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Whitewater Document Request I [4]

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COLLECTION:

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FOLDER TITLE:

Whitewater Document Request I [4]

2009-1006-F
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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TRANSCRIPT
January 13, 1996
RADIO NEWS PROGRAM
HILLARY RODHAM CLINTON
FIRST LADY OF THE UNITED STATES
WASHINGTON, D.C.

MRS. CLINTON IS A GUEST ON NATIONAL PUBLIC RADIO WEEKEND EDITION.

FEDERAL DOCUMENT CLEARING HOUSE, INC.
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INTERVIEW WITH FIRST LADY HILLARY RODHAM CLINTON ON NATIONAL
PUBLIC RADIO'S WEEKEND EDITION

JANUARY 13, 1996

SPEAKERS LIST: HILLARY RODHAM CLINTON, FIRST LADY OF THE UNITED
STATES
SCOTT SIMON, NPR

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SIMON: This is WEEKEND EDITION. I'm Scott Simon.

Hillary Rodham Clinton began a book tour this week, but she's not asked many questions about that book, "It Takes a Village," which details Mrs. Clinton's concerns for America's children.

At the same time a Senate committee is investigating her legal and financial affairs during the mid-1980's, when she was a partner in the Rose Law Firm of Little Rock, her husband was governor of Arkansas, and the firm represented Madison Guaranty Savings & Loan, a financial institution owned by a friend of the Clintons who was also their partner in the failed investment now known as Whitewater.

Just this week a lawyer in the Rose firm, Richard Massey, disputed some of Mrs. Clinton's recollections of how the firm came to represent Madison and what she did for them. Last week an old memo was discovered which said Mrs. Clinton had order firings in the White House travel office.

We interviewed Hillary Rodham Clinton yesterday in the Old Executive Office Building.

CLINTON: You know, we've been through this now for four years, and it started off as one thing and every time a particular set of charges are disproved and questions answered, the ground shifts. And there's never any stable ground to stand on to say, OK, everybody, let's take a deep breath.

SIMON: Well, let me ask what seems to be the question of the week. You

had, for a couple of years, people were interested in obtaining copies of the billing records of the Rose Law Firm in Little Rock. And now they're discovered.

CLINTON: Right.

SIMON: Now, where were they all that time?

CLINTON: I have no idea. But I'm delighted they were discovered, because once again they prove what I've been saying for four years, based mostly on my own memory and whatever information was revealed.

And that's what I mean about the shifting grounds, Scott. I mean, a month ago we were accused of destroying the records. They do turn up, and I have no idea where they've been, and, of course, the time is not great for me since I'd much rather talk to you about my book than these records. But I'm delighted they're out there, because they confirm what I have been saying.

SIMON: That the work you did for Madison Savings & Loan was minimal.

CLINTON: Exactly.

SIMON: Did that work or any of those hours, for example, include -- and I guess the records indicate this -- that you made a call to a state securities commissioner at the time that Madison needed the Commission's approval to proceed with a stock plan?

CLINTON: Well, my memory about that is that I called the office. I do not believe I ever talked with the commissioner. And the reason I called is that we didn't know -- namely, Mr. Massey and the law firm -- who in the securities office was to handle this kind of work, because it was something new for Arkansas -- other states had done it -- and the idea was to find out whether it was legal under state law.

And the securities commissioner, under Arkansas law at that time, had responsibility for supervising savings & loans, but I never knew who that person was, and so I called to find out. I'm not even sure that I identified myself, but I have no memory of having talked to the commissioner about this matter. I wouldn't have known what to talk about. I'm not an expert in securities law, and as I have said repeatedly, was minimally involved in the representation.

SIMON: Well, let me ask, you know, when -- the cribbing that goes back and forth between how many hours amount to what. There's this story about a man's got his drain stopped, and a plumber comes over, taps it once, drain begins to flow, and he turns to the fellow who called him and said, ``That's be a hundred dollars.'' And the man says, ``A hundred dollars for tapping the pipe? That ridiculous.'' And the plumber says, 'No, no. That's \$5 for tapping the pipe -- 95 is to know where to tap it.''

Now, when you are Hillary Rodham Clinton, and you are the spouse of the governor of the state, one phone call that is two minutes can mean a lot to somebody.

CLINTON: Well, it could, but in this instance it did not, because, despite Mr. Massey's excellent work -- and he's a very fine lawyer -- Madison didn't get permission to do what it wanted to do.

I keep making that point, that perhaps in retrospect I would never have even picked up the phone to call and say, gee, who handles S&L matters in the securities commissioner.

MORE

XXX the securities commissioner?

CLINTON: I didn't think that that was, you know, anything that was inappropriate. And then to tell Mr. Massey who he should call and who he should deal with.

And so, for me, the idea that we keep having these house of cards built. You know, I practiced law in Arkansas for many years. People have gone over my life and my professional work with the finest of tooth combs, and apparently they are still trying to claim that on this one instance, out of all the work I did, something must have happened.

Yet, to me and many others who look at this fairly, none of us can figure out what they think it was.

SIMON: I was intrigued by something. You were a lawyer on the House Judiciary Committee...

CLINTON: That's right.

SIMON: ...during the Watergate impeachment hearings.

CLINTON: That's right.

SIMON: And I'm just wondering that, if you could put yourself back in that frame of mind once again, if the Nixon White House had come to your committee and said, "Those records you've been asking for for two years, we found them, suddenly we found them, and here they are," would you have accepted that explanation with a straight face?

CLINTON: I think we would have been delighted. The problem back then, you'll remember, is that documents were destroyed, tapes were missing 18 and a half minutes. The White House was not cooperating. They were claiming executive privilege on every piece of paper.

I think the contrast is so dramatic. We want the truth to get out. We would just love to have this matter brought to an end.

It's a little bit odd that here we are, both my husband and I, nearly 50 years old, which is hard to believe, we don't own a house -- we own half of the house that my mother lives in, in order to help support her -- he has his 1968 Mustang, I have my 1986 Oldsmobile Cutlass. A recent magazine said that with our legal bills we are bankrupt. So, if we had intended to trade on my position, I've done a very poor job of it.

SIMON: Did you ever say anyone in the White House travel office should be fired?

CLINTON: No. But I did express concern about the reports of financial mismanagement in the travel office that pre-dated my husband coming into office, and, thankfully, that was taken care of. But I did not make the decision about what was done, nor did I direct that any particular decision be taken.

SIMON: Is it just possible in the human game of telephone that Hillary Rodham Clinton says, "I'm concerned about the travel office, we ought to look into that," and eventually that gets translated by aides who were anxious to please you as "clean house."

CLINTON: Well, I can't speculate on what did or did not happen. I only know what I said and what I intended to convey.

SIMON: Mind if we talk about your book a little?

CLINTON: I would love to talk about my book.

SIMON: All right. Change of pace. A lot of it is much more sad ground, because you say in the book that despite the fact that we rhetorically say children are our most important commodities -- no pun intended, talking about your financial affairs...

CLINTON (LAUGHING): You are so good, Scott, I love that.

SIMON: Just occurred to me when I said it, I'm afraid -- but that you say we often don't invest in our most precious commodities, as we should.

CLINTON: Right. Right. Unlike stocks and bonds and commodities that are traded in a market, which is out there to be invested in, and you can see the immediate return -- you either make money or you lose money -- our children deserve a much more careful and long-term investment.

SIMON: You talk in the book about something I believe you called the "discipline of gratitude."

CLINTON: Right. Right.

SIMON: Interesting idea, that you need to remind yourself what you ought to be grateful for.

CLINTON: It is. That came to me, really, as a gift in 1993, which was a very difficult year for me personally. It started off with such a great high with my husband's inauguration, and such hopes, and then shortly after, my father was stricken by a stroke and died.

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**** printed by:WHPR(JEL) on 01/13/96 at 18:25EST ****

XXX stroke and died.

CLINTON: Our friend Vince Foster killed himself. Throughout that year, I knew that my mother-in-law was much, much sicker than she let on and, in the fall, learned that she only had a few months to live, and indeed, she died before the year was out.

So I had to really dig down pretty deep in my own resources, and luckily, I had people who sent me books to read, gave me favorite scriptures, shared with me the stories of how, like me, they would just get their eyes welling up. I would be standing in a receiving line and something would remind me of my father, and I'd wonder whether my mascara was going to run.

And there was a book by Henri Nouwen (ph), the Jesuit theologian, and it was about the Prodigal Son. And, you know, sometimes it's good to be reminded that people don't get what they think they deserve, that life is unfair, that every one of us is going to encounter obstacles.

So the whole book was helpful, but in it was this phrase -- "the discipline of gratitude." And I had never thought of gratitude being a discipline. And I began to do that. I mean every day, no matter what is happening around me, I consciously try to discipline my own feelings and my mind about what I have to be grateful for, because by any stretch of the imagination -- even during the worst times, when people are accusing me of things and doing all that they do -- I'm a very lucky person.

SIMON: Would you ever run for office yourself? Do you ever think about that?

CLINTON: Oh, I don't think so. No.

SIMON: I mean did you ever, back in the '60s, between when, I believe, you were a Goldwater Girl...

CLINTON: That's right.

SIMON: ... and whatever you became politically.

CLINTON: That's right. And I feel like my political beliefs are rooted in the conservatism that I was raised with. I don't recognize this new brand of Republicanism that's afoot now, which I consider to be very reactionary, not conservative, in many respects. I'm very proud that I was a Goldwater Girl.

And then my political beliefs changed over time, but I've always thought that the role of citizen, the role of advocate, were as important in our democracy as running for office, and so it's not anything I've ever, you know, seriously considered.

SIMON: You know, whenever we've had to refer to you in news accounts, I -- and I hope I've done this over the year -- I've never used the term "first lady," because it struck me as antiquated. Do you use that term?

CLINTON: I don't use it much personally, but I don't object to people

using it, because it is a tradition that we think started with Martha Washington. So it's not the term so much, it's the expectations that surround the role that I find fascinating.

I have spent a lot of time in the last several years reading about my predecessors and have discovered that nearly every one of them had a kind of bumpy time here, because there's really no way to satisfy the extraordinary expectations that are put upon the person who is married to the president.

And it has been both somewhat sustaining, if you will, as well as a cautionary tale, to realize that the women who've been here before have encountered many different kinds of challenges.

And at the end of the day, you have to be yourself. You have to say and stand for what you believe in. You have to be willing to get up and go ahead and take the slings and arrows and just try to persist through them, because it's apparently an inevitable part of our American democracy.

SIMON: For example, if I may, when -- there's a -- William Safire of The New York Times said very bluntly in a column this week that he didn't believe you were telling the truth.

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XXX telling the truth.

SIMON: And then through Mr. McCurry, the President's press secretary, it was communicated that your husband took exception of the kind he would like to apply to Mr. Safire's nose, I recall.

