meeting this goal through market mechanisms are already out there -- we simply have to take advantage of them. For example, in the town of West Branch, Iowa, a science teacher named Hector Ibarra challenged his 6th graders to apply their classroom experiments to making their school more energy efficient. The class got a \$14,000 loan from a local bank and put in place easily available solutions. The students cut the energy use in their school by 70 percent. Their savings were so impressive that the bank decided to upgrade its own energy efficiency. (Laughter.)

Following the lead of these 6th graders -- (laughter) -- other major companies in America have shown similar results. You have only to look at the proven results achieved by companies like Southwire, Dow Chemical, Dupont, Kraft, Interface Carpetmakers, and any number of others in every sector of our economy to see what can be done.

Our industries have produced a large group of efficient new refrigerators, computers, washer/dryers, and other appliances that use far less energy, save money, and cut pollution. The revolution in lighting alone is truly amazing. One compact fluorescent lamp, used by one person over its lifetime, can save nearly a ton of carbon dioxide emissions from the atmosphere, and save the consumer money.

If over the next 15 years everyone were to buy only those energy-efficient products marked in stores with EPA's distinctive "Energy Star" label, we could shrink our energy bills by a total of about \$100 billion over the next 15 years and dramatically cut greenhouse gas emissions.

Despite these win-win innovations and commitments that are emerging literally every day, I know full well that some will criticize our targets and timetables as too ambitious. And, of course, others will say we haven't gone far enough. But before the debate begins in earnest, let's remember that over the past generation, we've produced tremendous environmental progress, including in the area of energy efficiency, at far less expense than anyone could have imagined. And in the process, whole new industries have been built.

In the past three decades, while our economy has grown, we have raised, not lowered, the standards for the water our children drink. While our factories have been expanding, we have required them to clean up their toxic waste. While we've had record numbers of new homes, our refrigerators save more energy and more money for our consumers.

In 1970, when smog was choking our cities, the federal government proposed new standards for tailpipe emissions. Many environmental leaders claim the standards would do little to head off catastrophe. Industry experts predicted the cost of compliance would devastate the industry. It turned out both sides were wrong. Both underestimated the ingenuity of the American people. Auto makers comply with today's much stricter emissions standards for far less than half the cost predicted, and new cars emit on average only 5 percent of the pollutants of the cars built in 1970.

We've seen this pattern over and over and over again. We saw it when we joined together in the '70s to restrict the use of the carcinogen, vinyl chloride. Some in the plastics industry predicted massive bankruptcies, but chemists discovered more cost-effective substitutes and the industries thrived. We saw this when we phased out lead and gasoline. And we see it in our acid rain trading program -- now 40 percent ahead of schedule -- at costs less than 50 percent of even the most optimistic cost projections. We see it as the chlorofluorocarbons are being taken out of the atmosphere at virtually no cost in ways that apparently are beginning finally to show some thickening of the ozone layer again.

The lesson here is simple: Environmental initiatives, if sensibly designed, flexibly implemented, cost less than expected and provide unforeseen economic opportunities. So while we recognize that the challenge we take on today is larger than any environmental mission we have accepted in the past, climate change can bring us together around what America does best -- we innovate, we compete, we find solutions to problems, and we do it in a way that promotes entrepreneurship and strengthens the American economy.

If we do it right, protecting the climate will yield not costs, but profits; not burdens, but benefits; not sacrifice, but a higher standard of living. There is a huge body of business evidence now showing that energy savings give better service at lower cost with higher profit. We have to tear down barriers to successful markets and we have to create incentives to enter them. I call on

American business to lead the way, but I call upon government at every level -- federal, state, and local -- to give business the tools they need to get the job done, and also to set an example in all our operations.

And let us remember that the challenge we face today is not simply about targets and timetables. It's about our most fundamental values and our deepest obligations.

Later today, I'm going to have the honor of meeting with Ecumenical Patriarch Bartholomew I, the spiritual leader of 300,000,000 Orthodox Christians -- a man who has always stressed the deep obligations inherent in God's gift to the natural world. He reminds us that the first part of the word "ecology" derives from the Greek word for house. In his words, in order to change the behavior toward the house we all share, we must rediscover spiritual linkages that may have been lost and reassert human values. Of course, he is right. It is our solemn obligation to move forward with courage and foresight to pass our home on to our children and future generations.

I hope you believe with me that this is just another challenge in America's long history, one that we can meet in the way we have met all past challenges. I hope that you believe with me that the evidence is clear that we can do it in a way that grows the economy, not with denial, but with a firm and glad embrace of yet another challenge of renewal. We should be glad that we are alive today to embrace this challenge, and we should do it secure in the knowledge that our children and grandchildren will thank us for the endeavor.

Thank you very much. (Applause.)

END

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REMARKS BY THE PRESIDENT
ON GLOBAL CLIMATE CHANGE

National Geographic Society
Washington, D.C.
October 22, 1997

Thank you very much. Mr. Murphy, Mr. Vice President. I thank especially the members of Congress who are here, the leaders of labor and business who are here, all the members of the administration, and especially the White House staff members that the Vice President mentioned and the Secretary of Energy, the Administrator of the EPA, and the others who have helped us to come to this moment.

On the way in here we were met by the leaders of the National Geographic, and I complimented them on their recent two-part series on the Roman Empire. It's a fascinating story of how the Empire rose, how it sustained itself for hundreds of years, why it fell, and speculations on what, if any, relevance it might have to the United States and, the West today.

One of the gentlemen said, you know, we got a lot of interesting comments on the articles, including a letter referencing a picture we had of the bust of Emperor Vespasian. The reader asked why in the world did you put a statue of Gene Hackman in a piece on the Roman Empire? And I say that basically to say, the more things change, the more they remain the same.

For what sustains any civilization, is the constant effort at renewal, the ability to avoid denial and to proceed into the future in a way that is realistic and humane, but resolute.

Six years ago tomorrow, not long after I started running for President, I went back to my alma mater, at Georgetown, to begin a series of three speeches outlining my vision for America in the 21st century -- how we could keep the American Dream alive for all of our people, how we could maintain America's leadership for peace and freedom and prosperity, and how we could come together across the lines that divide us as one America.

Together, we've made a lot of progress in the last nearly five years now that the Vice President and I have been privileged to work at this task. At the threshold of a new century, our economy is thriving, our social fabric is mending, we've helped to lead the world toward greater peace and cooperation.

This has happened, in no small measure, because we had a different philosophy about the role of government. Today, it is smaller and more focused and more oriented toward giving people the tools and the conditions they need to solve their own problems and toward working in partnership with our citizens.

More important, I believe it's happened because we made tough choices but not false choices. On the economy, we made the choice to balance the budget and to invest in our people and our future. On crime, we made the choice to be tough and smart about prevention and changing the conditions in which crime occurs. On welfare, we made the choice to require work, but also to support the children of people who have been on welfare. On families, we made the choice to help parents find more and better jobs and to have the necessary time and resources for their children. And on the environment, we made the choice to clean our air, water, and land, to improve our food supply, and to grow the economy.

This commonsense approach, rooted in our most basic values and our enduring optimism about the capacity of free people to meet the challenges of every age, must be brought to bear on the work that remains to pave the way for our people and for the world toward a new century and a new millennium.

Today we have a clear responsibility and a golden opportunity to conquer one of the most important challenges of the 21st century -- the challenge of climate change -- with an environmentally sound and economically strong strategy, to achieve meaningful reductions in greenhouse gases in the United States and throughout the industrialized and the developing world. It is a strategy that, if properly implemented, will create a wealth of new opportunities for entrepreneurs at home, uphold our leadership abroad, and harness the power of free markets to free our planet from an unacceptable risk; a strategy consistent with our commitment to reject false choices.

America can stand up for our national interest and stand up for the common interest of the international community. America can build on prosperity today and ensure a healthy planet for our children tomorrow.

In so many ways the problem of climate change reflects the new realities of the new century. Many previous threats could be met within our own borders, but global warming requires an international solution. Many previous threats came from single enemies, but global warming derives from millions of sources. Many previous threats posed clear and present danger; global warming is far more subtle, warning us not with roaring tanks or burning rivers but with invisible gases, slow changes in our surroundings, increasingly severe climatic disruptions that, thank God, have not yet hit home for most Americans. But make no mistake, the problem is real. And if we do not change our course now, the consequences sooner or later will be destructive for America and for the world.

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Greenhouse gas emissions are caused mostly by the inefficient burning of coal or oil for energy. Roughly a third of these emissions come from industry, a third from transportation, a third from residential and commercial buildings. In each case, the conversion of fuel to energy use is extremely inefficient and could be made much cleaner with existing technologies or those already on the horizon, in ways that will not weaken the economy but in fact will add to our strength in new businesses and new jobs. If we do this properly, we will not jeopardize our prosperity -- we will increase it.

With that principle in mind, I'm announcing the instruction I'm giving to our negotiators as they pursue a realistic and effective international climate change treaty. And I'm announcing a far-reaching proposal that provides flexible market-based and cost-effective ways to achieve meaningful reductions here in America. I want to emphasize that we cannot wait until the treaty is negotiated and ratified to act. The United States has less than 5 percent of the world's people, enjoys 22 percent of the world's wealth, but emits more than 25 percent of the world's greenhouse gases. We must begin now to take out our insurance policy on the future.

In the international climate negotiations, the United States will pursue a comprehensive framework that includes three elements, which, taken together, will enable us to build a strong and robust global agreement. First, the United States proposes at Kyoto that we commit to the binding and realistic target of returning to emissions of 1990 levels between 2008 and 2012. And we should not stop there. We should commit to reduce emissions below 1990 levels in the five-year period thereafter, and we must work toward further reductions in the years ahead.

The industrialized nations tried to reduce emissions to 1990 levels once before with a voluntary approach, but regrettably, most of us -- including especially the United States -- fell short. We must find new resolve to achieve these reductions, and to do that we simply must commit to binding limits.

Second, we will embrace flexible mechanisms for meeting these limits. We propose an innovative, joint implementation system that allows a firm in one country to invest in a project that reduces emissions in another country and receive credit for those reductions at home. And we propose an international system of emissions trading. These innovations will cut worldwide pollution, keep costs low, and help developing countries protect their environment, too, without sacrificing their economic growth.

Third, both industrialized and developing countries must participate in meeting the challenge of climate change. The industrialized world must lead, but developing countries also must be engaged. The United States will not assume binding obligations unless key developing nations meaningfully participate in this effort.

As President Carlos Menem stated forcefully last week when I visited him in Argentina, a global problem such as climate change requires a global answer. If the entire industrialized world reduces emissions over the next several decades, but emissions from the developing world continue to grow at their current pace, concentrations of greenhouse gasses in the atmosphere will continue to climb. Developing countries have an opportunity to chart a different energy future consistent with their growth potential and their legitimate economic aspirations.

What Argentina, with dramatic projected economic growth, recognizes is true for other countries as well: We can and we must work together on this problem in a way that benefits us all. Here at home, we must move forward by unleashing the full power of free markets and technological innovations to meet the challenge of climate change. I propose a sweeping plan to provide incentives and lift road blocks to help our companies and our citizens find new and creative ways of reducing greenhouse gas emissions.

First, we must enact tax cuts and make research and development investments worth up to \$5 billion over the next five years -- targeted incentives to encourage energy efficiency and the use of cleaner energy sources.

Second, we must urge companies to take early actions to reduce emissions by ensuring that they receive appropriate credit for showing the way.

Third, we must create a market system for reducing emissions wherever they can be achieved most inexpensively, here or abroad; a system that will draw on our successful experience with acid rain permit trading.

Fourth, we must reinvent how the federal government, the nation's largest energy consumer, buys and uses energy. Through new technology, renewable energy resources, innovative partnerships with private firms and assessments of greenhouse gas emissions from major federal projects, the federal government will play an important role in helping our nation to meet its goal. Today, as a down payment on our million solar roof initiative, I commit the federal government to have 20,000 systems on federal buildings by 2010.

Fifth, we must unleash competition in the electricity industry, to remove outdated regulations and save Americans billions of dollars. We must do it in a way that leads to even greater progress in cleaning our air and delivers a significant down payment in reducing greenhouse gas emissions. Today, two-thirds of the energy used to provide electricity is squandered in waste heat. We can do much, much better.

Sixth, we must continue to encourage key industry sectors to prepare their own greenhouse gas reduction plans. And we must, along with state and local government, remove the barriers to the most energy efficient usage possible. There are ways the federal government can help industry to achieve meaningful reductions voluntarily, and we will redouble our efforts to do so.

This plan is sensible and sound. Since it's a long-term problem requiring a long-term solution, it will be phased in over time. But we want to get moving now. We will start with our package of strong market incentives, tax cuts, and cooperative efforts with industry. We want to stimulate early action and encourage leadership. And as we reduce our emissions over the next decade with these efforts, we will perform regular reviews to see what works best for the environment, the economy, and our national security.

After we have accumulated a decade of experience, a decade of data, a decade of technological innovation, we will launch a broad emissions trading initiative to ensure that we hit our binding targets. At that time, if there are dislocations caused by the changing patterns of energy use in America, we have a moral obligation to respond to those to help the workers and the enterprises affected -- no less than we do today by any change in our economy which affects people through no fault of their own.

This plan plays to our strengths -- innovation, creativity, entrepreneurship. Our companies already are showing the way by developing tremendous environmental technologies and implementing commonsense conservation solutions.

Just yesterday, Secretary Pena announced a dramatic breakthrough in fuel cell technology, funded by the Department of Energy research -- a breakthrough that will clear the way toward developing cars that are twice as efficient as today's models and reduce pollution by 90 percent. The breakthrough was made possible by our path-breaking partnership with the auto industry to create a

new generation of vehicles. A different design, producing similar results, has been developed by a project funded by the Defense Advanced Research Products Agency and the Commerce Department's National Institute of Science and Technology.

The Energy Department discovery is amazing in what it does. Today, gasoline is used very inefficiently in internal combustion engines -- about 80 percent of its energy capacity is lost. The DOE project announced yesterday by A.D. Little and Company uses 84 percent of the gasoline directly going into the fuel cell. That's increased efficiency of more than four times traditional engine usage.

And I might add, from the point of view of all the people that are involved in the present system, continuing to use gasoline means that you don't have to change any of the distribution systems that are out there. It's a very important, but by no means the only, discovery that's been made that points the way toward the future we have to embrace.

I also want to emphasize, however, that most of the technologies available for meeting this goal through market mechanisms are already out there -- we simply have to take advantage of them. For example, in the town of West Branch, Iowa, a science teacher named Hector Ibarra challenged his 6th graders to apply their classroom experiments to making their school more energy efficient. The class got a \$14,000 loan from a local bank and put in place easily available solutions. The students cut the energy use in their school by 70 percent. Their savings were so impressive that the bank decided to upgrade its own energy efficiency.

Following the lead of these 6th graders -- other major companies in America have shown similar results. You have only to look at the proven results achieved by companies like Southwire, Dow Chemical, Dupont, Kraft, Interface Carpetmakers, and any number of others in every sector of our economy to see what can be done.

Our industries have produced a large group of efficient new refrigerators, computers, washer/dryers, and other appliances that use far less energy, save money, and cut pollution. The revolution in lighting alone is truly amazing. One compact fluorescent lamp, used by one person over its lifetime, can save nearly a ton of carbon dioxide emissions from the atmosphere, and save the consumer money.

If over the next 15 years everyone were to buy only those energy-efficient products marked in stores with EPA's distinctive "Energy Star" label, we could shrink our energy bills by a total of about \$100 billion over the next 15 years and dramatically cut greenhouse gas emissions.

Despite these win-win innovations and commitments that are emerging literally every day, I know full well that some will criticize our targets and timetables as too ambitious. And, of course, others will say we haven't gone far enough. But before the debate begins in earnest, let's remember that over the past generation, we've produced tremendous environmental progress, including in the area of energy efficiency, at far less expense than anyone could have imagined. And in the process, whole new industries have been built.

In the past three decades, while our economy has grown, we have raised, not lowered, the standards for the water our children drink. While our factories have been expanding, we have required them to clean up their toxic waste. While we've had record numbers of new homes, our refrigerators save more energy and more money for our consumers.

In 1970, when smog was choking our cities, the federal government proposed new standards for tailpipe emissions. Many environmental leaders claim the standards would do little to head off catastrophe. Industry experts predicted the cost of compliance would devastate the industry. It turned out both sides were wrong. Both underestimated the ingenuity of the American people. Auto makers comply with today's much stricter emissions standards for far less than half the cost predicted, and new cars emit on average only 5 percent of the pollutants of the cars built in 1970.

We've seen this pattern over and over and over again. We saw it when we joined together in the '70s to restrict the use of the carcinogen, vinyl chloride. Some in the plastics industry predicted massive bankruptcies, but chemists discovered more cost-effective substitutes and the industries thrived. We saw this when we phased out lead and gasoline. And we see it in our acid rain trading program -- now 40 percent ahead of schedule -- at costs less than 50 percent of even the most optimistic cost projections. We see it as the chlorofluorocarbons are being taken out of the atmosphere at virtually no cost in ways that apparently are beginning finally to show some thickening of the ozone layer again.

The lesson here is simple: Environmental initiatives, if sensibly designed and flexibly implemented, cost less than expected and provide unforeseen economic opportunities. So while we recognize that the challenge we take on today is larger than any environmental mission we have accepted in the past, climate change can bring us together around what America does best -- we innovate, we compete, we find solutions to problems, and we do it in a way that promotes entrepreneurship and strengthens the American economy.

If we do it right, protecting the climate will yield not costs, but profits; not burdens, but benefits; not sacrifice, but a higher standard of living. There is a huge body of business evidence now showing that energy savings give better service at lower cost with higher profit. We have to tear down barriers to successful markets and we have to create incentives to enter them. I call on

American business to lead the way, but I call upon government at every level -- federal, state, and local -- to give business the tools they need to get the job done, and also to set an example in all our operations.

And let us remember that the challenge we face today is not simply about targets and timetables. It's about our most fundamental values and our deepest obligations.

Later today, I'm going to have the honor of meeting with Ecumenical Patriarch Bartholomew I, the spiritual leader of 300,000,000 Orthodox Christians -- a man who has always stressed the deep obligations inherent in God's gift to the natural world. He reminds us that the first part of the word "ecology" derives from the Greek word for house. In his words, in order to change the behavior toward the house we all share, we must rediscover spiritual linkages that may have been lost and reassert human values. Of course, he is right. It is our solemn obligation to move forward with courage and foresight to pass our home on to our children and future generations.

I hope you believe with me that this is just another challenge in America's long history, one that we can meet in the way we have met all past challenges. I hope that you believe with me that the evidence is clear that we can do it in a way that grows the economy, not with denial, but with a firm and glad embrace of yet another challenge of renewal. We should be glad that we are alive today to embrace this challenge, and we should do it secure in the knowledge that our children and grandchildren will thank us for the endeavor.

Thank you very much.

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*Press Briefing
Speeches*



October 14, 1997

**REMARKS BY PRESIDENT CLINTON AND PRESIDENT CARDOSO AT
SIGNING OF DECLARATION ON EDUCATION**

1:40 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate Release
14, 1997

October

REMARKS BY PRESIDENT CLINTON
AND PRESIDENT CARDOSO
AT SIGNING OF DECLARATION ON EDUCATION

Garden of Alvorada Palace
Brasilia, Brazil

1:40 P.M. (L)

PRESIDENT CARDOSO: Mr. President of the United States of America, William Clinton, ladies and gentlemen, may I say to you first what a pleasure it is, Mr. President, for me and for Ruth, my wife, to welcome both you and Mrs. Clinton. And I'd like to take advantage of this opportunity to state our pleasure, and I'm quite sure the pleasure of the Brazilian people as a whole. This is particularly due to the excellent relations between the two of us, which I think makes it obvious to everyone that there is a friendship that joins these two Presidents, and that we share a great many interests -- and by "we," I mean our two peoples.

On both sides, we are interested in ensuring that we will draw closer together and bring our societies closer together as well in very practical ways. We've had a number of opportunities in which to chat. We've covered, I think, just about every problem that was on our agenda before this meeting, including the most general problems, such as peace throughout the world; including the possibility of working together in a number

of situations which might require more direct action on the part of the United States or Brazil -- not just in our region, of course, but also views were exchanged, opinions were exchanged about a number of international problems as well. And I can assure you that we both agree with regard to the overall objective, which is to increase the prosperity of people on the Earth as a whole.

It is also our conviction that prosperity is something that needs to be made a general phenomenon. The prosperity of one nation should not harm the prosperity of any other nation, and nothing leads us to believe this. On the contrary; we feel that what's good for Brazil is good for the United States, and what's good for the United States is good for Brazil as well.

Just in terms of commercial relations, for example, the United States is our number one trading partner. But Brazil, as we like to say, is also a major global trader. We have excellent relations with the Mercosur countries, other countries in Latin America, with Europe and Asia, not to mention Africa. And it is with a full understanding of the comprehensive nature, the global nature of our relationships that we, in turn, have been able to reach a closer relationship.

We have underscored our commitment to the sort of endeavor that we have embarked upon, for example, in Mercosur, which is a very important part of our foreign policy in Brazil,

which we feel to be an example of the success of the work of these four countries -- Paraguay, Uruguay, Brazil, Argentina, and now Chile as well.

Much agreement has been reached with regard to trade, democracy, keeping peace. And we also believe that by

working together we can move towards the integration of the Americas as a whole in such a way as to avoid harming our Mercosur interests and in such a way as to avoid harming the interests of the NAFTA countries. But we should integrate the hemisphere as a whole in the line with the view that has already been expressed just a moment ago -- in other words, prosperity for all is best for each and every one.

On the other hand, it also became quite clear that we agree on a number of other issues, even at a personal level. For example, our take on problems is quite similar in our two countries. An example of that fact can be seen via the declaration that we are now signing in the area of education, one of the social area endeavors. I was extremely pleased when I heard President Clinton's State of the Union address, because he spoke about education and what he said certainly made me feel quite enthusiastic. What he said moved us. As a former professor and as two human beings, I'm sure that we agree that education is an instrument which will allow us to equalize relations within a society and to do away with so many of the differences and asymmetries that can exist among countries as well.

In this meeting we would like to reaffirm our full commitment to all the programs in the educational field as a symbol of our concern of the social issues. The integration that we are seeking to pursue as the regional, sub-regional and even at a broader level, as soon as that becomes timely, is going to

be integration that will exclude no countries, no fragments within countries, either. Integration is designed to improve the standard of living of the peoples who integrate.

Another thing that we can go over is a list of key issues that have to do with, for example, the climate change. President Clinton, for example, holds the view that I think is quite proper vis a vis climate change. He talks about shared responsibility. He talks about the fact that responsibility should exclude no segment of humanity because the climate is something that involves the preservation of the conditions of life for future generations throughout the planet. So we must come up with mechanisms which will allow us to reduce the greenhouse gas effect. We should reduce the greenhouse gases, but in such a way as to ensure that we're not harming the interests or the development of any country -- the United States, Brazil or developing countries. These things should be done in a balanced way to ensure that we will solve the problems and do so in the best way for our countries, which is what we're going to try to do in Kyoto in December.

Another thing that we're doing is broadening our cooperation in the field of space studies in a clear demonstration of a number of possibilities that exist for cooperation between Brazil and the United States, certainly in terms of advanced technology.

I don't want to take up too much time, but may I reaffirm the fact that -- very simply, because we did cover such a broad range of topics -- the fact that we avoided no single topic is a clear sign that we can reach an understanding even upon those things that we have some slight misunderstandings on. And, of course, misunderstandings usually just reflect the interests of our individual countries that we, of course, must defend properly, but at the same time in a way which shows that we have an old friendship, a long-term friendship and this friendship allows us to deal with these issues in such a way.

I'd like to repeat something I said in the Panalto Palace. Since the second world war never have we seen so many possibilities for cooperation in so many broad fields -- certainly nothing compared to the many opportunities that are opening up for Brazil and the United States right now, which is why I'm particularly pleased to speak via the media to the

peoples of our countries to reaffirm the tremendous satisfaction that I feel in being able to welcome this great President, Bill Clinton, in our country.

Thank you so much. (Applause.)

PRESIDENT CLINTON: Thank you very much, Mr. President. Let me begin by thanking you and Mrs. Cardoso and the representatives of your government for the warm welcome you have given to us, including our very large delegation, the senior members of our administration, a big percentage of our Cabinet and the distinguished delegation from Congress. We are delighted to be here.

I believe this visit marks a new phase in the long friendship between the United States and Brazil. This is clearly a unique moment of opportunity in the Americas. A quiet revolution is bringing our hemisphere together around common values of democracy, free markets, mutual respect and

values of democracy, free markets, mutual respect and cooperation. It gives us the opportunity to advance the welfare, the freedom and the security of all of our people in a way that has not been possible before.

Because we have the largest economies and the most diverse populations in the hemisphere, Brazil and the United States have both a special ability and a special responsibility to help lead the Americas into the 21st century. Under President Cardoso's leadership, Brazil clearly is meeting that challenge in fulfilling its destiny as a great nation. Through your own remarkable economic reforms, your strategic partnership with Argentina, your leadership in Mercosur and throughout the hemisphere, and increasingly on the wider international stage, Brazil has helped to consolidate peace and democracy and to promote prosperity and stability.

Brazil and the United States share a fundamental belief that opening the markets of our hemisphere to trade and investment is the best way to create good jobs and strengthen democracy and cooperation in all our countries.

Three years ago, when we met at the Summit of the Americas in Miami, we pledged to pursue a free trade area of the Americas by early in the next century. Today, the President and I agreed that at the next Summit of the Americas in Santiago, we should launch comprehensive and balanced negotiations to achieve that goal, turning our common agenda into a common plan of action.

If I might, I'd like to just speak a moment about what I think has been the cause of some misunderstanding between our two countries, which is the question of what the American attitude toward Mercosur is and what its relationship to our support for a free trade area of the Americas is.

I support Mercosur. I think it has been a good thing for Brazil, a good thing for all the member nations, a good thing for stability, for growth and cooperation in the region, and quite a good thing for the United States. Our exports to the Mercosur countries have grown substantially since 1991. And we believe that these sort of regional trade arrangements everywhere -- if they serve to open borders, to increase economic activities and to promote growth, promote stability and opportunity that benefit Americans.

We believe that we can create a free trade area of the Americas consistent with Mercosur and the leadership and role of Brazil and the other members in it. So to me, this is a false choice that we don't intend to ask the Brazilians, the Argentineans, or the other members of Mercosur to make. We believe we can build on this and go forward to a free trade area of the Americas.

Trade has produced about a third of the economic growth the United States has enjoyed since I became President in January of 1993. And I'm working hard to continue to expand our capacity to trade and to create good high-wage jobs in our own country by securing the presidential negotiating authority necessary to tear down more of the trade barriers of the past so that we can open wider the doors of the future to good jobs and higher incomes.

Now, let me say that as we promote more free markets

Now, let me say that as we promote more free markets and more free trade, I believe that all of us must work harder to extend their benefits to all citizens. No great democracy has succeeded in doing that so far. We know we have to begin by ensuring that all of our citizens receive the education and training they need to succeed in this new economy. And I applaud the President's emphasis on education. The education declaration we have just signed focuses on what I believe the keys to making education work in both our countries are.

First, high standards for what children must learn and testing to measure their progress. Second, training our teachers so that those to whom we entrust our children's future are, themselves, well-prepared. Third, intensive parent and community involvement. And fourthly, something the President has worked very hard on, access to technology to realize the possibilities of the information age for all our children.

In the United States we're working hard to make sure that every classroom and library in our country is hooked up to the Internet by the year 2000. We're giving discounted rates to our schools so that they can afford to be on the Internet. And we are finding something I am certain will be the experience in Brazil as well, and that is that very often the largest benefit of this technology revolution will flow to the children who are most in need, who tend to be in isolated rural or urban school districts where they have not had the chances and the opportunities many of our other children have. So I think that the Internet can be an instrument by which we democratize as well as increase the excellence of educational opportunity.

We've also agreed that we can't have today's progress at tomorrow's expense. The President talked a little bit about our common commitment to the environment. The clean energy agreement we have signed will help Brazil to continue to grow, fueled by renewable and efficient energy technologies. Our park services will work together to protect wetlands like the Everglades and the Pantanal Park in Brazil. We share Brazil's determination to conserve the Amazon, one of the most wondrous and biologically diverse environmental habitats in the world. The United States will contribute another \$10 million to the G-7's cooperative program with Brazil to sustain the rainforests. And we will help Brazil to put 21st century technology into this effort, including research done by Brazilians in space.

The fires throughout the Amazon have added urgency to these efforts, and the uncertainties about the climatic effects of this El Nino, both in South America and in the United States, have also added urgency to our efforts.

We did, as the President said, discuss the challenge of climate change. Five years ago in Rio, the world community began to chart a common course to reduce the greenhouse gas emissions that lead to global warming. Developed countries have a special responsibility to lead. I told President Cardoso that the United States will meet that responsibility with a commitment to limit our emissions when we meet in Kyoto on December the 6th. But as we do our part, I believe so, too, must the developing world. Climate change, after all, is a global problem that requires a global solution.

So here is the question, it seems to me -- and I would like to talk a little about this because I think it's quite important -- I think it's very important that the people of

Brazil understand that just as with the trade issue and Mercosur, the United States would never knowingly make any suggestion that would undermine the growth of Brazil or any other country. It is not in our interest. We, after all, only have 4 percent of world's people. We enjoy a very high standard of living. We can only maintain our own standard of living if you grow. If there are more good jobs for Brazilians, higher incomes, more people are brought into the social compact in this country, then you can be a stronger partner, not only for us, but for your neighbors in this continent and throughout the world.

So our strategy is to aggressively support the growth of the emerging economies of the world, the strength of their democracies, and our capacity to cooperate together. I do not believe that any reasonable person can look at the world of today and imagine the world of tomorrow and believe that America can gain by someone else's economic loss. We have an interest in finding a way to grow together.

By the same token, the world will not gain if some countries limit their greenhouse gas emissions and other countries grow in the same old way with the same old energy base so that the climate continues to warm more rapidly than it has at any time in the last 10,000 years.

So what we want to do is to find a way for the developing countries to fulfill their responsibilities within the framework of Kyoto, recognizing that those of us in developed countries must do more, but that we must all participate. And we want to be very explicit that any participation on your part would not come at the expense of economic growth.

Developing nations have an opportunity to chart a different energy future than some of the developed countries. And if we share our technology and we share our knowledge, then we can achieve that. This is very important.

Brazil has already gone a long way toward proving this point, because you have developed so many non-traditional fuels, biologically-based fuels, for running your vehicles. So you have given evidence to the general point that I hope will be embraced by all the countries of the developing world. And I encourage that.

Finally, let me say, we talked about expanding our cooperation in regional and global security, and I want to say a word of appreciation to Brazil as the guarantor of the Peru-Ecuador peace process, and appreciation for its historic decision to join the Nuclear Non-proliferation Treaty and to sign the Comprehensive Test Ban Treaty. In all these actions, Brazil has taken its place as a world leader for peace and security.

Today, the Mutual Legal Assistance Treaty we signed will help us to crack down on drug production and trafficking and fight transnational crime in a way that benefits all of our people.

President Cardoso said two years ago when he visited me at the White House -- and I quote -- "The vocation of Brazil and the United States is to stand together." I believe we stand together today as never before. The issues we face are central to the well-being of both our peoples. The fate of our

hemisphere, with strong democracies, a commitment to fight crime and drugs, to work for lasting peace, the future of the new economy, preparing our people for the 21st century -- that's what this trip is all about. These are all objectives we share, and they really matter to ordinary citizens in both our nations and throughout this hemisphere.

Thank you. (Applause.)

PRESIDENT CARDOSO: President Clinton, I'd like to ask you to begin if you don't mind.

Q Mr. President, Attorney General Reno has made her decision and will extend her inquiry into your telephone fundraising to determine whether a special counsel should be named. How do you feel about that hanging over you for another 60 days at least?

PRESIDENT CLINTON: I feel nothing about it. There is a law and there are facts. And I feel that it would be much better if she were permitted to do her job. I know I didn't do anything wrong. I did everything I could to comply with the law. I feel good about it. But I told you yesterday, the thing I don't feel good about is the overt, explicit, overbearing attempt to politicize this whole process and to put pressure on more than one actor in it. That's wrong. There's a law. There's a fact-finding process. And I'm going to cooperate with it in every way I possibly can.

Q Mr. Clinton, will the recent -- between the European Union and Mercosur affect how you formulate your strategy for commerce in the Americas?

And for President Fernando Enrique, the question is, what is the relative importance of Europe as far as Brazil's commercial strategy or trade strategies concerned, especially vis a vis the United States?

PRESIDENT CLINTON: Well, first of all, if I were in Brazil I would be trying to sell as much as I could to America and to Europe. I think that's the way this market works. Both the European Union and the United States have increased our exports to Brazil and to the Mercosur countries in the last few years markedly. So I don't feel threatened by it, I just want to make sure we're fully competing. And if we don't fully compete, it will be our fault, not yours and not Europe's.

That's one of the reasons that I'm seeking fast track authority. It's up to the United States to decide whether it's going to be a fully competitive nation, but we have -- in the last two years, for the first time in a long time, more than half our new jobs have come in the higher wage categories. And it's the direct result of our aggressive pursuit of trade opportunities.

So I'm prepared to compete and all I want is a fair chance to compete with the Europeans here or anywhere else. But I don't see that as a bad thing. If I were in your position, I'd be trying to sell more to everybody.

PRESIDENT CARDOSO: Well, I believe that what President Clinton said is most helpful to us. The more

competition we have between the United States and Europe for trade, the better it is for us because it makes our products much cheaper. So I agree with President Clinton. It is true that Brazil's number one individual client is the United States today. But the European Union, as a whole, or taken as a whole, imports and exports a bit more than the United States, actually. We are now, as I said before and I'm going to repeat this, global traders. We actually trade with a number of countries and areas throughout the world and we're very interested in increasing these trade flows.