CLINTON: But with a smile.

SIMON: No, understood, I think, on all sides. But the suggestion of that seemed to be this is personal criticism that the columnist is leveling, and so, therefore, I'm going to take personal exception when you talk that way about my partner in life.

But was it personal? Was it uncalled for? I mean, he was talking -- Mr. Safire was talking about your record as an attorney and a public figure. Did you take personal exception to that?

CLINTON: Well, I don't take what Mr. Safire says very seriously. As you pointed out, I was working for the committee that impeached President Nixon, for whom Mr. Safire worked and, best I can tell, is still working.

In fact, my mother took some offense, because being called a "'congenital liar'" seems to reflect badly on her and my late father. But, you know, I don't really have much to add to that.

SIMON: See, I wasn't going to repeat the phrase because I don't want your husband to punch me in the nose. We're right nearby, after all.

CLINTON: He won't. He won't.

SIMON: Thank you for all your time on a snowy day.

CLINTON: Thank you.

SIMON: Hillary Rodham Clinton.

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**** printed by:WHPR(JEL) on 01/13/96 at 18:25EST ****

WHITEWATER

Questions and Answers

Q: What is your reaction to the ongoing Senate Whitewater Committee hearings?

A: The First Lady and President have cooperated fully with all the legitimate requests submitted by the Committee relating to this inquiry because they believe that the Whitewater allegations are steadily evaporating as all the facts are known. The President and First Lady intend to continue their cooperation. That is all they can really do.

Q: How can you say the White House is cooperating when it is invoking the attorney-client privilege, forcing the Senate Committee to issue subpoenas?

A: The White House has provided more than 35,000 pages of documents to the Committee, as well as full access to witnesses. We have made the key materials available to the media and the public.

But this is the first time that the Committee has tried to break the confidential relationship between lawyer and client. Every American has the right to receive private advice from a doctor, lawyer or a minister. United States Senators, Speakers and Presidents have this same right.

The Senate Committee can get the information it needs without violating this important American right. The White House has offered the Committee a framework to resolve this issue. This information can be provided without violating the important right of a person to receive private advice from a lawyer.

Q: What can you tell us about the White House's offer to the Whitewater Committee?

A: On Thursday, the White House offered Senator D'Amato the notes he says he wants to see. We made this offer because we have nothing to hide. Senator D'Amato rejected the notes because he is not searching for the truth. Instead he is engaging in a politically-inspired fishing expedition. Finally, Senator D'Amato's true partisan stripes are clear for all to see.

Q: What is the status of the talks between the White House and the Committee?

A: We are disappointed that Senator D'Amato's Committee turned down the White House offer to make the Kennedy notes public. With our offer, we emphasized our willingness to give the Senate Committee the notes it says it wants. The Committee Republicans must not want to see these notes, because then the American people will know what a multi-million dollar wild goose chase the Committee has been on for the last five months. The Committee rejected our offer because they are more interested in creating a confrontation with the President in order to get headlines than in conducting a legitimate search for the facts. This is politics pure and simple.

We will continue to pursue all available options to turn over the notes while protecting the President's right to seek confidential advice from a lawyer. In particular, we will continue to work to resolve the single issue that Senator D'Amato says stands in the way of an agreement: Securing a common understanding among all investigators that making the notes public will not waive the attorney-client privilege.

Q: What happens now in the Senate?

A: We hope that Senator D'Amato will take yes for an answer and look at the notes he says he wants to see. If the Senator refuses to look at the notes we want to make public, my understanding is that the entire Senate will vote some time next week. The vote will likely be along party lines -- an indication of the partisan nature of this issue. At this point, the matter will go to the courts. This result is what Senator D'Amato has desired all along. If Senator D'Amato had truly wanted to conduct a legitimate search for the facts, he would have accepted the proposal made by the White House on Thursday.

On Thursday, the White House offered Senator D'Amato the notes he says he wants to see. We made this offer because we have nothing to hide. Senator D'Amato rejected the notes because he is not searching for the truth. Instead he is engaging in a politically-inspired fishing expedition. Finally, Senator D'Amato's true partisan stripes are clear for all to see.

Q: Senate Republicans are comparing this Constitutional confrontation to Nixon and Watergate. How do you respond to this?

A: Senator D'Amato and other Republicans are making this charge in an attempt to gain bigger headlines. There is no comparison between the two issues. In Watergate, the Nixon administration conducted illegal wiretaps, misused the C.I.A. and engaged in felonious activities such as the breaking and entering into the Democratic National Committee headquarters. In this so-called Whitewater matter, after conducting 30 days of hearings over five months in which the White House cooperated fully, the Republicans on the Committee have come up with absolutely no showing of illegal or even unethical misconduct. In a desperate attempt to create a confrontation, Senator D'Amato has sought to create headlines by engaging in a political fishing expedition.

What Senator D'Amato can't hide is that after four years of inquiry by the media, Congress and two Independent Counsels, these Whitewater allegations are evaporating one after another.

Q: Is the White House asserting Executive Privilege to support its position?

A: In his objection to the Whitewater Committee's subpoena, the President does not assert executive privilege. The overriding reason the committee is not entitled to see these notes is that they are protected by the attorney-client privilege that exists between the President and his personal attorney.

Q: Doesn't the presence of government lawyers at the November 5 meeting defeat the attorney-client privilege argument?

A: The presence of the President's governmental lawyers at a meeting with his private lawyers does not destroy this attorney client privilege because the President also has the right to have confidential communications with his government lawyers. Likewise, the private and governmental lawyers are themselves entitled to communicate confidentially on the President's behalf.

In fact, Thursday's Washington Post reported that the country's leading legal ethicists supported our position on this issue.

Q: On Tuesday, the White House filed a legal brief with the Senate Whitewater Committee explaining why the White House was not complying with the Committee's subpoena. What did this brief say?

A: The legal brief set forth the foundation of our position. We remain open to a reasonable compromise with the Senate Committee that would provide the information the Committee requests without violating the important principle that every American has a right to seek private advice from a lawyer.

Q: Last week it was discovered that the Robert Barnett, Susan Thomases and Maggie Williams were all in the White House residence at the same time on the day that Vince Foster's files were transferred. Why were all of these people present?

A: The White House made this information available to the public because we believe that once all the facts are presented people will be able to decide the issue for themselves. The handling of Vince Foster's files has been looked at time and time again. There is absolutely no evidence to suggest that his files were handled in anything but a proper manner. What these hearings have done is put a human face to Vince Foster. A man took his life; a family was in crisis; his friends were upset; and co-workers in shock. In such a terrible situation, it is very understandable that people reacted the way that they did. Were mistakes made -- Yes. In retrospect, could things have been handled differently -- Yes. However, in the final analysis, was there any wrong-doing -- No.

Q: Isn't Whitewater really a question of character and trust?

A: The President makes tough decisions EVERY DAY. During the course of his Presidency, Bill Clinton has made some of the toughest and most difficult choices any President has had to make. President Clinton is challenging the Republican Congress to protect Medicare and education from drastic cuts. The President took on the Washington lobbyists and pushed through the largest deficit reduction package in history. President Clinton confronted the NRA in his fight to pass the Brady Bill and the assault weapons ban. The President led the fight -- including taking on many good friends in his own party -- for the passage of trade agreements in order to open foreign markets for American workers. Right now, the President is taking on the powerful tobacco industry so as to reduce smoking by teenagers. The President has taken on the special interests and won because it best serves all Americans. To me, that is what character and trust are all about.

WHITEWATER

Questions and Answers

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A: The First Lady and President have cooperated fully with this inquiry because they believe that the Whitewater allegations are steadily evaporating as all the facts are known. They intend to continue their cooperation. That is all they can really do.

Q: How can you say the White House is cooperating when it is invoking the attorney-client privilege, forcing the Senate Committee to issue subpoenas?

A: The White House has provided more than 50,000 pages of documents to the Committee, as well as full access to witnesses. We have made the key materials available to the media and the public.

But this is the first time that the Committee has tried to break the confidential relationship between lawyer and client. Every American has the right to receive private advice from a doctor, lawyer or a minister. United States Senators, Speakers and Presidents have this same right.

The Senate Committee can get the information it needs without violating this important American right. The White House has offered the Committee a framework to resolve this issue. This information can be provided without violating the important right of a person to receive private advice from a lawyer.

Q: What can you tell us about today's White House offer to the Whitewater Committee?

A: Today the White House offered Senator D'Amato the notes he says he wants to see. We made this offer because we have nothing to hide. Senator D'Amato rejected the notes because he is not searching for the truth. Instead he is engaging in a politically-inspired fishing expedition. Finally, Senator D'Amato's true partisan stripes are clear for all to see.

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WHITEWATER

Questions and Answers

Q: What is your reaction to the ongoing Senate Whitewater Committee hearings?

A: The President and First Lady have cooperated fully with this inquiry because we believe that the Whitewater allegations steadily evaporate as soon as the facts are known. We intend to continue our cooperation. That is all the President and First Lady can really do. We have complete faith that Americans will understand that these vague and ever-shifting Whitewater allegations have no merit.

Q: How can you say the Administration is cooperating when you are invoking the attorney-client privilege, forcing the Senate Committee to subpoena you for information?

A: We have provided more than 35,000 pages of documents to the Committee, as well as full access to witnesses. We have made the key materials available to the media and the public.

But this is the first time that the Committee has tried to break the confidential relationship between lawyer and client. Every American has the right to receive private advice from a doctor, lawyer or a minister. United States Presidents and Senators have this same right.

The Senate Committee can get the information it needs without violating this important American right. The White House has offered the Committee a framework to resolve this issue, and we will continue to work to provide answers to the Committee's legitimate questions.

Q: You say that you are cooperating, yet the First Lady's answers to the Committee's four questions were not filed on time Thursday afternoon. Why not?

A: The First Lady was pleased to answer the Committee's questions, and those answers were sent to the Committee on Friday.

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A: We have provided more than 35,000 pages of documents to the Committee, as well as full access to witnesses. We've made the key materials available to the media and the public. And, time and again, we've waived various privileges so that the Committee could have access to even more information.

But this is the first time that the Committee has tried to break the confidential relationship between lawyer and client. Every American has the right to receive private advice from a doctor, lawyer or a minister. United States Presidents and Senators have this same right.

The Senate Committee can get the information it needs without violating this important American right. The White House has offered the Committee a framework to resolve this issue, and we will continue to work to provide answers to the Committee's legitimate questions.

Q: You say that you are cooperating, yet the First Lady's answers to the Committee's four questions were not filed on time Thursday afternoon. Why not?

A: The First Lady was pleased to answer the Committee's questions, and those answers were sent to the Committee first thing Friday morning.

Q: Some members of the Senate Whitewater Committee have called on the First Lady to voluntarily appear before his committee and testify. Will she testify?

A: This past week the Senate Banking Committee's Chair reconfirmed that he has no basis for taking the wholly unprecedented step of seeking such testimony. We are answering the Committee's legitimate questions and we will continue to do so.

Q: Last week it was discovered that the Robert Barnett, Susan Thomases and Maggie Williams were all in the White House residence at the same time on the day that Vince Foster's files were transferred. Why were all of these people present?

A: The White House made this information available to the public because we believe that once all the facts are presented people will be able to decide the issue for themselves. The handling of Vince Foster's files has been looked at time and time again. There is absolutely no evidence to suggest that his files were handled in anything but a proper manner. What these hearings have done is put a human face to Vince Foster. A man took his life; a family was in crisis; his friends were upset; and co-workers in shock. In such a terrible situation, it is very understandable that people reacted the way that they did. Were mistakes made -- Yes. In retrospect, could things have been handled differently -- Yes. However, in the final analysis, was there any wrong-doing -- No.

Q: Democrats last week challenged the testimony of RTC investigator Jean Lewis by revealing, through the use of computer technology, excerpts of a private letter Lewis wrote to her step son. Do you think this was an invasion of her privacy?

A: The Lewis testimony was elicited by the committee -- not by the White House. However, what I did find interesting about the testimony from last week was the fact that the former U.S. Attorney for Arkansas -- a Republican --, R.T.C. officials and FBI agents all testified that there was absolutely no interference by the White House into the RTC's investigation. Keep in mind, the purpose of these so-called Whitewater hearings is to determine whether the White House interfered with the R.T.C.'s investigation. The answer, on the basis of this week's testimony, is -- No.

Q: Isn't Whitewater really a question of character and trust?

A: I make tough decisions EVERY DAY. During the course of my Presidency, I have made some of the toughest and most difficult choices any President has had to make. I am challenging the Republican Congress to protect Medicare and education from drastic cuts. I took on the Washington lobbyists and pushed through the largest deficit reduction package in history. We confronted the NRA in our fight to pass the Brady Bill and the assault weapons ban. I led the fight -- including taking on many good friends in my own party -- for the passage of trade agreements in order to open foreign markets for American workers. Right now, we are taking on the powerful tobacco industry so as to reduce smoking by teenagers. We have taken on the special interests and won because it best serves all Americans. To me, that is what character and trust are all about.

WHITEWATER AND TRAVEL OFFICE

Larry King Live - Vice President

Questions and Answers

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Q: Senator Al D'Amato chairs the Senate Banking Committee which is investigating Whitewater. Given Senator D'Amato's checkered record on issues of ethics and public integrity, what are your thoughts about him serving in this capacity?

A: I hope that the work of the Senate Banking Committee -- which Senator D'Amato chairs -- will be concluded as fairly and quickly as possible. The President and First Lady have given their full and complete cooperation, and we will continue to do so. The American people will judge D'Amato's credibility and whether his hearings are truly fair and non-partisan.

Q: Does the continued focus on Whitewater divert the Administration's attention from other national issues.

A: The American people care about ending partisanship and gridlock. They demand that the White House and Congress work together on issues affecting their lives. The President will not allow these hearings or investigations to distract him from working with the Congress -- Democrats, Republicans and Independents alike -- on the budget, reforming welfare, protecting medicare, and reducing crime. The hearings will not divert the Administration from devoting our time, energy and resources to the job the American people sent us here to do.

Q: Are you concerned about the Independent Counsel's investigation?

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Q: What has emerged from all of these Whitewater hearings and investigations?

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Q: Are the Republicans focusing on Whitewater for political reasons?

A: The American people will judge for themselves whether the Congressional oversight process is being used for partisan political purposes. We have already had two separate Independent Counsels, three Committees of Congress and hordes of reporters looking into this. All along the way, the President and First Lady have offered their full cooperation.

Q: What are your thoughts on the Travel Office matter?

A: It should be noted that the target of the White House's initial investigation of the Travel Office has been indicted and is now being tried for embezzlement. The other members of the Travel Office have all been other federal positions. As to how the White House handled the matter, the White House did conduct its own review of the travel office. This review was comprehensive, complete and rigorous, concluding that some things could have been done differently.

Q: What does Judge Mikva's retirement mean for the Whitewater hearings?

A: Ab Mikva has been an outstanding White House Counsel. Although I am saddened by his departure, I am grateful that he was willing to come forward and serve his country. He is richly deserving of his retirement and the opportunity it will afford him to spend time with his family. Jack Quinn, who will be assuming the Counsel's position following Ab's retirement in November, will be a great asset to this Administration. Jack, who has been serving as my Chief of Staff, possesses excellent judgment and great legal acumen. I am sure he will pick up where Ab will leave off.

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Q: What do you think about all these reports questioning whether Vince Foster really committed suicide?

A: Rumors surrounding the tragic death of Vince Foster have been a staple of radical conspiracy theorists for a number of years. The Independent Counsel, the FBI, the police and a panel of nationally recognized forensic experts have all concluded that Vince committed suicide. Recently, the Foster family asked publicly that the matter be put to rest. I think everyone should respect that request.

WHITEWATER

Brinkley Show - Harold Ickes Questions and Answers

Q: Senator D'Amato has called on the First Lady to voluntarily appear before his committee and testify. Will the First Lady testify?

A: On Thursday, Senator D'Amato reconfirmed that he has no basis for taking the wholly unprecedented step of seeking the First Lady's testimony. Thursday's hearing was simply a fall rerun of the summer hearings -- with witnesses testifying again forthrightly and voluntarily about the difficult hours and days following the suicide of Vincent Foster.

The White House has offered full cooperation to the committee and will continue to respond to requests from the Committee for information or witnesses necessary for its inquiry.

Q: Why was it necessary for the Senate to subpoena documents from the White House?

A: The subpoena issued by the Senate largely embodies those documents that the White House has already produced -- and always said it would produce -- to the committee. The use of his subpoena power represents a last-ditch attempt by Senator D'Amato to generate headlines for his flagging hearings.

Q: What do you think about all these reports questioning whether Vince Foster really committed suicide?

A: Rumors surrounding the tragic death of Vince Foster have been a staple of radical conspiracy theorists for a number of years. The Independent Counsel, the FBI, the police and a panel of nationally recognized forensic experts have all concluded that Vince committed suicide. Recently, the Foster family asked publicly that the matter be put to rest. I think everyone should respect that request.

Q: Last week a group of handwriting experts held a press conference and stated that the Foster suicide note was a forgery. What are your thoughts?

A: After these allegations were made by these so-called handwriting experts, we looked into the matter and discovered that the group which sponsored the press conference is a far right wing organization which has disseminated false Foster stories in the past. Furthermore, one of the alleged handwriting experts relied upon by this organization in making these charges is, in fact, the head of a hypnotist training school in Boston and not employed as a handwriting expert by the Massachusetts Attorney Generals Office as he claimed. This latest Foster story is yet another example of the conspiracy industry at work. A few weeks ago 60 Minutes exposed how wealthy conservative activists, opposed to President Clinton, finance right wing organizations and newsletters in an attempt to promote Foster conspiracy theories and damage the President.

Q: Why didn't the White House turn over all the phone records that the Senate requested?

A: To date, we have already made available more than 34,000 pages of documents requested by the Senate and we continue to cooperate. In connection with last summer's hearings, the White House provided all White House records that were requested by the Senate. During the last week of the hearings in mid-August, the Senate asked private individuals for their phone records. These individuals immediately and voluntarily agreed to seek and turn over their records once they were compiled by the telephone company. And, in fact, all of these phone records were provided to the Senate by September. So the telephone records are a perfect example of our prompt cooperation with Congress. What's more, we gave these records to the media before Senator D'Amato even raised them at his committee meeting last week.

Q: What are your thoughts on the Travel Office matter?

A: It should be noted that the target of the White House's initial investigation of the Travel Office has been indicted and is now being tried for embezzlement. The other members of the Travel Office have all been placed in other federal positions. As to how the White House handled the matter, the White House did conduct its own review of the travel office. This review was comprehensive, complete and rigorous, concluding that some things could have been done differently.

Q: The Senate looks like it will be holding more Whitewater hearings this fall and possibly into the winter. Doesn't this continuing focus on Whitewater damage the President's re-election chances?

A: No. I have faith that the American people are fair-minded. They understand that Whitewater has been out there for three years now and that, when all is said and done, this issue has not amounted to anything. We have already had two separate Independent Counsels, three Committees of Congress, and hordes of reporters looking at this. All along the way, the President and the First Lady have offered their full cooperation. The White House will continue to cooperate, because we are certain that the facts -- presented fairly -- will continue to show that these vague and ever-shifting Whitewater allegations have no merit at all.

Q: Senator Al D'Amato chairs the Senate Banking Committee which is investigating Whitewater. Given Senator D'Amato's checkered record on issues of ethics and public integrity, what are your thoughts about him serving in this capacity?

A: I hope that the work of the Senate Banking Committee -- which Senator D'Amato chairs -- will be concluded as fairly and quickly as possible. The President and the First Lady have given their full and complete cooperation, and they will continue to do so. The American people will judge D'Amato's credibility and whether his hearings are truly fair and non-partisan.

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WHITEWATER

Hearst Newspapers Question and Answer Session Whitewater Questions and Answers

Q: Senator D'Amato has announced that his Committee will be holding more Whitewater hearings starting in late October and going into the winter. Doesn't this continuing focus on Whitewater hurt your re-election chances?

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Q: What is your response to reports that Judge Mikva is "retiring" because of Whitewater concerns?

A: That is nonsense. Judge Mikva himself has said everything he has learned about Whitewater has made him completely confident that the allegations directed against the First Lady and me are without merit.

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Q: Federal Judge Henry Woods recently threw out a series of indictments brought by the Independent Counsel against Arkansas Governor Jim Guy Tucker. Several newspapers have criticized Judge Woods's prior close relationship to you, especially to your wife. How do you react to this criticism?

A: The charges against Governor Tucker have nothing to do with either the First Lady or me, and I am not even familiar with the details of Judge Woods's ruling. I do know, however, that Judge Woods has an unblemished record of independence since he was appointed to the federal bench by President Carter in 1980.

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LEGAL

Sperling Breakfast
Whitewater Questions and Answers

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Q: Does the continued focus on Whitewater divert your attention from other national issues.

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Q: Are you concerned about the Independent Counsel's investigation?

A: Quite simply, no. I hope that the work of the Independent Counsel will be concluded as fairly and quickly as possible. The First Lady and I have given our full and complete cooperation to the Independent Counsel, and we will continue to do so.

Q: What has emerged from all of these Whitewater hearings and investigations?