With regard to the United States, we have increased such trade flows. Unfortunately, we have an increasing trade deficit as a result of the increased trade with the United States. So we have to review this situation and try to balance it better to the benefit of both. We want to increase imports and exports. We don't want a zero-sum game and we don't want a game in which one loses and the other wins. We want a win-win situation in the trade arena.

That is why we say that our trade policy with Europe is very active. It will continue to be very active. But I agree wholeheartedly with President Clinton -- we cannot think about

such economic blocks as isolated fortresses. They have been designed to increase trade, and we're going to take advantage of every opportunity that we can find to intensify our trade abroad, to sell things abroad. We will do so whenever we can. We're not going to close off our economy because our competitiveness, our progress in the area of technology and the cheapening of the products for our people depend on such trade.

Thank you

Q Mr. President, in Venezuela your discussions included alternative energy sources. Here you've also discussed safe or clean energy sources. I wonder, given that in the United States there is opportunity for improvement in the area of both energy incentives and also reducing the amount of emissions, do you find it difficult to discuss this topic while abroad?

PRESIDENT CLINTON: No, because I don't think the two things are inconsistent. I think we are -- a real responsibility in the United States to do energy conversion. We were on that path, ironically, 20 years ago, when our experts underestimated the amount of natural gas reserves that would be available to us in the United States and throughout the world. And we thought we could move to a clean coal technology and do the job. We now know that that decision was not accurate. But the people who made the decisions 20 years ago did it based on the best evidence they had at the time.

So I think we're going to have more reliance on natural gas and other forms of energy that are even cleaner. And we have to do more conservation. If you were there at the climate change conference we had at Georgetown a couple of weeks ago, we learned, among other things, that two-thirds of all the heat generated in the production of electricity is wasted. If we can recover half of that waste heat, we will generate enormous new capacity for growth without adding one single pollutant in the form of greenhouse gases to the atmosphere. So we've got a lot to do on our own account.

But as I said -- let me reiterate what I said. What I want to do is to try to help the developing countries grow their economy just as fast as would otherwise be the case, but chart a different energy future than the one we charted in the past when we were at the same stage of development. And the question is, can they do that. I think it's absolutely clear, crystal clear that they can.

And this is a big problem. In China today, bronchial disease is, among children, the number one health problem for kids in the country already. So I want the Chinese economy to grow and the Chinese people to prosper, but I think they should choose a different energy course for the same growth. And I think they can and we should be trying to help them. If we don't do it, then no matter what we in the developed countries do, within 30 to 40 years we'll be right back in the same pickle we're in today, except worse.

Q I have two questions for both Presidents. For President Clinton, since 1995 both governments have worked on the bilateral trade with you, but so far they have no concrete results. And the perception is that Brazil is still complaining about trade barriers and better access to the U.S. market. So I'd like to know if both Presidents have now a new orientation toward a new phase in the trade bilateral relationship.

For President Fernando Enrique, my question is, if there is no fast track authority, if this is not granted, would Brazil be willing to negotiate -- if there is no fast track, do you believe that there will be an continuity in the negotiations of FTAA? And if there isn't, would Mercosur take on this role -- in other words, the role of the principal protagonist in terms of trade in the region?

PRESIDENT CARDOSO: I don't want to make any bets on American policy. If there is going to be this sort of a policy or not is the United States' problem. I think that President Clinton is going to be in a position to get the fast track authority he wants.

But integration, whether we're talking about integration throughout the hemisphere or Mercosur, are two processes that are very interesting to our economies, quite apart from any political issues, which will simply decide the speed at which such issues are decided. So what President Clinton said was crystal clear when he talked about his view of Mercosur and FTAA. He said there is no clash between the two; there is no opposition. There is simply a situation, and we have to give ourselves enough time so that we will be in a position to prepare for increased competition. It's just a matter of time, procedures, so that we will be in a position to participate fully in conversations and understandings.

So with or without a fast track authority, the question is, is it good or bad for us to increase international trade, and the answer is always the same -- it's always good to increase international trade. So I would say that the other factors are just conditioning factors, but the key objectives are out there and they're unchanging.

We will continue to work to our utmost to consolidate Mercosur, but simultaneously to work on the FTAA. We

signed an agreement in Miami -- I didn't sign it myself personally, but I was just the President-elect, but President Clinton was kind enough to ask me to come and observe. And this is not just a commitment on paper. It's a real commitment -- we really want to increase our trade foundation.

Now, people are talking about the United States, Europe and so forth -- trade is trade. We have to look at things one question at a time, how we're going to deal with the interests that are being affected, how can we build bridges in such a way as to benefit the parties involved. All of this involves a long construction process.

PRESIDENT CLINTON: Let me say, first of all, I would only add to what the President said that I believe, and I think he believes, as well, that if we can proceed with this free trade area of the Americas, it's also a way of stabilizing the democratic governments of many smaller countries in our hemisphere and giving them some assurance that, if they stay with democracy and reform, their people will also be able to reap some economic benefit from it.

So I think it is important that Brazil assume a leadership role in this fashioning of this whole agreement. And I hope they will, because I think what we're trying to do is to say, this is, first and foremost, about economics, but economics supports freedom and democracy and stability if we do it properly.

Now, on the question you asked me, the trade question, let me just briefly say, we went over the specific trade issues that Brazil has with the United States and the specific trade issues the United States has with Brazil. And we -- obviously, neither one of us are trade negotiators and these are somewhat specific and, in some cases, almost arcane issues involved, but what we did do is we resolved that we would give both sides instruction that we want these matters resolved if at all possible and as quickly as possible. They're dragging on, they're an irritant to our relationship. And they're, in the context of our larger objective, a negative rather than a positive force and we'd like to have them resolved. And that's basically the decision we made.

Q Mr. President, just to go back for a moment to Janet Reno and her investigation -- I'm wondering if you can tell us, has this whole affair complicated your relationship with her and your ability to actually function with your highest ranking law enforcement official? For instance, do you find yourself not talking to her because you're hesitant to have too much contact with the Attorney General?

PRESIDENT CLINTON: Well, I don't really have anything to add to what I said yesterday about that. I think you all are perfectly capable of drawing your own conclusions and evaluating whether this puts our political system in balance or out of balance, and I don't think that we should discuss it here.

The most important thing is we've got a law; we've got a fact-finding process. The fact-finding process should proceed with integrity; the law should be implemented without pressure either way. I am doing my part. I wish others were doing as well.

Q Mr. Fernando Enrique, I hope you don't mind if I ask Mr. Clinton the question. Mr. President, your visit was preceded by diplomatic turmoil. A document was disseminated that said that Brazilian corruption was endemic. This was commented on by the American Ambassador and his comments made things worse. The head of the Supreme Tribunal, the Superior Court in Brazil reacted badly, as did some other people in the federal government -- even a governor of a federal district. And they also reacted not just to this issue, but to a number of other issues in which excess security was demanded by some of your advisors.

Brazilian authorities called this people's attitude rather aggressive. Not only authorities, but people as a whole in Brazil felt that they had been badly mistreated. I would like to know your view, sir. Do you think there was any exaggeration? Do you think there were any diplomatic mishaps in this situation?

PRESIDENT CLINTON: Well, first of all, I became aware of this document and the characterization of the Brazilian culture after it had been released. The document was wrong and it represented an appalling error of judgment for anybody to write such a thing. It has been decisively rejected by every American authority, beginning with the Ambassador here now. And it has been excised from the document.

So I regret very much that it happened, but once in a while such a thing may even happen in Brazil, where someone who works for some agency will put out something in printing which shouldn't happen. I can only ask the Brazilian people not to infer that that is the feeling of either the government or, more importantly, the people of the United States toward Brazil. I assure you that no Brazilian could have been any more upset about it than I was. I thought it was terrible and I did everything I could to correct it.

Now, in terms of the trip here, I just don't have enough facts to know. I know that our people historically, because of the problems that have periodically affected our Presidents -- always on our own home turf, I might add, always when we're at home -- that the security for an American President often seems to others to be too rigid and too uncompromising. But, as I said, we've never had problems with our Presidents' security in a foreign country, but we've had enough problems at home over the last 35 years and before that I hope you will at least understand that. But I try to make sure that our people are as understanding and cooperative with the people in every country and community they visit as possible, and I hope they have been. That's all I can say. I don't know the facts.

Q Sir, does it embarrass you when these questions about fundraising follow you on foreign trips, as they have on this one, or does it embarrass the country?

PRESIDENT CLINTON: Well, I can't be embarrassed by other people's judgment. I have no control over what you decide to ask about. That's your decision, not mine. That's a question you should ask somebody besides me. I didn't have anything to do with what was asked. I think other people sometimes in other countries wonder what it's all about, especially when everyone concedes that there was no request or improper public action in any way, nor did any occur as a result of whatever communications

are in dispute.

But that's a decision for you. You have to decide what questions you're going to ask. I can't be embarrassed about how you decide to do your job.

Q I have a question that I want to ask both Presidents. People who monitor relations between Brazil and the United States feel that the problems that we have had most recently are often exacerbated by the bureaucracies of our two countries simply because there's not enough involvement of the Presidents and the leaders of the two countries. This is criticism that's been leveled against our countries. I wonder if you would agree.

The United States has a difficulty being a superpower, and the only superpower, to deal with an emerging power in the Americas that is asserting its leadership as a democracy as a freer market. Former Secretary Kissinger told me recently that he believed that really you have to adapt, because you are not used to that. You have to adapt intellectually to that. I'd like you to talk about this issue. Does our emerging role bother Americans or the United States of America?

PRESIDENT CARDOSO: Well, at least as far as the Brazilian side is concerned, I was so very pleased because the touchiest issues are always being brought up for President Clinton. No one is asking me these touchy questions. I was so pleased up until now.

However, my involvement and President Clinton's involvement can only be that of people who are involved at a very general level involving problems between our two countries. Of course, there are always going to be some sort of bureaucratic problems, but I'm quite sure that we can deal with them quite easily. I think bureaucratic problems and red tape dissolve as soon as people see the warmth of our warm and direct personal relations, which are much more important than any bureaucratic entanglement.

Now, of course, we do understand fully that for security reasons, you do have some problems of your own. Luckily enough, we in Brazil don't have to face these major threats. It's not the case of every country. The United States particularly has had to face some very difficult situations. Of course, our security forces try to pay attention at all times in Brazil. But I'm always breaking the rules in Brazil and so far nothing has ever happened and things are very tranquil and I'm sure they'll continue to be so in the future.

But I'm quite sure that anything that comes up can be dealt with quite easily because of the warmth and the openness that President Clinton and Mrs. Clinton have shown to us in Brazil at all times. They have shown to all Brazilians that their trip is an open-hearted visit.

PRESIDENT CLINTON: I'd actually like to respond, if I might, to both your questions. Because the question you asked the President, I think the answer to your question is a lot of -- people who work in government bureaucracies the world over are following established policies, and they tend to acquire an interest in maintaining the established policies, and most of them don't have the authority to change it, which is why these

kind of personal relationships are so important. Because it's our responsibility if we want to change the direction of the country not to blame the people who work for us -- and

particularly the people who many not even be political appointees, they work through from one administration to another -- but to try to give different instructions, to send different messages down there.

And that's why -- sometimes I think, with all respect, sometimes members of the press and even our own publics say, well, why did they spend all that money and do that foreign trip, all the money we spent to come here, all the money we spent to entertain us -- why did they do all that? There didn't seem to be an great earth-shaking specific agreement. And the main reason is the very thing you said -- that we have to increase understanding, we have to increase sensitivity. And even subtle shifts in our position can send a different message to those down in the governmental hierarchies that have to implement these decisions on a daily basis. So I think that's a very good question.

The second thing is, does the United States, at the end of the Cold War left as being the world's only superpower, feel threatened by the emergence of Brazil or any other country. The answer to that is, I actually support the emergence of countries to a greater role of influence and responsibilities, as long as they share our basic values -- not agree with us on everything, but share our basic values.

If they're committed to freedom and democracy, if they're committed to open trading systems, if they're committed to giving all their people a chance to participate in the wealth that the global economy generates, if they're committed to a responsible global approach on the environment, if they're committed to working with us against threats that cross national borders -- terrorism, weapons proliferation, criminal syndicates and drug trafficking -- if they're committed to those things, then I don't see this as competition. I see this as people emerging to take on more responsibility. And if we work together, more good will happen.

I'll give you another example. When I became President, there was the question of whether the United States would object if, in addition to NATO in Europe, there were an independent European security force working with NATO. And I made it clear from the beginning, I support this. I don't see these things as competing.

We have to change because most of the threats to nations in the years ahead will come not from other nations, but from threats that cross national borders -- guerrillas, terrorists, weapons proliferation, drugs, crime, environmental and disease problems -- number one. And because most of the benefits that nations can derive for their people require them to cooperate with people beyond their borders, we will have to change our conception of how national power and influence is acquired.

National power and influence is acquired, ironically, by becoming more interdependent and cooperative with others who are strong and self-sufficient and self-reliant, but need to be allied with you. And I do believe, frankly, that this

will require a big change in the way people look at politics -- not just in the United States, but elsewhere.

Q Since you spoke yesterday on Air Force One, it's been reported that the White House and the Justice Department have been negotiating to figure out a way that you could speak to investigators about campaign finance. Have you reached such an agreement? And under what conditions would you speak to the Justice Department?

PRESIDENT CLINTON: I know nothing about that I didn't say yesterday. I literally -- no one has talked to me about it and I know nothing to add to what I said yesterday.

Q Mr. President, Mr. President of Brazil, Fernando Enrique Cardoso, Brazil defends negotiations with the FTAA in complementation to tariff laws. Now, what complements are we talking about specifically as long as Brazil adheres to the calendar?

And for President Bill Clinton, last night, Mr. Clinton, you said that you felt touched by Brazil and had felt touched by Brazil for over 30 years. Have you been touched enough to say that you're going to give support to Brazil's candidacy on the Security Council so that Brazil will become a full member of the Group of Nine as well next year?

PRESIDENT CARDOSO: Okay, I'm going to break a couple of the rules here once again. Go ahead, one last additional question, very, very quickly before we answer.

Q The United States government wants that Brazil open the Brazilian market, but there are many restrictions against Brazilian products, like oranges. My question is, why not the USA don't change the situation, keep the situation and allow the free commerce for many Brazilian companies?

Fernando Cardoso, I would like to know what the Brazilian government's view on these non-tariff barriers against a number of Brazilian products that are trying to get into the U.S. market.

PRESIDENT CARDOSO: All right, I'm going to begin by answering the question on the additional agreements or side agreements to the FTAA. I think that President Clinton talked about his views very clearly when he talked about the meaning of the overall proposal for hemisphere-wide integration. And he made his comments in a way that I think was quite proper.

He said it's not just a matter of tariffs -- I'm going to talk about the tariffs in a minute -- but it's not just a matter of tariffs. It's a much broader concept that we're fighting for here, because we're talking about the fact that there are some political considerations that come into play. And, of course, political considerations are based on values -- a common desire, a shared desire to keep the peace, to control drug trafficking, to avoid criminal activities on the international level or in the international sphere.

So we're not just talking about trade here, so much so that what we proposed in the meetings that we've had thus far and that we're going to continue to have over the next few days,

is that the key topic be education. And in Santiago, we're going to keep insisting on education as the key issue, because people can say, all right, very generously, let's talk about something that will move people, but that means that we have to talk about something that goes beyond tariffs.

Tariffs, of course, are very important to countries and their economies and especially interesting to specialists. But countries have much more that they talk about and disagree with in the area of international relations aside from tariffs. And so we have to talk about things that will bring our people closer together.

Education is ideal because the basic tenet of education is equality, and I think that what President Clinton said here pretty much follows along the same line of thought. And we do not want to limit our relationship to issues that don't even require a meeting between Presidents, because technical-level meetings will be enough.

What we are here to express and symbolize is something far greater than this. It's the desire for democracy and greater equality. A country such as Brazil that has no reason to hide its problems, especially our social problems, which are so great in nature, is in a position to want very much

to improve the standard of living of its people. Within Mercosur, outside of Mercosur, we're very interested in seeing that all agreements be broader in scope, just as President Clinton just said.

So with regard to the specific issues that were brought up -- you talked about steel and orange juice and footwear and -- everywhere throughout Latin America where President Clinton goes, he's going to hear the same issues being brought up. And elsewhere as well, because the French, the Japanese, the British, they all have the same problems. To the degree that our countries move forward and progress, especially Brazil, where the industry sector is growing rapidly, of course we're going to begin to compete and problems and are going to crop up. And, of course, some moment in time is going to require arbitration of some nature, which is not meant to be just political in nature. But the greater our understanding is, the better our possibilities will be of reaching an understanding as to these issues.

Now, there are specific points on the agenda of demands of our two countries that neither one of us have really talked about them much. Some were brought up now, but we both know what they are. And when President Clinton goes back to the United States, people are going to ask him, did they ask you about this, that, or the other. I'm not even going to mention what they are. He's going to say, yes, I did talk to President Cardoso about it. What did he say? Well, President Cardoso said he's going to give utmost consideration to these issues. And that's what I'm going to say to you. We're both going to work hard to try to solve these issues.

PRESIDENT CLINTON: Let me say again, on balance, the United States has a lower tariff structure than virtually any country in the world, and fewer restrictions on trade than the European Union, for example. And I hope we can work these last remaining areas out. If you think about how big and complicated

our countries are and the fact that we have now two-way trade in the neighborhood of \$23 billion a year. The number of disputes is actually relatively small and I'm encouraged by that.

I'm not going to ignore the gentleman's clever question on the United Nations. First of all, you should know that today Brazil has been elected to a two-year term on the Security Council. Congratulations, Mr. President, that's a very good thing for the United Nations, as well as for Brazil.

The United States' position has been that the Security Council ought to be expanded, that a permanent seat ought to be given to Latin America, and that the Latin American nations themselves should resolve how that permanent seat should be filled. This really is one of those areas where I don't think it's our place to tell the people of Latin America how to proceed here. I hope we will proceed and give a permanent seat on the Security Council to Latin America, because I think that the actions of the last several years clearly warrant that. And, again, that's another one of those questions like the gentleman who asked me about Brazil's emergence. The more there is a stable, constructive presence in global affairs presented by Latin America, the better off the world's going to be.

Q Thank you, Mr. President, and good afternoon. Based on your comments yesterday on Air Force One, sir, it would seem that you've been briefed on the videotapes that are soon to be released. What is your understanding of what's on them? And is there anything on them that causes you any concern?

PRESIDENT CLINTON: No, I think it's the same old stuff. As I said, those of you who have been going to the fundraisers with me, you've already seen it live so the replay will probably be boring for you. That's what I understand and I'm not worried about it.

Q Mr. President -- are already saying that --
(inaudible.)

PRESIDENT CLINTON: I've not made a decision yet about what to do. But let me say this, I intend to take a strong position there and I expect to probably be criticized by all sides. The United States, as our friends in Europe are well aware, is in a particularly difficult position when the benchmark is 1990, for three reasons.

Number one, we've had economic growth since 1990 far greater than Europe, so our greenhouse gas emissions have gone up more, which means we have more to do to go down. Number two, the Europeans are -- particularly if they're treated together -- benefit from the incorporation of East Germany into Germany and the dramatic drop in production in East Germany, which has a high level of pollution. Therefore, they get a big reduction in pollution for something that -- not because of any independent policy action taken, but because of the incorporation of East Germany into Germany.

And, thirdly, the presence of the North Sea oil for Great Britain gave Britain the ability to sell the oil, which is relatively polluting to other countries and keep the natural gas, which is quite clean, and substitute that for coal. So using the 1990 base mark, they have a lot of inherent advantages over the

United States in terms of the degree of rigor required to meet any given target.

Nonetheless, I think there's so much we can do through technology and different purchasing patterns and conservation patterns, that I think that we can do quite a great deal. And I intend to propose that we do a great deal. What I'm trying to do is to put together a comprehensive agreement in Kyoto that will actually do what everybody wants, which is to reduce greenhouse gas emissions into the atmosphere substantially in the next century.

Right now we're at about double the volume of greenhouse gases in the atmosphere that existed before the dawn of the Industrial Age. If we don't do something we'll be triple the volume by the middle of the next century. And we know that something bad will happen. Even though the skeptics on the other side say we don't know exactly what and when, we know enough to know it's not going to be good, and we've seen enough evidence of that so far.

So I'm going to have a credible plan. I'm going to do my best to get everybody involved in it. I hope I'll even have some success at selling it to the Congress. Right now, it may be a lot easier to sell it to the environmentalists and to the business community than to sell it to the Congress, but I'll do my best.

Q Mr. President, have you decided against using your line item veto authority? And am I mistaken, or is this becoming habit forming?

PRESIDENT CLINTON: Well, it's not habit forming but, yes, I used it again today -- as I told you yesterday I would -- on I can't remember how many projects, but more than a dozen worth more than \$140 million that were not either in my

budget or recommended by the Department of Defense. I thought it was appropriate.

I know that a lot of members that voted for the line item veto in Congress now wonder whether they did the right thing, now that I'm exercising it. But I'd like to remind you that, again, I have deferred, in great measure, to Congress. Congress put in 750 projects not requested in our budget or in the Defense Department plan, and reduced overall weapons procurement, reduced overall research and development to pay for virtually all of them.

And I'm hoping that in the years ahead I won't be using it as much and future Presidents won't use it as much because it will lead to a different kind of negotiation in the budgeting process.

But I think what I did today was responsible and quite restrained. And I believe that it's important to send a signal to the American people that we're going to stay on the budget track we started on, and we're going to stay within these numbers and balance the budget. That's one of the things that's given us the big economy we've got.

PRESIDENT CARDOSO: I'd like to thank all the Brazilian and American journalists for having joined us and for

being so good about answering all our questions. And may I say that the emphasis that President Clinton has put on the environmental issue is one that I would like to bring up for Brazil as well. We have an energy matrix that is very, very clean. We use hydro power and now gas, natural gas. And we are strengthening our links with regard to the energy matrix throughout the rest of Latin America. So I think that our dialogue in terms of climate has been extremely positive.

Thank you to everyone.

END

2:35 P.M. (L)



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October 14, 1997

**REMARKS BY PRESIDENT CLINTON AND PRESIDENT CARDOSO AT
SIGNING OF DECLARATION ON EDUCATION**

1:40 P.M. (L)

THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate Release
14, 1997

October

REMARKS BY PRESIDENT CLINTON
AND PRESIDENT CARDOSO
AT SIGNING OF DECLARATION ON EDUCATION

Garden of Alvorada Palace
Brasilia, Brazil

1:40 P.M. (L)

PRESIDENT CARDOSO: Mr. President of the United States of America, William Clinton, ladies and gentlemen, may I say to you first what a pleasure it is, Mr. President, for me and for Ruth, my wife, to welcome both you and Mrs. Clinton. And I'd like to take advantage of this opportunity to state our pleasure, and I'm quite sure the pleasure of the Brazilian people as a whole. This is particularly due to the excellent relations between the two of us, which I think makes it obvious to everyone that there is a friendship that joins these two Presidents, and that we share a great many interests -- and by "we," I mean our two peoples.

On both sides, we are interested in ensuring that we will draw closer together and bring our societies closer together as well in very practical ways. We've had a number of opportunities in which to chat. We've covered, I think, just about every problem that was on our agenda before this meeting, including the most general problems, such as peace throughout the world; including the possibility of working together in a number

of situations which might require more direct action on the part of the United States or Brazil -- not just in our region, of course, but also views were exchanged, opinions were exchanged about a number of international problems as well. And I can assure you that we both agree with regard to the overall objective, which is to increase the prosperity of people on the Earth as a whole.

It is also our conviction that prosperity is something that needs to be made a general phenomenon. The prosperity of one nation should not harm the prosperity of any other nation, and nothing leads us to believe this. On the contrary; we feel that what's good for Brazil is good for the United States, and what's good for the United States is good for Brazil as well.

Just in terms of commercial relations, for example, the United States is our number one trading partner. But Brazil, as we like to say, is also a major global trader. We have excellent relations with the Mercosur countries, other countries in Latin America, with Europe and Asia, not to mention Africa. And it is with a full understanding of the comprehensive nature, the global nature of our relationships that we, in turn, have been able to reach a closer relationship.

We have underscored our commitment to the sort of endeavor that we have embarked upon, for example, in Mercosur, which is a very important part of our foreign policy in Brazil,

which we feel to be an example of the success of the work of these four countries -- Paraguay, Uruguay, Brazil, Argentina, and now Chile as well.

Much agreement has been reached with regard to trade, democracy, keeping peace. And we also believe that by

working together we can move towards the integration of the Americas as a whole in such a way as to avoid harming our Mercosur interests and in such a way as to avoid harming the interests of the NAFTA countries. But we should integrate the hemisphere as a whole in the line with the view that has already been expressed just a moment ago -- in other words, prosperity for all is best for each and every one.

On the other hand, it also became quite clear that we agree on a number of other issues, even at a personal level. For example, our take on problems is quite similar in our two countries. An example of that fact can be seen via the declaration that we are now signing in the area of education, one of the social area endeavors. I was extremely pleased when I heard President Clinton's State of the Union address, because he spoke about education and what he said certainly made me feel quite enthusiastic. What he said moved us. As a former professor and as two human beings, I'm sure that we agree that education is an instrument which will allow us to equalize relations within a society and to do away with so many of the differences and asymmetries that can exist among countries as well.

In this meeting we would like to reaffirm our full commitment to all the programs in the educational field as a symbol of our concern of the social issues. The integration that we are seeking to pursue as the regional, sub-regional and even at a broader level, as soon as that becomes timely, is going to

be integration that will exclude no countries, no fragments within countries, either. Integration is designed to improve the standard of living of the peoples who integrate.

Another thing that we can go over is a list of key issues that have to do with, for example, the climate change. President Clinton, for example, holds the view that I think is quite proper vis a vis climate change. He talks about shared responsibility. He talks about the fact that responsibility should exclude no segment of humanity because the climate is something that involves the preservation of the conditions of life for future generations throughout the planet. So we must come up with mechanisms which will allow us to reduce the greenhouse gas effect. We should reduce the greenhouse gases, but in such a way as to ensure that we're not harming the interests or the development of any country -- the United States, Brazil or developing countries. These things should be done in a balanced way to ensure that we will solve the problems and do so in the best way for our countries, which is what we're going to try to do in Kyoto in December.

Another thing that we're doing is broadening our cooperation in the field of space studies in a clear demonstration of a number of possibilities that exist for cooperation between Brazil and the United States, certainly in terms of advanced technology.

I don't want to take up too much time, but may I reaffirm the fact that -- very simply, because we did cover such a broad range of topics -- the fact that we avoided no single topic is a clear sign that we can reach an understanding even upon those things that we have some slight misunderstandings on. And, of course, misunderstandings usually just reflect the interests of our individual countries that we, of course, must defend properly, but at the same time in a way which shows that we have an old friendship, a long-term friendship and this friendship allows us to deal with these issues in such a way.

I'd like to repeat something I said in the Panalto Palace. Since the second world war never have we seen so many possibilities for cooperation in so many broad fields -- certainly nothing compared to the many opportunities that are opening up for Brazil and the United States right now, which is why I'm particularly pleased to speak via the media to the

peoples of our countries to reaffirm the tremendous satisfaction that I feel in being able to welcome this great President, Bill Clinton, in our country.

Thank you so much. (Applause.)

PRESIDENT CLINTON: Thank you very much, Mr. President. Let me begin by thanking you and Mrs. Cardoso and the representatives of your government for the warm welcome you have given to us, including our very large delegation, the senior members of our administration, a big percentage of our Cabinet and the distinguished delegation from Congress. We are delighted to be here.

I believe this visit marks a new phase in the long friendship between the United States and Brazil. This is clearly a unique moment of opportunity in the Americas. A quiet revolution is bringing our hemisphere together around common values of democracy, free markets, mutual respect and

values of democracy, free markets, mutual respect and cooperation. It gives us the opportunity to advance the welfare, the freedom and the security of all of our people in a way that has not been possible before.

Because we have the largest economies and the most diverse populations in the hemisphere, Brazil and the United States have both a special ability and a special responsibility to help lead the Americas into the 21st century. Under President Cardoso's leadership, Brazil clearly is meeting that challenge in fulfilling its destiny as a great nation. Through your own remarkable economic reforms, your strategic partnership with Argentina, your leadership in Mercosur and throughout the hemisphere, and increasingly on the wider international stage, Brazil has helped to consolidate peace and democracy and to promote prosperity and stability.

Brazil and the United States share a fundamental belief that opening the markets of our hemisphere to trade and investment is the best way to create good jobs and strengthen democracy and cooperation in all our countries.

Three years ago, when we met at the Summit of the Americas in Miami, we pledged to pursue a free trade area of the Americas by early in the next century. Today, the President and I agreed that at the next Summit of the Americas in Santiago, we should launch comprehensive and balanced negotiations to achieve that goal, turning our common agenda into a common plan of action.

If I might, I'd like to just speak a moment about what I think has been the cause of some misunderstanding between our two countries, which is the question of what the American attitude toward Mercosur is and what its relationship to our support for a free trade area of the Americas is.

I support Mercosur. I think it has been a good thing for Brazil, a good thing for all the member nations, a good thing for stability, for growth and cooperation in the region, and quite a good thing for the United States. Our exports to the Mercosur countries have grown substantially since 1991. And we believe that these sort of regional trade arrangements everywhere -- if they serve to open borders, to increase economic activities and to promote growth, promote stability and opportunity that benefit Americans.

We believe that we can create a free trade area of the Americas consistent with Mercosur and the leadership and role of Brazil and the other members in it. So to me, this is a false choice that we don't intend to ask the Brazilians, the Argentineans, or the other members of Mercosur to make. We believe we can build on this and go forward to a free trade area of the Americas.

Trade has produced about a third of the economic growth the United States has enjoyed since I became President in January of 1993. And I'm working hard to continue to expand our capacity to trade and to create good high-wage jobs in our own country by securing the presidential negotiating authority necessary to tear down more of the trade barriers of the past so that we can open wider the doors of the future to good jobs and higher incomes.

Now, let me say that as we promote more free markets

Now, let me say that as we promote more free markets and more free trade, I believe that all of us must work harder to extend their benefits to all citizens. No great democracy has succeeded in doing that so far. We know we have to begin by ensuring that all of our citizens receive the education and training they need to succeed in this new economy. And I applaud the President's emphasis on education. The education declaration we have just signed focuses on what I believe the keys to making education work in both our countries are.

First, high standards for what children must learn and testing to measure their progress. Second, training our teachers so that those to whom we entrust our children's future are, themselves, well-prepared. Third, intensive parent and community involvement. And fourthly, something the President has worked very hard on, access to technology to realize the possibilities of the information age for all our children.

In the United States we're working hard to make sure that every classroom and library in our country is hooked up to the Internet by the year 2000. We're giving discounted rates to our schools so that they can afford to be on the Internet. And we are finding something I am certain will be the experience in Brazil as well, and that is that very often the largest benefit of this technology revolution will flow to the children who are most in need, who tend to be in isolated rural or urban school districts where they have not had the chances and the opportunities many of our other children have. So I think that the Internet can be an instrument by which we democratize as well as increase the excellence of educational opportunity.

We've also agreed that we can't have today's progress at tomorrow's expense. The President talked a little bit about our common commitment to the environment. The clean energy agreement we have signed will help Brazil to continue to grow, fueled by renewable and efficient energy technologies. Our park services will work together to protect wetlands like the Everglades and the Pantanal Park in Brazil. We share Brazil's determination to conserve the Amazon, one of the most wondrous and biologically diverse environmental habitats in the world. The United States will contribute another \$10 million to the G-7's cooperative program with Brazil to sustain the rainforests. And we will help Brazil to put 21st century technology into this effort, including research done by Brazilians in space.

The fires throughout the Amazon have added urgency to these efforts, and the uncertainties about the climatic effects of this El Nino, both in South America and in the United States, have also added urgency to our efforts.

We did, as the President said, discuss the challenge of climate change. Five years ago in Rio, the world community began to chart a common course to reduce the greenhouse gas emissions that lead to global warming. Developed countries have a special responsibility to lead. I told President Cardoso that the United States will meet that responsibility with a commitment to limit our emissions when we meet in Kyoto on December the 6th. But as we do our part, I believe so, too, must the developing world. Climate change, after all, is a global problem that requires a global solution.

So here is the question, it seems to me -- and I would like to talk a little about this because I think it's quite important -- I think it's very important that the people of

Brazil understand that just as with the trade issue and Mercosur, the United States would never knowingly make any suggestion that would undermine the growth of Brazil or any other country. It is not in our interest. We, after all, only have 4 percent of world's people. We enjoy a very high standard of living. We can only maintain our own standard of living if you grow. If there are more good jobs for Brazilians, higher incomes, more people are brought into the social compact in this country, then you can be a stronger partner, not only for us, but for your neighbors in this continent and throughout the world.

So our strategy is to aggressively support the growth of the emerging economies of the world, the strength of their democracies, and our capacity to cooperate together. I do not believe that any reasonable person can look at the world of today and imagine the world of tomorrow and believe that America can gain by someone else's economic loss. We have an interest in finding a way to grow together.

By the same token, the world will not gain if some countries limit their greenhouse gas emissions and other countries grow in the same old way with the same old energy base so that the climate continues to warm more rapidly than it has at any time in the last 10,000 years.

So what we want to do is to find a way for the developing countries to fulfill their responsibilities within the framework of Kyoto, recognizing that those of us in developed countries must do more, but that we must all participate. And we want to be very explicit that any participation on your part would not come at the expense of economic growth.

Developing nations have an opportunity to chart a different energy future than some of the developed countries. And if we share our technology and we share our knowledge, then we can achieve that. This is very important.

Brazil has already gone a long way toward proving this point, because you have developed so many non-traditional fuels, biologically-based fuels, for running your vehicles. So you have given evidence to the general point that I hope will be embraced by all the countries of the developing world. And I encourage that.