A: As far as I can tell, very little new information has come out of them. Our Whitewater investment has been looked at for three years now by an unprecedented number of reporters, two Independent Counsels, Congress and the Resolution Trust Corporation. The First Lady and I have cooperated fully with every official inquiry. I can't imagine what else we can do. But the bottom line is this: The Resolution Trust Corporation paid more than \$3.5 million to a major law firm -- a firm with strong Republican ties -- to write a thorough report on the Whitewater investment. That report confirms what the First Lady and I said all along: We invested money in Whitewater, and we lost more than \$40,000; we were fully liable on the loans we took, and we paid those loans back; and we were passive investors, not actively involved in the management of the investment.

Q: Are the Republicans focusing on Whitewater for political reasons?

A: The American people will judge for themselves whether the Congressional oversight process is being used for partisan political purposes. We've already had two separate Independent Counsels, three Committees of Congress and hordes of reporters looking into this. All along the way, the First Lady and I have offered our full cooperation. In the end, I think people will make it known pretty quickly whether they really want Congress spending weeks of time and millions of dollars on these well-worn Whitewater issues while issues of real importance to the country languish.

Q: Why hasn't the White House turned over all the documents from the Travel Office investigation that the Congressional Government Reform Committee has requested?

A: To date, we have already made available more than 2,500 pages of documents requested by the House Committee. As I understand it, with respect to the remaining documents, the White House Counsel's office is working with the Committee in order to create a principled process by which the Committee can review the other relevant documents. This past summer we worked through precisely the same process with Senator D'Amato's Senate Banking Committee and Representative Leach's House Banking Committee. This cooperative process worked to everyone's satisfaction, and I see no reason why this current issue cannot be resolved in a similar bipartisan basis.

Q: What does Judge Mikva's retirement mean for the Whitewater hearings?

A: Ab Mikva has been an outstanding White House Counsel. Although I am saddened by his departure, I am grateful that he was willing to come forward and serve his country. He is richly deserving of his retirement and the opportunity it will afford him to spend time with his family. Jack Quinn, who will be assuming the Counsel's position following Ab's retirement in November, will be a great asset to this Administration. Jack, who has been serving as the Vice President's Chief of Staff, possesses excellent judgment and great legal acumen. I am sure he will pick up where Ab will leave off.

Q: Isn't Whitewater really a question of character and trust?

A: As President, I make tough decisions EVERY DAY. During the course of my Presidency, I have made some of the toughest and most difficult choices any President has had to make. I took on the Washington lobbyists and pushed through the largest deficit reduction package in history. I confronted the NRA in my fight to pass the Brady Bill and the assault weapons ban. I led the fight -- including taking on many good friends in my own party -- for the passage of trade agreements in order to open foreign markets for American workers. Right now, I'm taking on the powerful tobacco industry so as to reduce smoking by teenagers. I have taken on the special interests and have won because it best serves all Americans. To me, that is what character and trust are all about.

Q: What do you think about all these reports questioning whether Vince Foster really committed suicide?

A: Rumors surrounding the tragic death of Vince Foster have been a staple of radical conspiracy theorists for a number of years. The Independent Counsel, the FBI, the police and a panel of nationally recognized forensic experts have all concluded that Vince committed suicide. Recently, the Foster family asked publicly that the matter be put to rest. I think everyone should respect that request.

Q: Federal Judge Henry Woods recently threw out a series of indictments brought by the Independent Counsel against Arkansas Governor Jim Guy Tucker. Several newspapers have criticized Judge Woods's prior close relationship to you, especially to your wife. How do you react to this criticism?

A: The charges against Governor Tucker have nothing to do with either the First Lady or me, and I'm not even familiar with the details of Judge Woods's ruling. I do know, however, that Judge Woods has an unblemished record of independence since he was appointed to the federal bench by President Carter in 1980.

LEGAL

National Radio Town Hall Meeting Whitewater Questions and Answers

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TALKING POINTS

- What has emerged during the last three weeks of the Senate Whitewater Hearings is the unanimous agreement that Vince Foster tragically took his own life. Senator D'Amato, the Park Police who investigated Mr. Foster's death, the Fiske investigation and Vince Foster's close friends have all reached this conclusion.

Background:

- A recent Newsweek investigation "found no evidence of any connection between Foster's death and the Whitewater scandal."
- The American people will judge whether legitimate Congressional oversight is being abused for partisan political purposes. In the end, I think people will make it known pretty quickly whether they really want Congress spending weeks of time and millions of dollars on these well-worn Whitewater issues while issues of real importance to the country languish.

Background:

- The most recent polling conducted by the media shows that since the Senate Special Committee's Whitewater hearings began three weeks ago that the percentage of the public who believe that the Clintons did something wrong has diminished. The most recent **NBC/Wall Street Journal** survey showed that only 27% of those polled think that the Clintons did something illegal (down from a July 19 **ABC-Washington Post** poll which reported that 42% of those polled believed the President did something illegal in Whitewater). The **NBC/Wall Street Journal** survey reported that sixty-three percent of the public believes the hearings are unnecessary. However, 35% of those polled in the **NBC/Wall Street Journal** poll rate the President's ethical and moral values as "poor." 32% of those polled say they believe that the First Lady is not telling the truth. Also, the **CNN/Time** survey of August 2 shows that 45% of those questioned believe that the "Clinton Administration is covering up the investigation" of Foster's death.

- The First Lady did nothing to interfere with the search of Vince Foster's office. There is not a single, first-hand account by anyone showing that Mrs. Clinton attempted to influence the search of the office.
- The President is not letting duplicative, repetitive investigations distract him from the nation's business. He has been working with Democrats, Republicans and Independents alike on the budget, crime, campaign finance reform, and other issues. The American people will judge for themselves which is more worthwhile: The President's focus on pressing issues or the Republicans' preoccupation with investigative hearings.
- The American people would be right to question the political nature of this investigation. According to a recent news report, \$25 million dollars of taxpayer money has been spent to pursue the President and Mrs. Clinton, as well as the First Family's advisors and friends -- all beginning with an effort to determine how the Clintons lost \$42,000.

Background:

- **NBC Nightly News** reported on Wednesday, August 2 that \$25 million dollars has been spent to date investigating Whitewater as it relates to the Clintons as a result of the two Independent Counsels, the congressional hearings and the RTC/Pillsbury report.
- The White House and the President have offered unprecedented cooperation to the Independent Counsels, RTC and Congress. We have turned over thousands of pages of documents and answered countless questions in depositions, grand juries, and hearings. We have nothing to hide.

Background:

- Four weeks ago the White House publicly released the "Whitewater File" - the file that some political foes of the President have claimed is at the core of questions about what was removed from Vincent Foster's

desk on the night of his death. Major news organizations examined the file and found it to be intact and innocuous. However, in an example of the vague and ever-shifting Whitewater allegations, the political opposition changed its focus of attack to the Clinton's 1992 tax file. In response, the White House immediately released the tax file. We continue our complete cooperation, and we remain prepared to meet innuendo with facts.

- The hearings have put a human face to the Vince Foster tragedy. A man took his own life; a family was in crisis; his friends were upset; and co-workers were in shock. In such a terrible situation, it is very understandable that people reacted the way they did. Were mistakes made -- Yes. In retrospect, could things have been handled differently -- Yes. However, in the final analysis, was there any wrong doing -- No.

Background:

- Regarding the search of Foster's office, former Deputy Attorney General Phil Heyman testified on Wednesday, August 2 that, while political mistakes were made, there was no legal or ethical misconduct on the part of the Administration.
- These hearings epitomize the vague and ever-shifting nature of the Whitewater allegations. No sooner does the White House answer one charge than our political opponents create another one.
- The Senate Special Committee's Republican members are under pressure to create some thing out of these hearings. Few Americans are going to accept politically motivated attacks on the First Lady when those attacks are based on nothing more than rumor and innuendo. And that is all we have here. I don't think the American people will endorse what would be an extraordinary and unprecedented request by the Committee when there is so little basis for it. The suggestions by some members of the Committee that the First Lady testify is an attempt to gain headlines and justify these hearings. Senator D'Amato has stated that he has

no intention of calling the First Lady.

Background:

- D'Amato has stated he would only call the First Lady if there are clear and convincing facts to necessitate it.
- Maggie Williams took two lie detector tests and passed them both. She has stated that she did not take any files out of Foster's office on the night he died.

Background:

- Ms. Williams's first polygraph test was administered by an experienced FBI polygrapher. The Senate Republicans questioned the polygrapher in private.
- The fact that Williams had taken the first polygraph test was made known to the polygraph expert employed by the Independent Counsel prior to the administering of the second of Williams's two polygraph tests. The polygrapher said the first test would not affect his test. Williams passed the polygraph exam administered by the Independent Counsel.
- Secret Service Officer O'Neill's testimony was filled with inconsistencies. In particular, the way O'Neill described the documents that Williams was carrying differed during his interviews with committee members and law enforcement officials. Also, O'Neill's account runs counter to the testimony of virtually every other person who witnessed the events inside the White House that night.

THEMES

- These hearings have revealed nothing new.
- The President is not allowing the hearings to distract him from working on the real issues the American people want addressed.
- We trust the American people to decide whether the real purpose of these hearings is to inflict political damage on the President rather than to find the truth.
- The President and the First Lady will continue to cooperate fully because they know that the vague and ever-shifting Whitewater allegations will evaporate when all the facts are known.

National Public Radio Interview
Whitewater Questions and Answers

GENERAL WHITEWATER

► Q: The House and Senate are holding yet more rounds of Whitewater hearings this summer. Doesn't this continuing focus on Whitewater damage your re-election chances?

► A: No. I have faith that the American people are fair-minded. They understand that Whitewater has been out there for three years now and that, when all is said and done, this issue hasn't amounted to a hill of beans. We've already had two separate Independent Counsels, three Committees of Congress, and hordes of reporters looking at this. All along the way, the First Lady and I have offered our full cooperation. And we'll continue to do so, because we're certain that the facts -- presented fairly -- will continue to show that these vague and ever-shifting Whitewater allegations have no merit at all.

The American people care about ending partisanship and gridlock. They demand that the White House and Congress work together on a host of pressing issues affecting their lives, including very tough choices about the budget. I pledge that, for my part, the hearings will not divert my Administration from devoting our time, energy and resources to the job the American people sent us here to do.

► Q: Do you think these hearings are a waste of time? Do you think the Republicans are using these hearings to damage you politically?

► A: The American people will judge whether legitimate Congressional oversight is being abused for partisan political purposes. In the end, I think people will make it known pretty quickly whether they really want Congress spending weeks of time and millions of dollars on these well-worn Whitewater issues while issues of real importance to the country languish.

► Q: How do you respond to those who say that your real problem is that the American people don't trust you and that they question your character?