Finally, let me say, we talked about expanding our cooperation in regional and global security, and I want to say a word of appreciation to Brazil as the guarantor of the Peru-Ecuador peace process, and appreciation for its historic decision to join the Nuclear Non-proliferation Treaty and to sign the Comprehensive Test Ban Treaty. In all these actions, Brazil has taken its place as a world leader for peace and security.

Today, the Mutual Legal Assistance Treaty we signed will help us to crack down on drug production and trafficking and fight transnational crime in a way that benefits all of our people.

President Cardoso said two years ago when he visited me at the White House -- and I quote -- "The vocation of Brazil and the United States is to stand together." I believe we stand together today as never before. The issues we face are central to the well-being of both our peoples. The fate of our

hemisphere, with strong democracies, a commitment to fight crime and drugs, to work for lasting peace, the future of the new economy, preparing our people for the 21st century -- that's what this trip is all about. These are all objectives we share, and they really matter to ordinary citizens in both our nations and throughout this hemisphere.

Thank you. (Applause.)

PRESIDENT CARDOSO: President Clinton, I'd like to ask you to begin if you don't mind.

Q Mr. President, Attorney General Reno has made her decision and will extend her inquiry into your telephone fundraising to determine whether a special counsel should be named. How do you feel about that hanging over you for another 60 days at least?

PRESIDENT CLINTON: I feel nothing about it. There is a law and there are facts. And I feel that it would be much better if she were permitted to do her job. I know I didn't do anything wrong. I did everything I could to comply with the law. I feel good about it. But I told you yesterday, the thing I don't feel good about is the overt, explicit, overbearing attempt to politicize this whole process and to put pressure on more than one actor in it. That's wrong. There's a law. There's a fact-finding process. And I'm going to cooperate with it in every way I possibly can.

Q Mr. Clinton, will the recent -- between the European Union and Mercosur affect how you formulate your strategy for commerce in the Americas?

And for President Fernando Enrique, the question is, what is the relative importance of Europe as far as Brazil's commercial strategy or trade strategies concerned, especially vis a vis the United States?

PRESIDENT CLINTON: Well, first of all, if I were in Brazil I would be trying to sell as much as I could to America and to Europe. I think that's the way this market works. Both the European Union and the United States have increased our exports to Brazil and to the Mercosur countries in the last few years markedly. So I don't feel threatened by it, I just want to make sure we're fully competing. And if we don't fully compete, it will be our fault, not yours and not Europe's.

That's one of the reasons that I'm seeking fast track authority. It's up to the United States to decide whether it's going to be a fully competitive nation, but we have -- in the last two years, for the first time in a long time, more than half our new jobs have come in the higher wage categories. And it's the direct result of our aggressive pursuit of trade opportunities.

So I'm prepared to compete and all I want is a fair chance to compete with the Europeans here or anywhere else. But I don't see that as a bad thing. If I were in your position, I'd be trying to sell more to everybody.

PRESIDENT CARDOSO: Well, I believe that what President Clinton said is most helpful to us. The more

competition we have between the United States and Europe for trade, the better it is for us because it makes our products much cheaper. So I agree with President Clinton. It is true that Brazil's number one individual client is the United States today. But the European Union, as a whole, or taken as a whole, imports and exports a bit more than the United States, actually. We are now, as I said before and I'm going to repeat this, global traders. We actually trade with a number of countries and areas throughout the world and we're very interested in increasing these trade flows.

With regard to the United States, we have increased such trade flows. Unfortunately, we have an increasing trade deficit as a result of the increased trade with the United States. So we have to review this situation and try to balance it better to the benefit of both. We want to increase imports and exports. We don't want a zero-sum game and we don't want a game in which one loses and the other wins. We want a win-win situation in the trade arena.

That is why we say that our trade policy with Europe is very active. It will continue to be very active. But I agree wholeheartedly with President Clinton -- we cannot think about

such economic blocks as isolated fortresses. They have been designed to increase trade, and we're going to take advantage of every opportunity that we can find to intensify our trade abroad, to sell things abroad. We will do so whenever we can. We're not going to close off our economy because our competitiveness, our progress in the area of technology and the cheapening of the products for our own people depend on such trade.

Thank you

Q Mr. President, in Venezuela your discussions included alternative energy sources. Here you've also discussed safe or clean energy sources. I wonder, given that in the United States there is opportunity for improvement in the area of both energy incentives and also reducing the amount of emissions, do you find it difficult to discuss this topic while abroad?

PRESIDENT CLINTON: No, because I don't think the two things are inconsistent. I think we are -- a real responsibility in the United States to do energy conversion. We were on that path, ironically, 20 years ago, when our experts underestimated the amount of natural gas reserves that would be available to us in the United States and throughout the world. And we thought we could move to a clean coal technology and do the job. We now know that that decision was not accurate. But the people who made the decisions 20 years ago did it based on the best evidence they had at the time.

So I think we're going to have more reliance on natural gas and other forms of energy that are even cleaner. And we have to do more conservation. If you were there at the climate change conference we had at Georgetown a couple of weeks ago, we learned, among other things, that two-thirds of all the heat generated in the production of electricity is wasted. If we can recover half of that waste heat, we will generate enormous new capacity for growth without adding one single pollutant in the form of greenhouse gases to the atmosphere. So we've got a lot to do on our own account.

But as I said -- let me reiterate what I said. What I want to do is to try to help the developing countries grow their economy just as fast as would otherwise be the case, but chart a different energy future than the one we charted in the past when we were at the same stage of development. And the question is, can they do that. I think it's absolutely clear, crystal clear that they can.

And this is a big problem. In China today, bronchial disease is, among children, the number one health problem for kids in the country already. So I want the Chinese economy to grow and the Chinese people to prosper, but I think they should choose a different energy course for the same growth. And I think they can and we should be trying to help them. If we don't do it, then no matter what we in the developed countries do, within 30 to 40 years we'll be right back in the same pickle we're in today, except worse.

Q I have two questions for both Presidents. For President Clinton, since 1995 both governments have worked on the bilateral trade with you, but so far they have no concrete results. And the perception is that Brazil is still complaining about trade barriers and better access to the U.S. market. So I'd like to know if both Presidents have now a new orientation toward a new phase in the trade bilateral relationship.

For President Fernando Enrique, my question is, if there is no fast track authority, if this is not granted, would Brazil be willing to negotiate -- if there is no fast track, do you believe that there will be an continuity in the negotiations of FTAA? And if there isn't, would Mercosur take on this role -- in other words, the role of the principal protagonist in terms of trade in the region?

PRESIDENT CARDOSO: I don't want to make any bets on American policy. If there is going to be this sort of a policy or not is the United States' problem. I think that President Clinton is going to be in a position to get the fast track authority he wants.

But integration, whether we're talking about integration throughout the hemisphere or Mercosur, are two processes that are very interesting to our economies, quite apart from any political issues, which will simply decide the speed at which such issues are decided. So what President Clinton said was crystal clear when he talked about his view of Mercosur and FTAA. He said there is no clash between the two; there is no opposition. There is simply a situation, and we have to give ourselves enough time so that we will be in a position to prepare for increased competition. It's just a matter of time, procedures, so that we will be in a position to participate fully in conversations and understandings.

So with or without a fast track authority, the question is, is it good or bad for us to increase international trade, and the answer is always the same -- it's always good to increase international trade. So I would say that the other factors are just conditioning factors, but the key objectives are out there and they're unchanging.

We will continue to work to our utmost to consolidate Mercosur, but simultaneously to work on the FTAA. We

signed an agreement in Miami -- I didn't sign it myself personally, but I was just the President-elect, but President Clinton was kind enough to ask me to come and observe. And this is not just a commitment on paper. It's a real commitment -- we really want to increase our trade foundation.

Now, people are talking about the United States, Europe and so forth -- trade is trade. We have to look at things one question at a time, how we're going to deal with the interests that are being affected, how can we build bridges in such a way as to benefit the parties involved. All of this involves a long construction process.

PRESIDENT CLINTON: Let me say, first of all, I would only add to what the President said that I believe, and I think he believes, as well, that if we can proceed with this free trade area of the Americas, it's also a way of stabilizing the democratic governments of many smaller countries in our hemisphere and giving them some assurance that, if they stay with democracy and reform, their people will also be able to reap some economic benefit from it.

So I think it is important that Brazil assume a leadership role in this fashioning of this whole agreement. And I hope they will, because I think what we're trying to do is to say, this is, first and foremost, about economics, but economics supports freedom and democracy and stability if we do it properly.

Now, on the question you asked me, the trade question, let me just briefly say, we went over the specific trade issues that Brazil has with the United States and the specific trade issues the United States has with Brazil. And we -- obviously, neither one of us are trade negotiators and these are somewhat specific and, in some cases, almost arcane issues involved, but what we did do is we resolved that we would give both sides instruction that we want these matters resolved if at all possible and as quickly as possible. They're dragging on, they're an irritant to our relationship. And they're, in the context of our larger objective, a negative rather than a positive force and we'd like to have them resolved. And that's basically the decision we made.

Q Mr. President, just to go back for a moment to Janet Reno and her investigation -- I'm wondering if you can tell us, has this whole affair complicated your relationship with her and your ability to actually function with your highest ranking law enforcement official? For instance, do you find yourself not talking to her because you're hesitant to have too much contact with the Attorney General?

PRESIDENT CLINTON: Well, I don't really have anything to add to what I said yesterday about that. I think you all are perfectly capable of drawing your own conclusions and evaluating whether this puts our political system in balance or out of balance, and I don't think that we should discuss it here.

The most important thing is we've got a law; we've got a fact-finding process. The fact-finding process should proceed with integrity; the law should be implemented without pressure either way. I am doing my part. I wish others were doing as well.

Q Mr. Fernando Enrique, I hope you don't mind if I ask Mr. Clinton the question. Mr. President, your visit was preceded by diplomatic turmoil. A document was disseminated that said that Brazilian corruption was endemic. This was commented on by the American Ambassador and his comments made things worse. The head of the Supreme Tribunal, the Superior Court in Brazil reacted badly, as did some other people in the federal government -- even a governor of a federal district. And they also reacted not just to this issue, but to a number of other issues in which excess security was demanded by some of your advisors.

Brazilian authorities called this people's attitude rather aggressive. Not only authorities, but people as a whole in Brazil felt that they had been badly mistreated. I would like to know your view, sir. Do you think there was any exaggeration? Do you think there were any diplomatic mishaps in this situation?

PRESIDENT CLINTON: Well, first of all, I became aware of this document and the characterization of the Brazilian culture after it had been released. The document was wrong and it represented an appalling error of judgment for anybody to write such a thing. It has been decisively rejected by every American authority, beginning with the Ambassador here now. And it has been excised from the document.

So I regret very much that it happened, but once in a while such a thing may even happen in Brazil, where someone who works for some agency will put out something in printing which shouldn't happen. I can only ask the Brazilian people not to infer that that is the feeling of either the government or, more importantly, the people of the United States toward Brazil. I assure you that no Brazilian could have been any more upset about it than I was. I thought it was terrible and I did everything I could to correct it.

Now, in terms of the trip here, I just don't have enough facts to know. I know that our people historically, because of the problems that have periodically affected our Presidents -- always on our own home turf, I might add, always when we're at home -- that the security for an American President often seems to others to be too rigid and too uncompromising. But, as I said, we've never had problems with our Presidents' security in a foreign country, but we've had enough problems at home over the last 35 years and before that I hope you will at least understand that. But I try to make sure that our people are as understanding and cooperative with the people in every country and community they visit as possible, and I hope they have been. That's all I can say. I don't know the facts.

Q Sir, does it embarrass you when these questions about fundraising follow you on foreign trips, as they have on this one, or does it embarrass the country?

PRESIDENT CLINTON: Well, I can't be embarrassed by other people's judgment. I have no control over what you decide to ask about. That's your decision, not mine. That's a question you should ask somebody besides me. I didn't have anything to do with what was asked. I think other people sometimes in other countries wonder what it's all about, especially when everyone concedes that there was no request or improper public action in any way, nor did any occur as a result of whatever communications

are in dispute.

But that's a decision for you. You have to decide what questions you're going to ask. I can't be embarrassed about how you decide to do your job.

Q I have a question that I want to ask both Presidents. People who monitor relations between Brazil and the United States feel that the problems that we have had most recently are often exacerbated by the bureaucracies of our two countries simply because there's not enough involvement of the Presidents and the leaders of the two countries. This is criticism that's been leveled against our countries. I wonder if you would agree.

The United States has a difficulty being a superpower, and the only superpower, to deal with an emerging power in the Americas that is asserting its leadership as a democracy as a freer market. Former Secretary Kissinger told me recently that he believed that really you have to adapt, because you are not used to that. You have to adapt intellectually to that. I'd like you to talk about this issue. Does our emerging role bother Americans or the United States of America?

PRESIDENT CARDOSO: Well, at least as far as the Brazilian side is concerned, I was so very pleased because the touchiest issues are always being brought up for President Clinton. No one is asking me these touchy questions. I was so pleased up until now.

However, my involvement and President Clinton's involvement can only be that of people who are involved at a very general level involving problems between our two countries. Of course, there are always going to be some sort of bureaucratic problems, but I'm quite sure that we can deal with them quite easily. I think bureaucratic problems and red tape dissolve as soon as people see the warmth of our warm and direct personal relations, which are much more important than any bureaucratic entanglement.

Now, of course, we do understand fully that for security reasons, you do have some problems of your own. Luckily enough, we in Brazil don't have to face these major threats. It's not the case of every country. The United States particularly has had to face some very difficult situations. Of course, our security forces try to pay attention at all times in Brazil. But I'm always breaking the rules in Brazil and so far nothing has ever happened and things are very tranquil and I'm sure they'll continue to be so in the future.

But I'm quite sure that anything that comes up can be dealt with quite easily because of the warmth and the openness that President Clinton and Mrs. Clinton have shown to us in Brazil at all times. They have shown to all Brazilians that their trip is an open-hearted visit.

PRESIDENT CLINTON: I'd actually like to respond, if I might, to both your questions. Because the question you asked the President, I think the answer to your question is a lot of -- people who work in government bureaucracies the world over are following established policies, and they tend to acquire an interest in maintaining the established policies, and most of them don't have the authority to change it, which is why these

kind of personal relationships are so important. Because it's our responsibility if we want to change the direction of the country not to blame the people who work for us -- and

particularly the people who many not even be political appointees, they work through from one administration to another -- but to try to give different instructions, to send different messages down there.

And that's why -- sometimes I think, with all respect, sometimes members of the press and even our own publics say, well, why did they spend all that money and do that foreign trip, all the money we spent to come here, all the money we spent to entertain us -- why did they do all that? There didn't seem to be an great earth-shaking specific agreement. And the main reason is the very thing you said -- that we have to increase understanding, we have to increase sensitivity. And even subtle shifts in our position can send a different message to those down in the governmental hierarchies that have to implement these decisions on a daily basis. So I think that's a very good question.

The second thing is, does the United States, at the end of the Cold War left as being the world's only superpower, feel threatened by the emergence of Brazil or any other country. The answer to that is, I actually support the emergence of countries to a greater role of influence and responsibilities, as long as they share our basic values -- not agree with us on everything, but share our basic values.

If they're committed to freedom and democracy, if they're committed to open trading systems, if they're committed to giving all their people a chance to participate in the wealth that the global economy generates, if they're committed to a responsible global approach on the environment, if they're committed to working with us against threats that cross national borders -- terrorism, weapons proliferation, criminal syndicates and drug trafficking -- if they're committed to those things, then I don't see this as competition. I see this as people emerging to take on more responsibility. And if we work together, more good will happen.

I'll give you another example. When I became President, there was the question of whether the United States would object if, in addition to NATO in Europe, there were an independent European security force working with NATO. And I made it clear from the beginning, I support this. I don't see these things as competing.

We have to change because most of the threats to nations in the years ahead will come not from nations, but from threats that cross national borders -- guerrillas, terrorists, weapons proliferation, drugs, crime, environmental and disease problems -- number one. And because most of the benefits that nations can derive for their people require them to cooperate with people beyond their borders, we will have to change our conception of how national power and influence is acquired.

National power and influence is acquired, ironically, by becoming more interdependent and cooperative with others who are strong and self-sufficient and self-reliant, but need to be allied with you. And I do believe, frankly, that this

will require a big change in the way people look at politics -- not just in the United States, but elsewhere.

Q Since you spoke yesterday on Air Force One, it's been reported that the White House and the Justice Department have been negotiating to figure out a way that you could speak to investigators about campaign finance. Have you reached such an agreement? And under what conditions would you speak to the Justice Department?

PRESIDENT CLINTON: I know nothing about that I didn't say yesterday. I literally -- no one has talked to me about it and I know nothing to add to what I said yesterday.

Q Mr. President, Mr. President of Brazil, Fernando Enrique Cardoso, Brazil defends negotiations with the FTAA in complementation to tariff laws. Now, what complements are we talking about specifically as long as Brazil adheres to the calendar?

And for President Bill Clinton, last night, Mr. Clinton, you said that you felt touched by Brazil and had felt touched by Brazil for over 30 years. Have you been touched enough to say that you're going to give support to Brazil's candidacy on the Security Council so that Brazil will become a full member of the Group of Nine as well next year?