► A: I have made some of the toughest choices any President has had to make. I pushed through the largest deficit reduction package in history, the Brady Bill, the assault weapons ban, and NAFTA and GATT to open foreign markets for American workers. I took on the special interests and won because it best served all Americans. To me, that is what character and trust are all about.

▶ Q: What do you tell those who say that the real issue isn't Whitewater, that the real issue is your Administration's failure to come clean with the facts and its bungled attempts to cover up what happened?

▶ A: That's the most frustrating thing of all: My political opponents have constantly hopped, skipped and jumped from one charge to another. Remember, this all began with questions about my family's investment in some land in Arkansas. When it became clear to our opponents that we lost a ton of money on that investment, they charged that some of my staff acted improperly. The Independent Counsel then found that no wrongdoing was committed by anyone on my staff. Then some of my opponents -- who praised the appointment of the Independent Counsel in the first place -- decided he wasn't doing a good enough job after all. Now we have a second Independent Counsel, who is looking again at these issues. We've released all of the Whitewater files that were in Vincent Foster's office on the night he died. I don't know what more we can do -- except continue to cooperate and wait for all the facts to emerge.

Through it all, my opponents have shifted ground again and again, to charges that are even vaguer and harder to understand. I'm confident, though, that the American people will separate truth from fiction, and that our record of total cooperation will be powerful proof that we have nothing to hide.

▶ Q: Why have you waited so long to tell your story? Wouldn't this entire Whitewater matter have been disposed of two years ago if you had done then what you are doing now?

▶ A: Very early in the life of Whitewater allegations, they became the subject of investigations by an independent counsel and the RTC. Now that these inquiries are reaching their conclusion and the matters under investigation have become the subject of public hearings, it is an appropriate time for us to give the American people the information we have given to all the investigators as we have cooperated with their inquiries over the past two years.

▶ Q: You pledged the highest ethical standards when you became president. In light of your promise, how do you explain why three of your Cabinet members are now under investigation by Independent Counsels at the same time Kenneth Starr is serving as Independent Counsel in the Whitewater matter?

▶ A: The American people understand that the simple appointment of an Independent Counsel doesn't prove that anyone did anything wrong. There is a very low standard for appointment, and people in politics make allegations all the time.

What counts is whether these allegations are proven by the facts. So far, no one has found any violations. If they do, I will act promptly.

The bottom line, though, is that I imposed the roughest set of ethics and conflict of interest rules ever. I find it ironic that Congress refuses to follow suit. And I am proud that we are trying to live up to the highest standards that no one else would even attempt to meet.

SENATE HEARINGS

► Q: Have you been following the Senate hearings on the handling of the papers in Vincent Foster's office?

► A: Well, around the country the public's interest in these hearings has been so low that the live television coverage has been pretty limited. I have read about the hearings in the papers. I am not letting them distract me or my staff from dealing with the real business of the American people.

► Q: What do you think has emerged from these hearings?

► A: The Senate hearings are not completed. As far as I can tell, very little new information has come out of them. We have given the Committee full cooperation.

► Q: Do you agree with those -- including some Democratic senators -- who say that former White House Counsel Bernard Nussbaum badly mishandled the aftermath of Mr. Foster's suicide, making you and the First Lady look guilty when you really had nothing to hide?

► A: If you were not around the White House on the terrible day Vincent Foster died, I can't possibly describe to the depth of our sorrow. Vince's suicide was as sudden and unexpected as it was tragic. The White House staff, including Mr. Nussbaum, was forced to make some very difficult decisions during an extraordinarily difficult time. Of course it's possible, with the benefit of two years worth of hindsight, to second-guess these decisions. But the evidence -- including the documents the White House has released to the public -- shows that we had nothing to hide.

► Q: What do you think of attacks by some Republican senators on the First Lady's involvement with the handling of Mr. Foster's documents? Do you think the First Lady should testify at these hearings?

► A: Few Americans are going to accept politically motivated attacks on the First Lady when those attacks are based on nothing more than rumor and innuendo. And that's all we have here. I don't think the American people will endorse what would be an extraordinary and unprecedented request by the Committee when there is so little basis for making it.

HOUSE HEARINGS

► Q: House Banking Committee hearings will begin on Monday; the focus of Chairman Jim Leach and his committee will be on your Whitewater investment and Madison Guaranty Savings and Loan. How do you react to these hearings?

► A: Our Whitewater investment has been looked at for three years now by an unprecedented number of reporters, two Independent Counsels, and the Resolution Trust Corporation. The First Lady and I have cooperated fully with every official inquiry, and we will continue to do so. I can't imagine what else we can do. But the bottom line is this: The Resolution Trust Corporation paid more than \$3.5 million to a major law firm -- a firm with strong Republican ties -- to write a thorough report on the Whitewater investment. That report has now been summarized in the press, and it seems to confirm what the First Lady and I said all along: We invested money in Whitewater, and we lost more than \$40,000; we were passive investors, not actively involved in the management of the investment; we were fully liable on the loans we took out, and we paid those loans back.

► Q: On Friday the White House released to the media the answers you and the First Lady gave to questions about Whitewater asked by the Resolution Trust Corporation. Why did you release these answers, and what do they say about your Whitewater investment?

► A: The First Lady and I have answered every question asked of us by the Independent Counsel and the RTC -- and we will continue to do so because we are certain that the Whitewater allegations will evaporate when all the facts are known. Now we've released our answers to the media and the public and people are free to make up their own minds about what they mean.

INDEPENDENT COUNSEL

► Q: You and the First Lady have been questioned three times now by the Independent Counsel, once by Mr. Fiske and twice by Mr. Starr. Are you concerned about the Independent Counsel's investigation?

► A: I hope that the work of the Independent Counsel will be concluded as fairly and as quickly as possible. The First Lady and I will continue to offer our full and complete cooperation.

TALKING POINTS

JULY 22, 1995

- The President is not letting duplicative, repetitive investigations distract him from the nation's business. He has been working with Democrats, Republicans and Independents alike on the budget, crime, campaign finance reform, and other issues. The American people will judge for themselves which is more worthwhile: The President's focus on pressing issues or the Republicans' preoccupation with partisan attacks.
- The White House and the President have offered unprecedented cooperation to the Independent Counsels, RTC and Congress. We have turned over thousands of pages of documents and answered countless questions in depositions, grand juries, and hearings. We have nothing to hide.

Background:

- Two weeks ago the White House publicly released the "Whitewater File" - the file that some political foes of the President have claimed is at the core of questions about what was removed from Vincent Foster's desk on the night of his death. Major news organizations examined the file and found it to be intact and innocuous. However, as an example of the vague and ever-shifting Whitewater allegations, the political opposition changed its focus of attack to the Clinton's 1992 tax file. In response, we immediately released the tax returns. We remain prepared to meet innuendo with facts.
- **Important Note:** This past week the committee requested that its counsel have an opportunity to review the redacted portions of certain material from Foster's office that had been produced by the President's private lawyer, David Kendall. We have agreed in principle to such a review and are working cooperatively with the Senate Committee's staff. We expect this issue to be resolved on a bipartisan basis before the hearings resume on Tuesday.

QUESTIONS ON OPENNESS

Q: Mr. President, you have said that you welcome the inquiry of the Special Counsel, that you are fully cooperating, that you don't intend to invoke executive privilege, that you want to clear the air. In that spirit, will you agree to publicly release the documents you turned over to the Justice Department?

A: All of the documents that we had were turned over to the Justice Department and are now in the hands of Special Counsel Robert Fiske. I am committed to cooperating with Mr. Fiske's investigation and am eager to have the air cleared on this matter as quickly as possible. But distributing a lot of documents without any context is just going to lead to a lot of inaccurate stories and speculation that won't be helpful to Mr. Fiske or to anyone else. This matter should be handled in an orderly way and I am committed to helping achieve that end.

Q: Mr. President, time and again since last summer the White House has acted as if there were something to hide -- in its handling of the Foster suicide; its failure to disclose the Whitewater file; its effort to shield your documents from public disclosure by asking the Justice Department to issue a subpoena; and its initial resistance to the appointment of a Special Counsel.

Don't you think this pattern of behavior was a mistake that fed the impression of a cover up? What would you do differently if you had it to do all over again? Are you prepared now to make public the documents you turned over to the Justice Department?

A: We have never engaged in any cover up of any kind. We have cooperated fully with the Special Counsel, we have turned over every scrap of paper that he requested, we have never claimed any privilege to avoid turning material over. I am committed to continuing our full cooperation with the Special Counsel and to cooperate fully with Congress. [If we made any mistake, it might have been in thinking that there was still some measure of privacy that we could retain about personal matters from many years ago that have no bearing on the present.]

QUESTIONS ON CONGRESSIONAL HEARINGS

- Q: Mr. President, it now appears that both the House and Senate are heading toward hearings on Whitewater. Are you prepared to cooperate fully with such hearings?
- When do you believe such hearings should occur? What do you think their scope should be? Do you think they should be narrowly focussed, such as on the matter of contacts between the White House and Treasury officials, or do you think they should explore all aspects of the Whitewater affair?
 - Wouldn't it be better for your own political agenda to have full congressional hearings promptly, get them over with, and allow the Congress and the country to move on? If the public has to wait for the facts to emerge bit by bit in press stories, or until Mr. Fiske has completed his investigation, this affair may hang over the White House for a very long time. Won't that be more damaging to your Administration and to the country than getting all the facts out at once?
 - The House and Senate have both agreed that immunity will not be granted to witnesses at any congressional hearings, so the Iran-Contra kind of risk -- that hearings would subvert Mr. Fiske's investigation -- seems greatly reduced. Further, even if congressional hearings were to have some negative impact on Mr. Fiske's investigation, isn't it far more important that we clear the air on Whitewater publicly than that we worry about indicting people or sending them to jail?
 - Mrs. Clinton has already demonstrated her willingness to testify in congressional hearings, and her great skill in doing so. Would she be willing to testify in hearings about Whitewater? Would you? May we assume that White House staff will testify if called?
- A: The House and Senate have passed resolutions saying that they are going to try to work out an appropriate arrangement for congressional hearings that do not conflict with the Special Counsel's investigation. I support those resolutions and intend to cooperate fully with Congress.

I don't think there's anybody who wants to get the air cleared on Whitewater more than I do because the people sent us here to take care of their business -- to pass health care reform and welfare reform and worker retraining and a crime bill. Hillary and I will provide any appropriate information should we be asked.

QUESTIONS ON DAVID HALE

Q: Former Arkansas Judge David Hale, whom you appointed, has now entered a plea bargain with Special Counsel Fiske and agreed to cooperate in Fiske's investigation. Hale claims that you pressured him in 1986 to make an improper loan, backed by the Small Business Administration, to Jim McDougal's wife, Susan.

Is Judge Hale lying?

Are you concerned that the agreement Mr. Fiske has entered with Judge Hale suggests that Mr. Fiske believes Judge Hale to be a credible witness?

A: I've been known to use some colorful language to tell you what I think about David Hale's allegations, but let me just say: The conversation never happened. I never pressured him to make an improper loan to Susan McDougal. Mr. Hale never even made the claim until after he started plea bargaining to get a better deal on charges that he defrauded the Small Business Administration. Even Mr. Hale's co-defendants apparently say they never heard him mention anything about pressure from me. As for Mr. Fiske's reasons for taking a guilty plea from Mr. Hale, you'll have to ask Mr. Fiske.

QUESTIONS ON MEDIA COVERAGE OF WHITEWATER

- Q: You were somewhat critical on Tuesday of the reporting on Whitewater. You said that "there seems to be a presumption against the White House...a presumption that...something is wrong and you have to prove it right." Do you think the press has been unfair on Whitewater and, if so, why?
- Some critics of the media have said they think there has been a rush to judgment that is unprofessional. Do you agree?
- A: I understand that the press has a job to do and that they have to cover this story. But I do think that there has been an extraordinary disconnect between the relatively minor nature of the allegations and the intensity of the press coverage. I read in the New York Times yesterday that the networks have devoted three times as many minutes to Whitewater as to health care. And I just don't believe that people think that makes any sense. And some of the wild things that have been published -- such as the stories about Vince Foster's death -- are just crazy on their face and hurtful to Vince's family and friends.

QUESTIONS ON JIM BLAIR

Q: It was reported earlier in the week that in 1978-79, Mrs. Clinton made a huge profit - \$100,000 in a single year -- trading in commodities future contracts -- highly risky ventures that aren't recommended for amateurs. It was reported that she made her trades in reliance on Jim Blair, the General Counsel of Tyson Foods, one of the biggest state-regulated businesses in Arkansas. At the time of these trades, you were initially Attorney General and then Governor.

Do you think it was proper for your wife to be getting guidance that resulted in a \$100,000 profit from a company that you were supposed to be regulating?

A: Fifteen years ago, Hillary did some successful trading in the commodities market with her own money, and taking her own risk. She was given some advice by a close personal friend of ours, Jim Blair. There was nothing improper about Jim giving Hillary advice on commodities trading. [For answer on Tyson Foods, see next page.]

QUESTIONS ON TYSON FOODS

Q: There were also reports this week that Tyson Foods received highly favorable treatment from you when you were Governor and has continued to receive favorable treatment from the Clinton Administration during the past year.

Has your Administration gone easy on Tyson? Has Tyson received special treatment from you either as Governor or as President? Given that your Administration has made much of trying to reform Washington's "business-as-usual" ethics, and cut down on the influence of lobbyists, do you think your cozy relationship with Tyson sends the right message?

A: The fact is we treated Tyson like any other business, sometimes we agreed, sometimes we didn't. But we fought with them on numerous occasions:

- ◆ 1985 -- **Proposed gas tax:** Tyson for, Clinton against and vetoed;
- ◆ 1986 and 1987 -- **Truck weight tax:** Tyson against, Clinton successfully for;
- ◆ 1988 -- **Ethics legislation requiring lobbyist disclosure:** Poultry Federation and Tyson against, Clinton for. (Passed by way of a citizens initiative).
- ◆ 1991 -- **Animal waste regs requiring chicken producers to pay cost of growers' environmental compliance:** Tyson against, Clinton for. (More limited regs ultimately approved.)
- ◆ **Classifying trucks as "farm vehicles:** Tyson for, Clinton successfully against.
- ◆ **Water as integral part of chickens:** Tyson for, Clinton successfully against.

The reality is that, Don Tyson supported Frank White, who beat me for Governor in 1980.

Here in Washington, it is just not true that the Agriculture Department is going easy on chicken producers. Fourteen Tyson plants alone were subjected to surprise inspections last year, and the Department is fully engaged in developing tough new sanitary standards for chicken producers. It is true that Mike Espy focussed more on beef when he first came in last year, but that was because we'd just had the e-coli breakout, in which a number of people died, and that problem needed to be dealt with first.

QUESTIONS ON VALUE PARTNERS

Q: Why didn't you and Mrs. Clinton follow traditional practice and establish a blind trust before you took office? Wasn't that, at the very least, sloppy practice in an Administration that was eager to set a good example on ethics?

- Mrs. Clinton was an investor in a fund known as Value Partners that held a number of health care stocks at the same time that she was head of your health care task force and was making some very tough speeches criticizing certain parts of the health care industry. In fact, some of these stocks were held in "short" positions, meaning that the fund would profit if the stock prices went down.

Do you think it was appropriate for her to hold health care stocks when she was in a position to have a powerful effect on the fortunes of health care stocks?

Even assuming that she did not have any control over what trades were made, do you think it was appropriate for her to hold an investment in a fund that was betting, at least with respect to certain health care stocks, that their prices would decline?

- Some critics have said that it seems improper for the President or the First Lady to invest in "short" positions in stocks, since such investments amount to bets that the companies will do badly. Do you agree?

A: Let me point out that there is no legal requirement that we set up a blind trust, but we did it anyway in July of last year. In hindsight, I wish we had set it up earlier because it would have eliminated the kind of unfair questions that are getting thrown at Hillary about her investment in Value Partners. But we acted in an entirely appropriate manner.

As far as the Value Partners question, Hillary put money into what was basically a mutual fund in 1986 and hasn't touched it since. Yet some of our partisan opponents on Capital Hill are running around attacking her as if she were some kind of stock manipulator. The whole thing is ridiculous. What's more, the Office of Government Ethics has already looked into all the allegations against her and said that there's nothing to them.

[Hillary had no input into the trades Value Partners made and she didn't even know what stocks Value Partners held after my Administration began.]

WEBB HUBBELL

Question: Webb Hubbell, your long-time friend and number three official at the Justice Department has now resigned. The Rose firm has indicated that it intends to file a formal ethics complaint with the Arkansas state bar against Mr. Hubbell, charging that he overbilled clients--including the RTC--and overstated his expenses.

- Were you aware when you first invited Mr. Hubbell into your administration that the Rose firm was investigating him for unethical conduct?
- If Mr. Hubbell knowingly overbilled the RTC, isn't that a crime?

Answer: I am truly sorry that Mr. Hubbell decided that he had to leave this Administration to defend the allegations against him. He has been a highly effective and valued member of the leadership at the Justice Department. I have been told that the outpouring of support for him among the career employees over there has been remarkable. I am sure that Webb takes great comfort in that.

I wish Webb the best and hope that he can quickly put these matters behind him.

BILL KENNEDY

Question: The former Managing Partner of the Rose law firm, Bill Kennedy, is the Associate Counsel in charge of security clearances, the issuance of White House passes, and approval of the background investigations for nominees. We now learn that Mr. Kennedy had a nanny problem of his own, which he did not fix until just a few weeks ago.

- Did Mr. Kennedy reveal during his background investigation his own failure to pay social security taxes for his nanny? Who approved his background investigation, or did he approve his own?
- Isn't it the policy of the White House that any problems such as the one that Mr. Kennedy had must be fixed before the person becomes a member of the Administration? Surely Mr. Kennedy knew this policy?
- Do you still have confidence in Mr. Kennedy?

Answer: Mr. Kennedy's duties have been reassigned within the Counsel's Office to another Associate Counsel. Mr. Kennedy is an outstanding attorney, who has made substantial contributions to this Administration. I am confident that he will be able to continue to contribute as Associate Counsel.

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001. briefing paper	re: questions (4 pages)	nd	P5

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

*File
Whitewater
~~for~~ talking pts*

Possible Questions for Presidential Press Conference:

GENERAL:

- * Has the political damage from the Whitewater affair damaged your legislative agenda? Has Gridlock returned? Will the controversy hurt the Democrats in the 1994 elections?
- * Did you make mistakes personally in misreading the seriousness of the Whitewater affair? What would you have done differently?
- * Do you think the American people have reason to trust you? Has this controversy re-enforced the character issue for you?
- * What is the mood at the White House? Will there be a staff shakeup? Has your staff let you down?
- * How has all the controversy surrounding Whitewater effected your mood? Should the First Lady hold a press conference?
- * Does the Rose Law firm's tangled web of checks and balances in vetting each other for high administration positions [Kennedy vets Webb, Vince vets Kennedy] demonstrate the level of cronyism or "politics as usual" that you derided during the campaign? Are you concerned about the ethical trouble your inner circle from Arkansas has gotten into? The negative impression the state of Arkansas has taken over the last several months?
- * Do you think the media has over covered this issue? Is there responsibility to explain to the American public what Whitewater is about? Is there a feeding frenzy?

WHITEWATER:

- * Do you stand by the Lyons' report? Is David Kendall reviewing your income taxes? Whitewater documents? Will you make the results of that review public?
- * If you have nothing to hide, why don't you release all the Whitewater

documents? 1978-1980 tax returns?

- * Did you urge David Hale to make an SBA-backed loan that eventually may have benefitted Whitewater?
- * Did the you use political pressure to see that Madison Guaranty S&L be treated with leniency?
- * Was there a conflict of interest by HRC or the Rose Law Firm in representing Madison or the FDIC?
- * Why did you not take the \$68,000 tax deduction?
- * Will you testify before the Special Counsel?
- * You have spoken out against a well financed, well organized campaign by the Republicans to damage your Presidency. Do you believe this is true? Why is it happening? Who is organizing/financing the operation?

BILL KENNEDY:

- * Do you have confidence in Bill Kennedy? Will he resign?
- * The White House has often said that "Nanny" problems is not disqualifying for administration positions as long as the nominee pays his/hers back taxes. Why did it take Bill Kennedy a solid year in his position before he paid his '91 taxes?

ROGER ALTMAN:

- * It seems every day a new meeting is disclosed by Roger Altman? Are there more? Why wasn't he straightforward in his Congressional testimony? Did the White House know about these other meetings? Do you have confidence in him? Should Altman resign?
- * Do you agree with Congressional hearings? Will the White House comply? Do you think there should be select committee hearings or banking committee hearings? Do you have a preference on timing? Will you and Mrs. Clinton agree to testify?

WRAP-UP:

Welfare:.

*** How do you propose to finance of your Administration's welfare reform proposal?**

Health Care:

*** Is your health care reform plan DOA? Will comprehensive health care reform pass this year? Any reaction to the Stark bill being voted out of committee[?]**

Pollard:

*** Did Janet Reno agree with the recommendation? Did you call Rabin?**

Internal

NN "LARRY KING WEEKEND" INTERVIEW WITH:
HILLARY RODHAM CLINTON

THURSDAY, SEPTEMBER 30, 1993

LARRY KING: What room are we in?