PRESIDENT CARDOSO: Okay, I'm going to break a couple of the rules here once again. Go ahead, one last additional question, very, very quickly before we answer.

Q The United States government wants that Brazil open the Brazilian market, but there are many restrictions against Brazilian products, like oranges. My question is, why not the USA don't change the situation, keep the situation and allow the free commerce for many Brazilian companies?

Fernando Cardoso, I would like to know what the Brazilian government's view on these non-tariff barriers against a number of Brazilian products that are trying to get into the U.S. market.

PRESIDENT CARDOSO: All right, I'm going to begin by answering the question on the additional agreements or side agreements to the FTAA. I think that President Clinton talked about his views very clearly when he talked about the meaning of the overall proposal for hemisphere-wide integration. And he made his comments in a way that I think was quite proper.

He said it's not just a matter of tariffs -- I'm going to talk about the tariffs in a minute -- but it's not just a matter of tariffs. It's a much broader concept that we're fighting for here, because we're talking about the fact that there are some political considerations that come into play. And, of course, political considerations are based on values -- a common desire, a shared desire to keep the peace, to control drug trafficking, to avoid criminal activities on the international level or in the international sphere.

So we're not just talking about trade here, so much so that what we proposed in the meetings that we've had thus far and that we're going to continue to have over the next few days,

is that the key topic be education. And in Santiago, we're going to keep insisting on education as the key issue, because people can say, all right, very generously, let's talk about something that will move people, but that means that we have to talk about something that goes beyond tariffs.

Tariffs, of course, are very important to countries and their economies and especially interesting to specialists. But countries have much more that they talk about and disagree with in the area of international relations aside from tariffs. And so we have to talk about things that will bring our people closer together.

Education is ideal because the basic tenet of education is equality, and I think that what President Clinton said here pretty much follows along the same line of thought. And we do not want to limit our relationship to issues that don't even require a meeting between Presidents, because technical-level meetings will be enough.

What we are here to express and symbolize is something far greater than this. It's the desire for democracy and greater equality. A country such as Brazil that has no reason to hide its problems, especially our social problems, which are so great in nature, is in a position to want very much

to improve the standard of living of its people. Within Mercosur, outside of Mercosur, we're very interested in seeing that all agreements be broader in scope, just as President Clinton just said.

So with regard to the specific issues that were brought up -- you talked about steel and orange juice and footwear and -- everywhere throughout Latin America where President Clinton goes, he's going to hear the same issues being brought up. And elsewhere as well, because the French, the Japanese, the British, they all have the same problems. To the degree that our countries move forward and progress, especially Brazil, where the industry sector is growing rapidly, of course we're going to begin to compete and problems and are going to crop up. And, of course, some moment in time is going to require arbitration of some nature, which is not meant to be just political in nature. But the greater our understanding is, the better our possibilities will be of reaching an understanding as to these issues.

Now, there are specific points on the agenda of demands of our two countries that neither one of us have really talked about them much. Some were brought up now, but we both know what they are. And when President Clinton goes back to the United States, people are going to ask him, did they ask you about this, that, or the other. I'm not even going to mention what they are. He's going to say, yes, I did talk to President Cardoso about it. What did he say? Well, President Cardoso said he's going to give utmost consideration to these issues. And that's what I'm going to say to you. We're both going to work hard to try to solve these issues.

PRESIDENT CLINTON: Let me say again, on balance, the United States has a lower tariff structure than virtually any country in the world, and fewer restrictions on trade than the European Union, for example. And I hope we can work these last remaining areas out. If you think about how big and complicated

our countries are and the fact that we have now two-way trade in the neighborhood of \$23 billion a year. The number of disputes is actually relatively small and I'm encouraged by that.

I'm not going to ignore the gentleman's clever question on the United Nations. First of all, you should know that today Brazil has been elected to a two-year term on the Security Council. Congratulations, Mr. President, that's a very good thing for the United Nations, as well as for Brazil.

The United States' position has been that the Security Council ought to be expanded, that a permanent seat ought to be given to Latin America, and that the Latin American nations themselves should resolve how that permanent seat should be filled. This really is one of those areas where I don't think it's our place to tell the people of Latin America how to proceed here. I hope we will proceed and give a permanent seat on the Security Council to Latin America, because I think that the actions of the last several years clearly warrant that. And, again, that's another one of those questions like the gentleman who asked me about Brazil's emergence. The more there is a stable, constructive presence in global affairs presented by Latin America, the better off the world's going to be.

Q Thank you, Mr. President, and good afternoon. Based on your comments yesterday on Air Force One, sir, it would seem that you've been briefed on the videotapes that are soon to be released. What is your understanding of what's on them? And is there anything on them that causes you any concern?

PRESIDENT CLINTON: No, I think it's the same old stuff. As I said, those of you who have been going to the fundraisers with me, you've already seen it live so the replay will probably be boring for you. That's what I understand and I'm not worried about it.

Q Mr. President -- are already saying that --
(inaudible.)

PRESIDENT CLINTON: I've not made a decision yet about what to do. But let me say this, I intend to take a strong position there and I expect to probably be criticized by all sides. The United States, as our friends in Europe are well aware, is in a particularly difficult position when the benchmark is 1990, for three reasons.

Number one, we've had economic growth since 1990 far greater than Europe, so our greenhouse gas emissions have gone up more, which means we have more to do to go down. Number two, the Europeans are -- particularly if they're treated together -- benefit from the incorporation of East Germany into Germany and the dramatic drop in production in East Germany, which has a high level of pollution. Therefore, they get a big reduction in pollution for something that -- not because of any independent policy action taken, but because of the incorporation of East Germany into Germany.

And, thirdly, the presence of the North Sea oil for Great Britain gave Britain the ability to sell the oil, which is relatively polluting to other countries and keep the natural gas, which is quite clean, and substitute that for coal. So using the 1990 base mark, they have a lot of inherent advantages over the

United States in terms of the degree of rigor required to meet any given target.

Nonetheless, I think there's so much we can do through technology and different purchasing patterns and conservation patterns, that I think that we can do quite a great deal. And I intend to propose that we do a great deal. What I'm trying to do is to put together a comprehensive agreement in Kyoto that will actually do what everybody wants, which is to reduce greenhouse gas emissions into the atmosphere substantially in the next century.

Right now we're at about double the volume of greenhouse gases in the atmosphere that existed before the dawn of the Industrial Age. If we don't do something we'll be triple the volume by the middle of the next century. And we know that something bad will happen. Even though the skeptics on the other side say we don't know exactly what and when, we know enough to know it's not going to be good, and we've seen enough evidence of that so far.

So I'm going to have a credible plan. I'm going to do my best to get everybody involved in it. I hope I'll even have some success at selling it to the Congress. Right now, it may be a lot easier to sell it to the environmentalists and to the business community than to sell it to the Congress, but I'll do my best.

Q Mr. President, have you decided against using your line item veto authority? And am I mistaken, or is this becoming habit forming?

PRESIDENT CLINTON: Well, it's not habit forming but, yes, I used it again today -- as I told you yesterday I would -- on I can't remember how many projects, but more than a dozen worth more than \$140 million that were not either in my

budget or recommended by the Department of Defense. I thought it was appropriate.

I know that a lot of members that voted for the line item veto in Congress now wonder whether they did the right thing, now that I'm exercising it. But I'd like to remind you that, again, I have deferred, in great measure, to Congress. Congress put in 750 projects not requested in our budget or in the Defense Department plan, and reduced overall weapons procurement, reduced overall research and development to pay for virtually all of them.

And I'm hoping that in the years ahead I won't be using it as much and future Presidents won't use it as much because it will lead to a different kind of negotiation in the budgeting process.

But I think what I did today was responsible and quite restrained. And I believe that it's important to send a signal to the American people that we're going to stay on the budget track we started on, and we're going to stay within these numbers and balance the budget. That's one of the things that's given us the big economy we've got.

PRESIDENT CARDOSO: I'd like to thank all the Brazilian and American journalists for having joined us and for

being so good about answering all our questions. And may I say that the emphasis that President Clinton has put on the environmental issue is one that I would like to bring up for Brazil as well. We have an energy matrix that is very, very clean. We use hydro power and now gas, natural gas. And we are strengthening our links with regard to the energy matrix throughout the rest of Latin America. So I think that our dialogue in terms of climate has been extremely positive.

Thank you to everyone.

END

2:35 P.M. (L)



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10/08/97

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Peter R. Orszag

10/08/97 10:53:26

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Why? Because we're trying to figure out a way to grow the economy and support families. Not the same debate -- it's not an either-or. We have to find a way to do both things, to have balance and harmony in America.

The same thing with the environment. I consider myself a passionate environmentalist, and yet, you know that I have devoted most of my energies in my first term to getting the economy going again. I think if we have to choose we're in terrible trouble.

But most of the choices are false choices. I remember when the United States decided -- this was before my time -- to limit sulphur dioxide emissions into the atmosphere, and everybody said, this is going to cost a ton of money and it's going to bankrupt the country and we'll never get it done on the timetable, and we let the market take over. They set up a permit trading system for sulphur dioxide emissions permitting, and a few years later, we're way ahead of schedule at far less than half the predicted cost and the economy is booming. Because we found a way to get the private sector and its creativity involved in protecting and cleaning up our environment.

That's what we have to do with this greenhouse gas problem that's warming the climate. If we do this right, we will create jobs, we will not shut down jobs, and we'll preserve the environment for our children.

So we got out of the environment -- so the Republicans are for jobs and the Democrats are for the environment. The liberals are for the environment, the conservatives for jobs. What a crazy way to live. I want to be able to breathe when I go to and from work. This is not a debate that should be structured this way. So I think we've changed it.

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10/06/97 (I)

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First Lady's Speech

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WH Climate Change Conference

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decisions to preserve a healthy world for the generations that will inhabit this planet long after we are gone. The First Lady, through her courage, tenacity and grace, serves as a model for us all.

Ladies and gentlemen, it is my pleasure and my privilege to introduce the First Lady of the United States, Hillary Rodham Clinton.

[Applause.]

MRS. CLINTON: Thank you, thank you very much. Thank you, Bob. Thank you, Father O'Donovan for once again welcoming all of us to Georgetown, which just happens to be my husband's alma mater.

[Applause.]

MRS. CLINTON: I particularly want to thank all who are gathered here as participants and observers of this important conference. I am delighted that there are so many students and young people, because certainly there is no member in the audience with more at stake than those who are just beginning to look into their own futures and chart their own courses.

I can think of no more fitting day for us to come together to discuss climate change than today, which has been designated as Children's Health Day in the United States since 1928. For all of those years, we have met every year, as I did again this morning at the White House, with people charged with the responsibility for looking after our children's health. Every year, we have evaluated how well we have done in dealing with those issues that most affect the well-being of our children.

Our grade as a country went up this year from a C minus to a C. That's not much to brag about, but we are making progress and, at least, the trend line is in the right direction.

Certainly, to meet today, on Children's Health Day, in the context of this conference is to put an even brighter spotlight on what is happening and could happen to our children if we refuse or fail to act appropriately, for how we act in response to global warming will have a profound impact on the safety and well-being of children not

only here in our country, but the world over.

One of the biggest threats children face is disease, particularly disease rooted in environmental causes. Millions of children under the age of five die every year from preventable, easily treated conditions like pneumonia, diarrhea, malaria and malnutrition. Thousands more are made sick from air pollution.

In recent years, I have seen the individual faces behind these statistics, a boy feverish with malaria in Africa, a girl perilously malnourished in Asia, an infant dehydrated from cholera dying in South America, children from our own cities, suffering from asthma, struggling to breathe. There is no escaping the fact that growing bodies are more susceptible to disease, pollution and environmental changes than the rest of us.

And so, in a real way, it is for these children and millions more like them and those to come that bring us to this conference today. As we have heard this morning from some of the world's

leading scientists, the health problems that fall disproportionately on children are only going to get worse if we do not do something about climate change. So, I want to talk to you briefly this afternoon, not as a scientist or as someone prepared to recommend any specific policies, targets or timetables, but as a mother and a citizen with a longstanding concern for the health and safety of children.

While uncertainties about the particulars of climate change remain, while we do not know exactly, for instance, how much and how fast temperatures will rise, this much is clear. Global warming has the power to put more children at risk. Let me focus on three health flashpoints, air quality, the spread of disease and food security.

One reason we should be increasingly concerned about global warming has to do with respiratory illnesses. Already as many as 40 percent of children seen in health clinics around the world are suffering from acute respiratory infections. It is likely that an increase in

global temperatures will deepen this problem.

High pollution levels in many urban areas result in high levels of ozone and fine particulate matter. Studies tell us that, when these pollutants increase, the number of respiratory illnesses tend to rise, too. These pollutants can aggravate conditions like asthma. Over the last decade, the number of cases in asthma in the United States has jumped by 29 percent. Hospitalization rates have increased by six percent. The largest increases have been among children and young adults.

Today, asthma affects nearly five million American children. Last year, it led to more than 300 deaths. Children in urban areas are hit hardest. In New York City, for example, children are hospitalized at four times the national rate. Within the city itself, rates are three to five times higher for African-American and Latinos. A rise in temperature, it is thought, will likely hasten this trend.

Children in disadvantaged neighborhoods,

those least able to seek quality medical care, will be affected the most, but not child will be entirely safe. I notice the increase in asthma as I travel from children's hospital to children's hospital and meet with long time pediatricians who tell me with concern about the numbers of children they now see and how difficult it is often to monitor their illness.

Another reason we should be concerned with climate change has to do with the spread of infectious diseases. In 1995, infectious diseases, like malaria, cholera dengue and yellow fever, killed more than 17 million people worldwide. Nine million of these deaths were children.

Increases in temperature hasten the spread of infectious diseases for two reasons. First, they shorten incubation periods. That means that the viruses, bacteria and parasites that cause these diseases can reproduce and spread a lot faster. Second, cool temperatures protect parts of the world from certain diseases. They serve as an important line of defense. Diseases that can

survive in hot, humid Calcutta just aren't going to make it in Cleveland unless temperatures rise.

Take a disease like malaria, which is spread primarily by mosquitoes. There are a half billion cases of malaria every year. IN 1995, 2.1 million of these resulted in death, most of them of children under the age of five. Moreover, the threat of malaria is increasing with the emergence of strains that are resistant to drugs. In Africa, for example, the spread of Chloroquine-resistant malaria has contributed to an estimated two to threefold increase in malaria-related deaths since 1984.

Those of you in business or government who travel to Africa and Asia regularly, have been told, I am sure as I have by my doctor, that now taking malaria medication is absolutely a necessity, but whether or not it is good enough to withstand whatever strain that is out there is an open question.

For this reason, higher temperature should be a matter of real concern. Areas that were

previously free of malaria mosquitoes, such as mountainous regions in Rwanda and Kenya, are now reporting an influx of the insects. In Costa Rica and Colombia, mosquitoes that were never seen above one thousand meters have been spotted at twice that altitude.

The United States is not immune, as you saw from Diana Liverman's maps this morning. In fact, according to research by the United States Agency for International development, as a consequence of climate change, the percentage of the world's population at risk to malaria could increase from 45 percent to 60 percent, increasing the annual number of malaria cases by 50 to 80 million people per year.

The spread of water-borne disease could also be hastened by climate change. Warmer water temperatures breed and sustain infectious bacteria. Flooding that results from rising sea levels could put water supplies at risk. This could make a bad problem worse. 1.3 billion people already lack access to safe water; 1.9 billion lack access to

sanitation. Again, children are most imperiled.

Unsafe water is the prime cause of the approximately three million childhood deaths annually, worldwide from diarrheal disease and the four million childhood deaths annual from pneumonia. In the developing world, diarrheal disease is the number one killer of children. Yet, I have visited some of the diarrheal clinics, most notably in Dakar and met American doctors there studying how low tech, cost-effective means could be used to treat diarrhea because they have seen it beginning to spread in places like Louisiana.

Third and finally, climate change can put food security at risk. Scientists predict that, as carbon dioxide levels rise in the atmosphere, one of the consequences will be a shift in the zones of agricultural productivity. That could result in changes in crop, livestock and fish farming productivity, reduced availability of water for irrigation and loss of arable land.

These disruptions would likely cause local shortages of food supplies and the result would be

hunger and malnutrition which would harm, in turn, children and pregnant women especially. To complicate matters, the countries most vulnerable to droughts and pest outbreaks and other factors, restricting food production are among the poorest in the world, places where widespread famine already takes a terrible human toll.

In short, climate change, as you are discussing today, has the potential to deepen problems we already face, problems that fall disproportionately on our youngest citizens. For this reason, we should address climate change, not just as a scientific or economic issue, but also as a health and safety one that should concern all of us.

I know that, as parents, we think about our children. I believe that part of our obligation is to think not only about our children and grandchildren, but about all children. That certainly is how my husband sees it and part of his efforts to respond to global warming grow out of his overall agenda to build a strong foundation for

the well-being of children.