MRS. CLINTON: We're in the Vermeil Room. It's on the ground floor of the White House and, as you can see, we are surrounded by portraits of former First Ladies. It's one of my favorite rooms.

MR. KING: What does "vermeil" mean?

MRS. CLINTON: It means the kind of color and china and feeling that this room has. It's a French word.

MR. KING: Do you get the feel that this is your house?

MRS. CLINTON: Yes.

MR. KING: You do?

MRS. CLINTON: Yes.

MR. KING: So it's not like you're renting here?

MRS. CLINTON: Well, it is public housing, you know, and so we are the tenants, but it is someplace that overwhelms you. Every time you walk in it makes you feel so proud and humble, I guess, but it's also our home, and we've worked very hard to make it that way.

MR. KING: Nancy Reagan said to me the biggest surprise about this whole thing to her was that it wasn't Sacramento the press, the whole thing was just a whole different ballgame, and being the governor's wife was not preparation for it. True?

MRS. CLINTON: True. That's very true. And, you know, you can imagine if Mrs. Reagan didn't think it was preparation being in California, what I must have felt like coming from Arkansas, where we knew everybody and where we could, you know, lead our own lives. I could drive my own car. I could go to work. I could take my daughter shopping, we could go to a movie. And even if you think you have an idea what it's like because you've looked from afar and you've watched the president and his family, until you actually experience it, you don't really understand it.

MR. KING: And what don't you like about it?

MRS. CLINTON: I don't like feeling confined so that my movements are pretty much restricted, that I'm supposed to, you know, be driven places and I'm supposed to, you know, kind of have this protective security around me.

MR. KING: The security. We'll go down here, then we'll turn left, then you'll turn right. This is Mr. Morris.

MRS. CLINTON: Yeah.

MR. KING: Say hello.

MRS. CLINTON: I've tried to really limit that, and both the president and I have worked hard on that, so, you know, we do try to keep in touch with our friends, we try to go out with people. We try to have as normal a life as possible, but there is no denying that it's very different.

MR. KING: The Roosevelt kids, I got to know them all -- said it is a tough place to grow up for kids. This is not a kids' place. How's your daughter handling it?

MRS. CLINTON: She's doing pretty well, but it is not a kids' place, and you have to work very hard to make it a good environment for a child. So she has her friends over and lots of overnights, lots of people and girls, you know, going up and down the hallways and doing the funny things that kids do, and we've tried very hard, as you know, to keep her out of the public eye, to try to give her a chance to have a lifetime with us.

MR. KING: How do you do that, though, I mean, she has friends come over?

MRS. CLINTON: Yes, she's had friends come over--lots of friends come over. She goes over to her friend's house.

MR. KING: But there are Secret Service guys outside the house. It ain't a normal pillow party.

MRS. CLINTON: No, it's not normal, but it's as normal as we can make it, and we're going to work very hard to keep it that way.

MR. KING: Now how do you balance -- I mean, look at this week you've had, and we'll talk about that. By the way, thanks for being the first guest on "Larry King Weekend."

MRS. CLINTON: I'm thrilled and honored to be the first guest. Thank you for asking me.

MR. KING: It's wonderful to have you. How do you balance lives? Of course you have different lives: husband, you have a husband, you have a daughter, you have house, you have a mother, you have a brother, you have family, you have First Lady stuff. How do you balance it?

MRS. CLINTON: You know, except for the last part, it's what every woman in America does now to balance all of the different responsibilities and you just have to be as careful as you can to know what you need to spend your time on and what's really important. I've never had any doubts that, you

know, my daughter and my family were the most important parts of my life, and I try to organize my time so that I always have time for her and for my husband, but you add on the First Lady part and it both gives you, in some ways, a little more time than you might if you were back at home like I used to be, because even when my husband was governor, I did a lot of things for myself. I did a lot of shopping, I did a lot of the kind of errand running that every mother does. I don't get to do that very much.

So in some funny way, I have a little more time than I might have had, because I'm kind of restricted from doing what I'd like to do, which is be as normal as possible, but then I have all these additional responsibilities that are on top of everything else that I do.

But I really believe and I've told lots of my friends this that most of the women I know are busy balancing all those different responsibilities.

MR. KING: What did you used to do that you can't do anymore that you miss the most?

MRS. CLINTON: Get in my car with my daughter, go to a store or go to a mall, and spend a couple hours wandering around having a good time, stopping and maybe having a cup of hot chocolate or a cookie and giggling, you know.

MR. KING: The First Lady of Arkansas could do that.

MRS. CLINTON: Yes.

MR. KING: She could go to the mall outside of Little Rock?

MRS. CLINTON: All the time. We went shopping all the time. No problem at all.

MR. KING: When was the last time you drove?

MRS. CLINTON: Mmm, good question. I don't think I have driven since I've been in Washington. I have my car up here, but--

MR. KING: Where is it parked?

MRS. CLINTON: It's parked on the grounds, but I mostly let friends use it who come to visit and need a car and--

MR. KING: But you like sitting behind the wheel of a car, you like driving?

MRS. CLINTON: Sure.

MR. KING: Is it impossible?

MRS. CLINTON: I mean, look, I mean, you get in the car, you turn on the radio -- well, you've been in a car recently. You know what it's like. I haven't. I can't remember it.

MR. KING: I can't drive a car.

MRS. CLINTON: (Laughs)

MR. KING: I drive down the street, it's a story.

MRS. CLINTON: I know the feeling, but can you imagine?

So, no, I just like to get, turn on the radio--I have a terrible voice, but sing along with the radio, listen to you or somebody else, yell at you on the radio, say, "Oh, that's not true," you know. Just be by yourself.

MR. KING: Well, your first car -- we were talking about a first car, mine was a '55--'53 Ford. Yours was a '63 Olds.

MRS. CLINTON: Right.

MR. KING: You were telling me you had to take the battery out?

MRS. CLINTON: Well, anybody listening to this will probably write and say, you know, this just shows you how crazy she is. My car had a personality, my first car, and I was in law school, and my car had a battery that did not like to be left in the car overnight. It would drain out if it were, especially in the New England cold.

MR. KING: So what did you have to do with it?

MRS. CLINTON: So I unhooked it every night and took it to my dorm room and kept it warm and then I put it back in the next morning. (Laughs) It made a very happy battery and a car that worked.

MR. KING: Did it have a name? I think we're losing it here, it's been a long week.

MRS. CLINTON: It did have a name, yes. I called my car Julius.

MR. KING: Julius?

MRS. CLINTON: Julius.

MR. KING: Did the battery have a name?

MRS. CLINTON: No, I did not name the battery. I think it was Eveready or something like that.

MR. KING: What's the car parked downstairs now?

MRS. CLINTON: It's an Oldsmobile.

MR. KING: You stayed loyal.

MRS. CLINTON: Yes, I did. I stayed loyal.

MR. KING: New one?

MRS. CLINTON: Well, not new, no. It's six or seven years old now.

MR. KING: That's what you miss the most. What is the best part about this job?

MRS. CLINTON: The very best part is being part of doing what my husband's trying to do to help the country and change it. I find that--

MR. KING: You really feel that?

MRS. CLINTON: Oh, with my entire being I feel that. You know, I spent a lot of time working on issues that I cared about, whether it was public education or children's health or children's welfare, and I just never understood why we as a country just couldn't get it together and solve some of these problems, because we were letting violence consume our kids, we were letting all kinds of things happen, and now I begin to see people starting to work together. And, of course, I think my husband's had a lot to do with that, kind of telling people, you know, "Take responsibility. Be hopeful, but be practical and let's move forward." And so I'm thrilled by that.

MR. KING: So activism is a part of you.

MRS. CLINTON: Yes, it is.

MR. KING: We'll come back with more of Hillary Clinton on the premiere edition of "Larry King Weekend." Don't go away.

(Announcements.)

We were talking--we mentioned briefly there was a story. I don't like to involve myself in every interview, in any interview, in fact, but I had an accident on a street in Washington. Nothing happened. A fender bender, both cars are done, fixed, it's over. It was front page. You read that story?

MRS. CLINTON: I did read that story, and I read it trying to figure out why is this in the newspaper? I couldn't get it.

MR. KING: And that's happened to you a lot, right? How do you -- all right, I could look back one day, it's kind of funny. How do you deal with it on a daily basis?

MRS. CLINTON: You just have to decide that you're not going to let it bother you, because otherwise you wake up every morning and by 7:00 a.m. you'd be all anxious because people would be writing things and saying things that you knew weren't true and you wouldn't know what to do about it.

MR. KING: So do you not read it?

MRS. CLINTON: I skim it, but I don't read it, and I try to make sure that if there's anything I need to know about, somebody tells me, in case I miss it. But, you know, there's just too much to do in life and there's too many exciting opportunities to worry about what somebody says or didn't say and then try to involve you in it, as you found out with that story. It was a non-story.

MR. KING: It's a non-story, but does the pain ever -- for example when people -- yesterday, I spoke to the AMA in convention, and they were all upset at a front-page story in "The New York Times" implying -- not implying, saying that they were being critical of your health plan, critical of you, and they wanted me -- all of them, the president of the AMA went, "Please assure her, please tell her, please, that story's wrong. We didn't boo Donna Shalala. We didn't -- we don't -- we agree in principle with most of the health plan. Okay, when you read "The New York Times," you didn't know they were going to say that. How did you feel.

MRS. CLINTON: Well, I was lucky, because I had other newspapers which reported a very different story--

MR. KING: Of the same occurrence.

MRS. CLINTON: -- of the same occurrence, the same event. And I also have been working with these doctors in the AMA for a number of months now, and they've been very forthright, very helpful. We know where we agree, and we know where we disagree, and we're trying to work through our disagreements, so I thought it was kind of an odd story, but I made some phone calls. I found out exactly what you found out, which is that's not at all what they intended nor what they said, and they were sorry that it had happened.

MR. KING: I'll get back to health care. Back to criticism. Does any of it ever help you? Have you ever read any things and said, you know, there's a good point of view?

MRS. CLINTON: Yes.

You know what I've tried to decide to do and I don't always do it, but here's my motto, which is to try to take criticism seriously but not personally, so that if somebody has a message they're trying to get to you

and it's a different way of looking at the world and a different piece of information, take that seriously, but don't let it eat away at who you are, and undermine your sense of self or maybe even destroy a relationship with somebody because they say somebody said something and you don't go to the trouble to check it out.

So I try to take it seriously, but not personally.

MR. KING: All right. How about Hillary bashing?

MRS. CLINTON: (Laughs)

MR. KING: There are bashers, right?

MRS. CLINTON: I'm sure.

MR. KING: I mean, there are people around the country who daily take Hillary on, usually on the far right. How do you deal with that?