We have made real progress toward that end, with a balanced budget that will help extend health insurance to five million children, with a Medicaid program and active legislation like the Family and Medical Leave and the Kennedy and Kassebaum Acts, raising immunization rates, trying to shield our children from tobacco and drugs.

The President has acted to see to it that our air, water and food are safe, by putting new standards on meats, seafood and poultry and signing a law to keep harmful pesticides off our fruits and vegetables. This summer, he put in place tough new air quality safeguards which will protect millions of American children from the health effects caused by ozone and small particulates. Today's conference is part of the ongoing effort, not only of the President, but of all of us to safeguard the future of our youngest citizens.

The Bible asks if your child asks for bread, would you give him a stone? If he asks for fish, would you give him a serpent? If he asks for

an egg, would you give him a scorpion? These are the oldest questions in the world and they remind us of the duties faced by every generation to see to it that, when our children, even before they're able to ask for themselves, are really asking us to make sure they have as healthy and safe an upbringing as possible by enabling them to inherit a world at least as good if not better than the one we came into.

Those questions also need to be on the agenda in discussing climate change, because the people who will be most affected are not here. They will not be in any of the rooms or any of the breakout sessions. They won't be able to follow the very detailed discussions led by our panelists. They have a lot at stake and we should be sure that the questions they ask us are ones that we will be proud to answer in the future.

Thank you very much.

[Applause.]

MR. GALLUCCI: We will now have a very short hold while the Vice President comes back into

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 6, 1997

REMARKS BY THE PRESIDENT
AT WHITE HOUSE CONFERENCE ON CLIMATE CHANGE

Georgetown University
Washington, D.C.

10:30 A.M. EDT

THE PRESIDENT: Thank you very much. Thank you, Mr Vice President, for your remarks, and your remarkable leadership to help us keep our Earth in the balance. Thank you, Father O'Donovan, for letting me come home to Georgetown one more time to discuss a matter of immense importance to America and its future. I thank the members of Congress and the members of the Cabinet and the administration who are here, all those who have agreed to serve on the panels, and all you who have come to be a part of this important day.

Six years ago last Friday -- I can hardly believe it, but it was six years ago last Friday that I announced my intention to run for President -- challenging America to embrace and to vigorously pursue a vision of our country for the 21st century: to make the American Dream alive for every person responsible to work for it, to keep our country the world's strongest force for peace and freedom and prosperity, to bring our people together across all the lines that divide us into one America.

Shortly afterward I came here to Georgetown to this great hall to outline specific strategies and new policies to achieve that vision, rooted in our values of opportunity and responsibility, faith and family and community; designed to help Americans seize the opportunities and solve the problems of this new age. It was clear to me that our new direction had to be rooted in some basic guideposts -- that we had to be oriented toward the future, not the past; toward change, not the status quo; toward partnership, not division; toward giving all a chance, not just the few; and finally toward making sure America leads, not follows.

We tried to develop a new approach to government, where we didn't claim to do everything and we wouldn't tolerate doing nothing, but instead we focused on giving people the tools to make the most of their own lives and creating the conditions that would allow them to succeed.

And we had new policies -- the economic policies and trade policies, education policy, crime and welfare, policies toward the working poor, policies to bolster families and help them balance work and child-rearing, policies in health care and foreign policy and, yes, policies in the environment.

In the last four years and eight months, I think it's fair to say that, together, we have made real progress toward that vision for the 21st century. We stand at the threshold of that century stronger than most people thought was possible back in 1991, with our economy thriving, our social fabric mending, our leadership in the world strong. We have a solid foundation of achievement on which to stand as we take on the remaining challenges to build that bridge to the 21st century.

MORE

We are back here at Georgetown today because global climate change clearly is one of the most important of those challenges, and also one of the most complex, crossing the disciplines of environmental science, economics, technology, business, politics, international development and global diplomacy; affecting how we and all others on this planet will live, support our families, grow our food, produce our energy and realize our dreams in the new century.

That's why we've put together this White House Conference on Climate Change, bringing together experts and leaders with a wide range of knowledge and a wide range of views. People of goodwill bring to this conference many honest disagreements about the nature of the threat we face and how we should respond. That is healthy in a democracy like ours. My hope is that we will take advantage of this forum to actually talk with each other rather than past each other. For it is our responsibility to work together to achieve two vital and compatible goals, ensuring the continued vitality of our planet and expanding economic growth and opportunity for our people.

Despite the complexities of these challenges, we have good reason to be optimistic, beginning with our 220-year record of making all manner of difficult problems solvable, and, importantly, a very good record in the last generation of environmental progress. For in the last generation alone, we came together to heed Rachel Carson's warnings and banned DDT and other poisons. We cleaned up rivers so filthy they were catching on fire; phased out lead in gasoline and chemicals that were eating a hole in the ozone layer. We worked with citizens to conserve the headwaters forest of Northern California, restore the Florida Everglades, protect Yellowstone National Park from the assaults of mining -- in each case, proving that environmental stewardship does not have to hamstring economic growth.

Indeed, in tackling the difficult task of cutting sulphur dioxide emissions with an innovative system of permit trading, the United States is well ahead of the schedule we set for ourselves and well below the projected cost in cleaning the environment. I believe we can find that same common ground as we address the challenge of climate change.

Before we begin our discussion today, I think it's important for me to explain the four principles that will guide my approach to this issue. First, I'm convinced that the science of climate change is real. We'll hear more about this today from our first panel. But for me the bottom line is that, although we do not know everything, what we do know is more than enough to warrant responsible action.

The great majority of the world's climate scientists have concluded if we don't cut our emission of greenhouse gases, temperatures will arise and will disrupt the global climate. In fact, most scientists say this process has already begun. I might add that I had nothing to do with scheduling this conference on the day which is predicted to be the hottest October 6th that we have ever had in Washington, D.C. (Laughter.)

I know not everyone agrees on how to interpret the scientific conclusions. I know not everyone shares my assessment of the risks. But I think we all have to agree that the potential for serious climate disruption is real. It would clearly be a grave mistake to bury our heads in the sand and pretend the issue will go away.

The second principle is that when the nations of the world meet in December in Kyoto, Japan, we must be prepared to commit to realistic and binding goals on our emissions of greenhouse gas

With 4 percent of the world's population, we enjoy more than 20 percent of the world's wealth -- which helps to explain why we also produce more than 20 percent of the world's greenhouse gases. If we expect other nations to act on the problem, we must show leadership.

The third principle is that we must embrace solutions that will allow us to continue to grow our economy as we honor our global responsibilities and our responsibilities to our children. We've worked far too hard to revitalize the American Dream to jeopardize our progress now. Therefore, we must emphasize flexible market-based approaches. We must work with business and industry to find the right ways to reduce greenhouse gas emissions. We must promote technologies that make energy production and consumption more efficient.

There are many people here today from companies that are addressing the climate change in innovative ways, taking steps that will save money for American families even as we reduce the threat of global warming. For example, a number of leading electric utilities, including AEP, Southern Company, Niagara Mohawk and Northern States Power, are working with homeowners to promote a new technology called geo-exchange, using geothermal pumps to heat and cool homes far more cheaply than traditional systems while reducing greenhouse gas emissions by 40 percent or more. Ballard Power and United Technologies are leading pioneers in developing fuel cells that are so clean, their only exhaust is distilled water.

Right now, Ballard is working with Chrysler, Mercedes Benz and Toyota to introduce fuel cells into new cars. Both of these technologies represent the kind of creative solutions that will make our job much easier.

The fourth principle is that we must expect all nations, both industrialized and developing, to participate in this process in a way that is fair to all. It is encouraging that so many nations in so many parts of the world are developing so rapidly. That is good news for their people and it is good for America's economic future. But as we've seen right here at home, rising energy demands that accompany economic development traditionally have meant large increases in greenhouse gas emissions. In fact, if current trends continue, emissions from the developing world will likely eclipse those from the developed world in the next few decades.

But they have an opportunity to pursue a different future without sacrificing economic growth. The industrialized world alone cannot assume responsibility for reducing emissions. Otherwise, we'll wind up with no reduction in emissions within a matter of a few decades. In Kyoto, therefore, we will ask for meaningful, but equitable commitments from all nations. Second, we must explore new ways for American businesses to help these rapidly growing countries to meet their developmental needs with cleaner and more efficient energy technologies.

Today I hope we can take a step forward in putting all four of these principles into effect. We have studied this issue long enough to know that there are sensible options for action. It is our job now to pull them together into a coherent plan.

Nearly three decades ago when the Apollo astronauts first went to the Moon, we gained an entirely new perspective on the global challenge we face today. For looking down on Earth from the vantage point that revealed no political boundaries or divisions, the astronauts had the same chilling sensation. They were simply awestruck by how tiny and fragile our planet is -- protected from the harsh void of space by an atmosphere that looked as thin and delicate as the skin of an onion. Every astronaut since has experienced the same insight, and they've even given it a name -- the Overview Effect. It has instilled in each new astronaut a passion to convince people we must work together on Earth's behalf.

Rusty Schwieckart has said, you realize that on that little blue and white thing, there is everything that means anything to you -- all history and music and poetry and art and death and birth and love -- all of it on that little spot out there you can cover with your thumb.

To the best of my knowledge, only one person here has actually experienced the Overview Effect firsthand -- Dr. Mae Jemison, a former shuttle astronaut and current international development expert who will participate in our third panel discussion this afternoon. Nonetheless, I challenge everyone in this room to rise to a vantage point high enough to experience the overview effect. It will enable us to reach common ground.

Let me say when the Vice President was talking and Father O'Donovan was talking, I was looking around this old hall that I have loved for so long, and I found it utterly amazing that I first came here 33 years ago. I was reading this morning up at Camp David the list of people who were going to be here today, and I found it utterly amazing that a few of you I first talked to as long as 20 years ago about the need to build an alternative energy future for America. And I find it completely amazing that five-eighths of my presidency is behind me.

I make these points for this reason: If you think about the benchmarks in your own life, it doesn't take long to live your life. And what seems at the beginning of your life a very long time, seems to have passed in the flash of an eye once you have experienced it. These great developments, such as the one we're here to talk about today, occur over many life spans. And popular democracies are far more well-organized to take advantage of opportunities or deal with immediate crises than they are to do the responsible thing, which is to take a moderate, but disciplined approach far enough in advance of a train coming down the track to avoid leaving our children and our grandchildren with a catastrophe.

So I ask you to think about that. We do not want the young people who sat on these steps today, for whom 33 years will also pass in the flash of an eye, to have to be burdened or to burden their children with our failure to act. Thank you. (Applause.)

END

10:48 A.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 6, 1997

REMARKS BY THE PRESIDENT
DURING PRESENTATIONS AT
WHITE HOUSE CONFERENCE ON CLIMATE CHANGE

Georgetown University
Washington, D.C.

THE PRESIDENT: Isn't there some evidence already that malaria in nations and areas where it presently exists is becoming more prevalent and moving to higher climate?

DR. LIVERMAN: Yes, there is some evidence that, for example, there is more malaria at higher elevations in some developing countries, and certainly there is some more anecdotal evidence of malaria moving into the United States. That's partly climate, but it's also because we have a much more mobile population today than we had in the past.

THE PRESIDENT: Let me ask you one other question, because -- let me go back to what I said in the beginning. This is one of the most difficult problems of democracy because we get 100 percent of the people to agree that it exists, and only 10 percent of the people have experienced it and another 10 percent of the people can imagine it and, therefore, are willing to deal with it. You still have to have to have 51 percent in order to develop any kind of political consensus for doing anything, I think, commensurate with the need.

So would you say -- I have -- and I know this happens to a lot of people -- but I had a number of people -- I had a young congressman in to see me the other day who was a member of the Republican Party and he said, you know, in my state we've had 300 year floods in 10 years. I met a man over my vacation who said that he was moving away from the place he had lived for a decade because it was a completely different place than it had been just 10 years ago; it was hotter, there were more mosquitoes, it was a very different and difficult place.

Do you believe that these anecdotal experiences are likely related to climate change, or are they just basically people's imagination?

DR. LIVERMAN: No, I actually think there is a scientific basis for these perceptions of climate change; there's such an area I did research in. And we've done very carefully structured scientific surveys of farmers and of city dwellers that show that many people do believe that the climate is changing -- whether it's a farmer in Mexico or a resident of Los Angeles. We have a lot of studies where people do believe it's changing, and in many cases it correlates with the type of observed temperature changes that Tom Karl talks about.

So my feeling from my own work interviewing people is that many people in this country do think that the climate is changing and are concerned about it.

THE PRESIDENT: Dr. Karl, do you want to say anything?

MORE

DR. KARL: Yes, actually I think the anecdotal evidence is consistent with the notion that although no single event is the basis for saying global warming is taking place, if you look at many of -- in fact, I have a number of statistics you might find of some interest here. Just during 1996, we had six states that set their all-time annual precipitation amount -- not to belabor it, but totals like 16 feet of rainfall in Oregon during the year 1996; over eight feet of precipitation and Mt. Mansfield in Vermont, and there are a number of other records like this.

These are the types of things that certainly have an impact and I think people remember.

THE VICE PRESIDENT: If I could add a word to this, I noted earlier James Lee Witt, who is head of FEMA here, he and I have gone out, as he and the President have gone out frequently to the sites of these disasters, and the budget for the consequences for the flooding event and the other disaster events as well now reaches an average of \$1 billion a week in the United States.

You mentioned, Doctor, about malaria. One scientist was telling us recently about a case of malaria that showed up in Detroit during a month when the average temperature was a full six degrees warmer than the 30-year average, and while of course you can't again say that's the cause and that's the effect, the odds of diseases of that kind, as Secretary Donna Shalala who is here, has told us, increase quite dramatically.

The other thing I wanted to ask just briefly is, in terms of the effects on human beings. The weather forecasters who were at the White House last week talk about the heat index, the combination of temperatures and humidity. And your presentation followed right on Dr. Tom Karl's, and somebody was saying that the heat index here in Washington, D.C., by the middle of the next century is predicted to go from -- do you know the numbers, Dr. Ka

DR. KARL: I think it's up to 105 or 110. I don't know the exact numbers, but --

DR. LIVERMAN: It's under 100 now, and it's going to go to about 105 on average, they think, during the summer months.

THE VICE PRESIDENT: Well, we'll get some more on that. (Laughter.)

THE PRESIDENT: We certainly will. (Laughter.) One reason I believe this is occurring is that James Lee Witt is the only member of my Cabinet who is actually disappointed when his budget goes up. (Laughter.) And he's had a lot of disappointments these last five years.

I'd like to now call on Donald Wilhite to talk about the relationship -- we've heard about increased precipitation and I'd like to ask him to talk about drought and the apparent paradox in drought patterns and increased precipitation patterns and what implications this might have for American agriculture, which is a terribly important part of our economy and we have all been counting on it being a very important part of our export economy for the indefinite future.

DR. WILHITE: Thank you, Mr. President, Mr. Vice President. I was asked to talk a little bit about -- give the dry talk, I guess, of the presentation. (Laughter.) Each drought event I think is a vivid reminder of our nation's continuing vulnerability to climactic variations. If one can remember the severe drought of the late 1980s and the early 1990s, those resulted in severe economic and environmental consequences in many parts of the country.

In 1988, for example, nearly 50 percent of this nation was affected by severe drought and resulted in excesses of \$15 billion in agricultural losses in this country; a very dramatic number. In 1996 we had a reoccurrence of drought in the Southwestern United States, and this also resulted in severe economic and environmental losses, a higher incidence of forest fires and so forth. This also is of concern. In the state of Texas alone, impacts were in excess of \$5 billion.

Now, American agriculture, while technologically advanced, is still subject to the sensitivity of weather conditions or the vagaries of weather, the slide that's up on the screen now shows a dramatic upward trend in corn yields since 1950 in the United States. But note the deviations on that trend. Those deviations are largely the result of variations in climate or extreme weather conditions. Most of those are the result of drought events, some of those are the result of excessively wet events which delayed or hampered spring planting.

Drought also is of high incidence in a normal part of the climate in virtually all portions of the country. This next diagram shows the incidence of drought in the United States over the last 10 years. So while it's true we've had maybe an increase in precipitation, I think it's interesting to note from this slide which shows the number of years experiencing moderate, severe or extreme drought in the last 10, that while you have a rather surprisingly large area in the Western United States that shows a high incidence of drought, we are also demonstrating the high incidence of drought in the Great Plains states, in the Southwest, in the Midwest and also along the Eastern Coastal states.

So drought is clearly a phenomena that affects all portions of the nation, not just the Western United States. So that projected increases in temperature and a possible accelerated water cycle that we've been hearing about this morning may lead to changes in both the amount and the seasonal distribution of precipitation which may alter then the incidence of drought events and also flood events in this country.

So while we don't know precisely what the regional impacts of climate change may be, as Dr. Liverman was speaking about a few moments ago, we do know the impacts associated with these extreme weather events, and we also know where our vulnerabilities are as a result of this. And I think it's prudent that we sort of assess what our vulnerabilities are and use these as a way to reduce the impacts of drought events and flood events today that will help us in the future.

THE PRESIDENT: I want to ask a question and try to make sure that are all as clear as we can be based on what is known about two apparently contradictory things. That is that the total volume of precipitation has increased virtually everywhere and the number and severity of droughts has increased across the country.

Now, Dr. Karl said earlier that part of the explanation is that the precipitation we're getting is coming in bigger bursts. But what I would like to do is have somebody offer basically a line of explanation that everyone in the audience and hopefully those who will be following these proceedings can understand, why did it happen at the same time that we had more drought and more floods? How could we have more droughts when the aggregate amount of precipitation on an annual basis was increased? And I think it's important that people kind of "get" why that happens.

DR. WILHITE: Well, I'll take a first shot at that. First of all, the increased precipitation amount that Tom Karl was referencing earlier, a lot of this increased precipitation is coming in the form of short-term, intense precipitation events which leads

to very high runoff. So there's not a lot of moisture that goes into the soil.

Secondly, increasing temperatures tends to increase evaporation and, therefore, the resulting impact of that is soil drying. So you have a combination of these things going on that help to explain this paradox.

THE PRESIDENT: So I think that's important. When the temperatures warm, they dry the soil and create the conditions for the floods simultaneously.

DR. WILHITE: That's correct.

THE PRESIDENT: And because these floods don't wash away the soil, rather than sink down into the soil, you get very little benefit out of them, and farmers lose a lot of topsoil.

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THE PRESIDENT: Let me ask you a follow-up question, and perhaps someone else would like to answer. But I think it's important again -- and forgive -- for those of you in the audience who know a lot more about this than I do, you will have to forgive me, but I'm also trying to imagine how this is going to be absorbed by our nation and by people who will be following this.

It appears that we are headed into a powerful El Nino, and I wonder if one of you would just simply very briefly explain what that is and whether you believe there is a link between the power of the El Nino and climate change.

DR. WATSON: Yes. Every two to seven years we have a phenomena called "the El Nino phenomena." The ocean temperatures off South America in the Pacific warm up and they effectively have a large-scale effect on temperature patterns and precipitation patterns throughout the world. You get heavy rainfall in Peru, a drought in Northeast Brazil, a drought in Zimbabwe, and major effects in countries such as Australia.

One of the questions we have to ask ourselves is, are these El Nino events changing? What we've observed in the last 20 years is we've now had the largest, most intense El Nino in 1982 and it's looking like the one we have now may well be the most intense of the last 200 years. The question is, are we changing the frequency and the magnitude of these so-called El Nino events because of global warming? We don't know. But just like there are more floods at the moment and more droughts throughout the world, it is interesting to note that as the greenhouse gas concentrations are increasing, it does appear that the frequency and magnitude of these El Nino events also seems to be changing, and they have profound effects, as I said earlier, both on temperature and precipitation truly around the globe.

THE VICE PRESIDENT: I would just like to comment on your remarks concerning the skeptic. I personally believe we've had experience with a form of skepticism that I think is similar to this before. In 1964, the scientific community through the Surgeon General's report said that smoking cigarettes causes lung cancer. And for the last 33 years, up until this summer, the CEOs of the tobacco companies said with a straight face and seemingly no embarrassment, there is no link between smoking cigarettes and lung cancer. Some scientists say even today the exact causal relationship is very difficult to pin down because science can't answer all of the questions. But it's abundantly obvious that it does, and the President's been leading our country's fight on that issue. And,

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thank goodness, eventually, the weight of the pinion got to be such that most everybody except this very, very tiny band became embarrassed to parrot that line anymore. I think that the weight of evidence here is in the same category.

THE PRESIDENT: We've got to wrap up the first panel and get on to the next one, but I'd like to ask -- I think I'd like to ask, John, you to respond to this. If anyone else wishes to, you're welcome to. I think there is a more sophisticated question to be asked, although the Vice President is right, there still are some people who claim that this scientific case that I have been completely persuaded by has not been made. I think the more difficult argument, John, goes something like this: Look, you put all this stuff in the atmosphere and it stays there for 100 years at least, and maybe longer, and so what's the hurry?

In a democracy, it's very hard to artificially impose things on people they can't tangibly feel, and so why shouldn't we just keep on rocking along with the kind of technological progress we're making now until there really is both better scientific information and completely painless technological fixes that are apparent to all? Why shouldn't we just wait until all doubt has been resolved and hopefully we have even better technology? Because, after all, the full impact of whatever we do if we start tomorrow won't be felt for a decade and maybe even for a century.

Number one, if that's true, how quickly could we lower the temperature of the planet below what it otherwise would be; and, number two, what about the argument on the merits?

DR. HOLDREN: Mr. President, let me take a try at addressing that. It's clear that the task that you and other policymakers face in this situation is a tough one. Business as usual is what most people are comfortable with. The difficulty is that our health and our economic well-being are more dependent on climate than most people think.

Human disruption of climate by greenhouse gas emissions is almost certainly further along than most people think, and directly addressing the point you were just making, reducing greenhouse gas emissions enough to avert much larger disruption than experienced so far is going to be more difficult than most people think. And the longer we wait, the more we coast up that business-as-usual trajectory, the more old-style technologies are going to be in place in this country and around the world and the harder it is going to be to get off of that track.

The goal of the framework convention on climate change to which the United States is a party was ratified by the United States Senate in 1992 is to stabilize greenhouse gas concentrations at a level that prevents dangerous human interference in the climate system.

Now, there is no formal agreement yet about what constitutes dangerous interference, but I know of very few analysts who have looked seriously at the impact side of this question who think that going beyond twice the preindustrial carbon dioxide concentration is anything other than very dangerous. That would be about 550 parts per million, compared to 365 parts per million today, 280 parts per million preindustrial, and you saw earlier a simulation of the considerable temperature changes that that would entail.

Now, the problem is that stopping even at that 550 part per million level, twice preindustrial, is not going to be easy. The curves that are on the screen now show future world emissions of carbon dioxide under business as usual, which is the reddish line at the top, and then under three trajectories that would stabilize the concentration at levels ranging from 350 parts per million on the

bottom -- a little less than today's -- to 750 parts per million on the highest of the lines that bend over; another orange one.

The green one in the middle is the 550 parts per million trajectory, the trajectory that stabilizes at twice preindustrial CO₂. Now, that lowest trajectory might be the most desirable from the standpoint of giving us the greatest assurance of avoiding climatic changes that we really won't like, but it's virtually not practical to get to that, and we're already past the point where we can get to that trajectory. In fact, if you could see the scale more clearly, you would see that that one requires the emissions to go negative early in the next century, which is particularly difficult to manage.

Now, the green trajectory that stabilizes at a doubling of preindustrial carbon dioxide concentrations requires that global emissions -- global emissions, not U.S., but worldwide including the developing countries, start to decline already in about the year 2030, and they do that from a peak in which average per capita emissions worldwide would be only one-fifth of U.S. per capita emissions today. That's going to be very hard to do and if we're going to do it we need to start working on it today.

The problem basically is that the world energy economic system is a lot like a supertanker under full power; it's got huge momentum in the direction it's heading, it's very hard to steer, it's got very bad brakes.

The science that has been summarized here this morning is telling us that the supertanker is headed for a reef. We can tell the water is getting shallower under the hull; even if we can't say exactly how far we can go before the reef rips the bottom out of that tanker. Now, in that situation, full speed ahead is clearly the wrong course. We need to start slowing and steering away from the reef of unmanageable degrees of climate change now. And since we're all in the same supertanker, industrialized and less developed countries together, we had better find ways to slow and to steer cooperatively rather than bickering over who is holding the wheel.

We've got a lot of tools available to help us with that steering effort. There are advanced technologies already on the shelf that can help us dramatically increase the efficiency of energy and use and can reduce sharply the emissions of carbon dioxide from energy supply. We need only some sensible attention to reducing the barriers to the more rapid and widespread diffusion of those advanced technologies already on the shelf and there are new technologies that can be brought to the point of applicability with expanded research and development that would make increased energy efficiency and reduced carbon emissions even more cost-effective.

But now I'm basically getting into parts of the story that other panels are going to deal with later today and I'll leave that to them.

THE PRESIDENT: But I do want to make the following points. Number one, we can't get to the green line unless there is a global agreement that involves both the developing and the developed countries. Number two, however, that's not an excuse for us to do nothing because if we do something it will be better than it would have been otherwise because we're still the biggest contributor and will be until sometime well into the next century.

And, number three, based on everything we know, it will be easier in some ways, particularly if they get the financial help they need, for developing countries to choose a different energy future in the first place than it will be for the developed countries to make the adjustments, which is not to say we don't have to make the adjustments, but to say that I have read a lot of the press

coverage and people saying, oh, well, we're just using this for an excuse or we're not being fair to them or we don't want them to have a chance to grow. That is not true.

The United States cannot maintain and enhance its own standard of living unless the developing nations grow and grow rapidly. We support that. But they can choose a different energy future, and that has to be a part of this, but it's not an excuse for us to do nothing, because whatever we do we're going to make it better for ourselves and for the rest of the world than it otherwise would have been.

But I think it's important to point out what John showed us there on the green line. The green line -- it requires -- to reach the green line, we have to have a worldwide action plan.

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THE PRESIDENT: Let me just say before we go on to the transportation sector, these presentations have been quite important. I remember 20 years ago, more or less -- maybe a little less now, I can't remember exactly when -- the Congress voted, or the federal government at least required -- it might have been a regulatory action -- that the new power plants not use natural gas anymore and that we phase out of them because we grossly underestimated how much natural gas we had and we thought we could go to clean coal because we didn't want to build nuclear plants for all the reasons that were clear.

And one of the biggest problems we face now in trying to make a reasoned judgment about how quickly we can reduce greenhouse gas emissions, and by how much, is the need not to be unfair to electric utilities that have billions of dollars invested in government-approved power plants that they have not yet fully amortized.

Therefore, insofar -- and this applies both to buildings and to the utilities themselves about which these two speakers have spoken. You can either conserve more in the production of electricity or you can have the people who consume it conserve more or you can change the basis on which the plants work, which is the most expensive way to do it. Therefore, insofar as we can do more in terms of how much electricity people use or how much waste heat you recover, either one of those things is a far preferable -- far preferable alternative than to change the basis on which plants that have already been built are being amortized, and will generate huge amounts of saving at lower costs if we can do it.

At the end of this session, we'll get around to sort of the skeptical economist's take on the technological fix. We'll get around to that later. But I just think it's important that we focus on this specific issue, because if our goal is to minimize economic dislocation, then having conservation by the end users, the people who have the buildings, for example, whether their manufacturers or residential buildings or otherwise business buildings, and having recovery of waste heat are clear, I think, the preferable alternatives and clearly the less expensive alternatives.

I'd like to call on Mary Good now, who was the Under Secretary of Commerce for Technology in our administration for four years and now is the managing member of Venture Capital Investors. I want her to talk a little bit about the potential for technological advances to reduce emissions in the transportation sector and to focus particularly on the partnership for new generation vehicles that we've been working on with the auto companies and the UAW since this administration took office, and Mary had a lot to do with it.

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There is also a huge debate here about how much we can do how quickly, and we have to make the best judgment about this in determining what to say about where we are in Kyoto, because transportation, as Secretary Pena said, occupies such a large part of this whole equation.

So, Mary, have at it. Tell me what I should say in Japan on my visit.

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THE PRESIDENT: I just wanted to make two brief points. The leaders of the Big Three auto companies and the UAW came in to see us last week, and they said they're going to meet their Partnership for the Next Generation Vehicle goal. The real problem is, once they develop a prototype, how quickly can it be mass-produced and how will people buy it, and will they buy it at present fuel prices. We'll come back to that at the end.

But one related question to that is, given Americans buying habits and consumer preferences, don't we have to include these light trucks and even heavy trucks in this Partnership for the Next Generation Vehicle; don't we have to achieve significant fuel efficiencies there as well if we have any hope of succeeding here.

The only point I want to make, Mary, is, you know, I'm big on all kinds of fast rail research, but I hope tomorrow's headline isn't "Clinton Advocates More Research on Levitation." (Laughter.) I don't need that.

MS. GOOD: We'll have to explain it to them better.

THE PRESIDENT: I'd like to call on Michael Bonsignore now to talk about the energy savings available through the use of more high-efficiency products and systems, and also the potential for environmental technology exports. What he has to say and how applicable and expandable you believe it is has a lot to do with whether this transition we're going through will be an economic plus, a drag, or a wash. I personally have always believed it would be a plus if we did it right. But I'd like to ask Michael to talk about that.

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THE PRESIDENT: We need to wrap up; we're running a little bit late. But I wanted to just give everyone an opportunity to comment on this. Mason was the only person, I think, who explicitly said that in order to make this transition we need to raise the price of carbon-based products. One of the difficulties we're having within the administration in reaching a proper judgment about what position to stake out in Kyoto relates to how various people are responding, frankly, to the recommendations and the findings of the people coming out of the energy labs, because they say, hey, look, what we know already shows you that we have readily available technologies and courses of action which would take a huge hunk out of -- right now, with no great increased cost -- a huge hunk out of any attempt to, let's say, flatten our greenhouse gas emissions at 1990 levels.

We just heard about it today. Look what you could do with power plants. You can recapture the waste heat, two-thirds of that. You can make buildings and manufacturing facilities and residences much more energy efficient. You can make transportation

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much more energy efficient. Besides that, we've got all these alternative sources of fuel for electricity and transportation. I mean, it's all out there; this is what we know now.

And then sooner or later, we're going to have the Partnership for the Next Generation Vehicle. So the question is always, though, who will buy this stuff. Right now, you can buy light bulbs -- every one of us could have every light bulb in our home, right now, every single one of them -- we'd have to pay 60 percent more for the light bulb, but it would have three times the useful life. Therefore, you just work it out, we'd pay more up front, we'd save more money in the long run, and we'd use a whole lot less carbon. And why don't we do it? Why do we have any other kind of light bulbs in our homes?

And that is the simplest example of the nature of the debate we are now having. That is, in terms of get from here to where we want to go, do we have to either raise the price of the product -- there are only three or four things you can do -- you can raise the price of the product to the consumers; you can lower the price of the alternative thing you wish to be bought by the consumers; you can create some new business opportunity through some market permit trading, other market option or otherwise change the business environment the way we do electric deregulation, for example; or you can somehow increase the awareness of consumers of what their options are and the consequences of that, and hope that they will behave in a different way. I think those are the four categories of possibilities.

And if you choose an ambitious target, then, if the requirement is more -- to reach the target is almost exclusively on the front end -- that is, you have to raise the price to the consumer or the business involved -- the businesses may be a consumer -- if it happens too quickly, you're going to do economic damage on the one hand, on the other hand there is no way in the world this Senate will ratify our participation in Kyoto. So we'll be out there -- it will be a grand gesture, but it won't happen.

Therefore, we have got to know how much we can do through a combination of price -- you might be able to get some price changes, particularly going back to what Mike says on the real price of energy -- particularly if it was not a net tax increase, you wouldn't have to have a net -- there are a lot of other ways to do this. But we have to be able to get something out of either lowering the cost of the alternative, creating new business markets, or increasing consumer awareness of what is right there for them now and what the consequences are. We can't do it all on the front end and expect realistically -- if all we do on the Consumer Price Index, raising the price of coal, raising the price of oil to the real consumer, and that's all we do, we are not going to get what we want to do in the time allotted to get it because it either won't pass the Senate or it won't pass muster with the American people.

So we have to be able to access what the Energy Department tells us is there for all to see in other ways. And I don't know if any of you want to comment on that, but this is not a question of whether you're brave or not or all that, it's really a question of what we can get done and what realistically is going to happen in America.

But I'm plagued by the example of the light bulb I have in my living room of the White House that I read under at night, and I ask myself, why isn't every light bulb in the White House like this. I use this when -- I get so tickled -- I go in and turn it on and I measure how much longer it takes to really light up, but I know it's going to be there long -- you know? (Laughter.) And I say, why am I so irresponsible that I have not put this in every light bulb? Why are we not all doing this?

So when you get right down to it, now, this is where the rubber meets the road. We have to make a decision, a commitment; it has to be meaningful. I'm convinced that the Energy Department laid people are absolutely right, but the skeptics on my economic team said, there will not be perfect substitution, they're not going to do it.

So if you want to say anything about that, you can, but when you get right down to it, that's where -- all the decisions are going to be made based on our best judgment about what kind of markets we can create for the private sector, what kind of substitution there is, and whether we can -- how quickly we can move to alternative energy sources that people will actually access.

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THE PRESIDENT: I strongly agree with that, pushing that. And, again, I say that does not let us off the hook to do things here at home, it just makes good sense. It's easier for -- we should give these other countries a chance to choose an alternative path.

I never will forget a couple of years ago -- I know we've got to wrap up -- but I had a fascinating conversation with the President of China a couple of years ago, and we were discussing what our future would be and whether we wished to contain China. And I said, I don't wish to contain China, I said, the biggest security threat China presents the United States is that you will insist on getting rich the same way we did. And he looked at me, and I could tell he had never thought of that. And I said, you have to choose a different future, and we have to help. We have to support you. And that does not in any way let us off the hook. But it just means that we have to do this together.

Well, this has been fascinating. You guys have been great, and I thank you a lot. (Applause.)

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