MRS. CLINTON: I ignore them. I really ignore them, because they're usually doing it for some kind of personal or political gain and they're not even attempting to stay within the bounds of truth or accuracy, and I'd much rather listen to people who are acting in good faith but honestly don't agree with something that I'm doing or the president's doing.

MR. KING: You've been a public woman for a long time. Do you ever get the total acceptance that you don't have a private life, excepting that?

MRS. CLINTON: I hope not, because I think without a private life you can't be a very effective public person. I think you turn into a shell.

You know, in a private life, you think about things, you talk with people in an honest and open way. You make mistakes and you learn from your mistakes. I don't see how you can be in public life and make a real contribution if you also don't have some space to be a private person, and I fight very hard for that.

MR. KING: When you assumed this job and took over -- we talked about activism before -- did you say to your husband, "Give me an area of responsibility," did you know it would be health care? Why you and health?

MRS. CLINTON: Well, that's a good question.

MR. KING: But you're healthy.

MRS. CLINTON: Well, thank goodness I am. I mean, you know --

MR. KING: Why health?

MRS. CLINTON: I think because it's an issue that my husband cares a great deal about. And when he was governor, he cared a great deal about

education and he asked me to work on education and we worked together. And then coming into the presidency, he knows that if we don't solve our health care problems, we're not going to be able to deal with a lot of our other problems in this country. And I think he decided that he would ask me to work on this the way he'd asked me to work on education.

Now, after it happened, about a day or two later, Governor Cuomo was here and I love him, and he came up to me and he said, "What'd you do, have a fight with your husband?" And I said, you know, it's not like that, it may be the way some people looked at it. Because it's a huge responsibility, but it was a real honor for me to be asked to work on this and I've really enjoyed it.

MR. KING: Did you know it would become as hard as it is?

MRS. CLINTON: I didn't really know what I was getting into when my husband asked me to do it. I knew it was important and I knew that it was something he cared deeply about, but the amount of time I've spent on it has, you know, really been quite extensive.

MR. KING: You could have fronted it, though, couldn't you. I mean, you could have had all these commissions out and check with you once a week. You didn't have to go to Minneapolis, you didn't have to do that?

MRS. CLINTON: Well, but I --

MR. KING: You could have fronted it. You could have been chairman pro tempore.

MRS. CLINTON: Well, that wouldn't have worked for me, because if we're going to make recommendations about health care, I want to know what I'm talking about and I want to be sure that it's the right thing for my family. I want to be able to answer my mother's questions when she calls me on the telephone and says, "I've heard this, what does this mean?" So that's why I felt very strongly that if I were going to do this, I had to really get into it 100 percent of the way?

MR. KING: How about taking the spotlight, though? There's a CNN poll I think that may have been out today that has you more popular than your husband, that this has been a heck of a week for you. How do you deal with that?

MRS. CLINTON: Well, of course I'm grateful if people think that what I'm trying to do is the right thing and helpful, you know.

MR. KING: The poll didn't say more popular, the poll thought you were smarter than your husband.

MRS. CLINTON: Well --

MR. KING: Every woman would dream of that, c'mon?

MRS. CLINTON: Yes, but they don't know my husband, you know. My husband --

MR. KING: That upsets him?

MRS. CLINTON: No, not at all. Doesn't bother him at all. In fact, I think one of the secrets of his success is that he is the smartest person I have ever met and yet he is so friendly and open and such a good guy that people sometimes underestimate him, and that's not always bad in the business he's in, as we've seen in the last several years.

MR. KING: Does he ever close the door and go "mmmmmmhhh!"?

MRS. CLINTON: Sure, sure. You know, sometimes you've just got to let it out, whether it's on the golf course or listening to loud music or whatever it is. Yeah, we do a lot of that together.

MR. KING: A lot of fighting?

MRS. CLINTON: No.

MR. KING: No?

MRS. CLINTON: No.

MR. KING: How does Hillary let it out?

MRS. CLINTON: Well, I like to exercise, I like to listen to music and like to listen to it loud and sing along. I really do let a lot out that way. I like to sleep and get caught up so that I maybe am a little better rested than I would be under stressful circumstances. We do a lot of different things, watch a lot of movies. We're big on movies.

MR. KING: Rental movies or --

MRS. CLINTON: Yeah, you know what, we've got a movie theater here in the White House and --

MR. KING: I know. You didn't know that?

MRS. CLINTON: I didn't know it until I got here, and it was a wonderful surprise to find a movie theater, you know.

MR. KING: You can call up the company and get the latest film, right?

MRS. CLINTON: Yeah, they send them to us and we are really lucky because we get to see movies all the time. Apparently every president has enjoyed that.

MR. KING: The last time I was with your husband he had just seen the Clint Eastwood movie and he loved it.

MRS. CLINTON: Oh, yes. "Line of Fire" right?

MR. KING: Yeah. You've got one you like?

MRS. CLINTON: I just saw "Age of Innocence." which I loved. I thought it was --

MR. KING: Scorsese.

MRS. CLINTON: Oh, I loved it. I thought it was a wonderful movie. Beautifully, beautifully shot movie. As well as very contemporary even though set in a time past.

MR. KING: Is it different watching it here than in the theater?

MRS. CLINTON: Yeah, it is, but in the theater, you know, it's better than watching it on the small TV screen. You know it doesn't have the same feel as it does in a theater.

MR. KING: We'll have more with Hillary Clinton on this premiere edition of "Larry King Weekend" on CNN. Don't go away.

(Announcements.)

MR. KING: We're back with Hillary Clinton on this Saturday night premiere edition of "Larry King Weekend." What a week. You've never had a week like this?

MRS. CLINTON: Yes. Never, and I'm glad it's nearly over.

MR. KING: Do you like testifying?

MRS. CLINTON: Yes, I did. I mean, I was nervous and anxious to do it as well as I could, but I liked it because I thought everybody was well prepared, they asked good tough questions they needed answers to. I was very impressed with the Congress.

MR. KING: Did that surprise you?

MRS. CLINTON: It didn't surprise me, because I've now spent lots of time up there.

MR. KING: You work the Hill, though?

MRS. CLINTON: Well, I do, because there's a lot of good ideas and experience up there, but I think it might have surprised some of the public who have given the Congress a bad rap in, you know, the past few years, and I think seeing the seriousness that they brought to this issue, and the

uestions that they asked, I think should be very reassuring to the American public.

MR. KING: You've worked this issue a long time. Senator Dole has told us that you're a familiar figure on the Hill and you work with Republicans well.

MRS. CLINTON: Yes, I sure do.

MR. KING: Is this a concept you did in Arkansas, too?

MRS. CLINTON: Well, we didn't have many Republicans in Arkansas, but --

MR. KING: Have you ever testified before a House or a Senate committee?

MRS. CLINTON: I did, and I spoke once to the whole House on education. But you know I was raised in a Republican family. My father was a very strong Republican, except he thought my husband was a great American, but I'm very used to working with people from different points of view, because I think that makes a better policy to really listen to each other and not shut each other off.

MR. KING: But do you think now thought that what you've succeeded in doing is framing the issue so that Americans now regard health as a right?

MRS. CLINTON: I hope so. I hope we have framed it so that every American knows that the way they should judge what to do is whether at the end of it, they and their families never have to worry about health care coverage again, they will be secure and they will have a set of benefits they can count on them no matter who they are or where they work. I hope that's the way it's been framed.

MR. KING: Nowhere is it printed that it's a right, right? It's not a God-given right as we have to free speech, assembly. Health is -- and do you think, though, seriously as you look at yourself? You framed this.

MRS. CLINTON: I think it is. It underlies life, liberty, and the pursuit of happiness. It underlies the modern complex society that is spending too much money for the health care that we have and not even taking care of everybody. So although it may not be listed anywhere as a right, it is a right, because without it, everything else this country's stands for and wants to do for and wants to do for itself and what every individual wants to do to be responsible is not possible.

MR. KING: And you're a pretty good student, you got pretty good grades, you read your history pretty good. This has been going on a long time. Harry Truman in 1948 introduced national health insurance. It was called socialist. It never came. Ted Kennedy has had proposals. Republicans have had proposals. Why now?

MRS. CLINTON: Because I think now most people understand that it's an issue that affects them, not somebody else. You know, when you have as many people as we do who are insured losing their insurance very month -- more than 2 million -- maybe they only lose it for a week, but maybe they lose it for a year. Then it's not a problem that happens out there somewhere, it's a problem that happens in every home. Every American knows somebody who has been shut out of the insurance market and denied coverage because of a preexisting condition, has been unable to move jobs because to move means they lose insurance, has been laid off and lost insurance when they thought they'd be employed forever. You can go down the list. So now it's a problem whose time for a solution has finally come.

MR. KING: Dr. Rheinhardt says one of the interesting things about health is -- at Princeton -- when you're vertical, you can say, hey, watch this, cut those costs, but when you're horizontal, give me everything. Right?

MRS. CLINTON: Yes.

MR. KING: So we all want everything. We're not ever going to be able to deliver all that.

MRS. CLINTON: No, but we can do a much better job than we do in providing health care in a less costly way at high quality. Let me just give you a quick example. The state of Pennsylvania's been collecting information about all kinds of operations. Let's take the coronary bypass, something that you know about.

MR. KING: Very well.

MRS. CLINTON: The coronary bypass surgery in Pennsylvania in a hospital can cost either \$21,000 or \$84,000 and everything in between, and when the state of Pennsylvania looked at all these hospitals, they decided, based on all the information they could get, that there's no better or worse quality that correlates with any cost. In fact, the \$21,000 operation had better quality than some of the more expensive surgeries.

MR. KING: So what was the price based on.

MRS. CLINTON: So, the price was based on what you can charge and get reimbursed for instead of what should this operation cost and what's a fair way of charging for it? And if we move toward a system where instead of paying doctors and hospitals by procedures and on individual kinds of diagnoses, we say, "Here's an amount of money to keep this population healthy." Now, go and make those decisions. We will have more coronary bypass operations being done for more people because they will be more affordable than they currently are.

So getting our costs under control goes hand in hand with providing better quality to more people.

MR. KING: Having been involved in the debate -- moderators debate once between Senator Humphrey and the president of the AMA at that time about Medicare, as it turned out, doctors got to like Medicare because it gave more medicine to people and gave more income to them. Do you think 20 years from today some two people will be sitting here saying, they argued about this thing?

MRS. CLINTON: That's exactly what I think will happen, Larry. You're absolutely right. I think that in 20 years we'll look back, and certainly our children will look back, and they'll say, "What was the argument about? How could anybody deny that we've covered everybody, made everybody secure, we have finally gotten a control on the costs, and we've got high quality." And that's what I hope will happen.

MR. KING: All right. What about losing patient-doctor relationships?

MRS. CLINTON: That's what's happening right now. You know, insurance companies are deciding who you can go see.

MR. KING: You get a book.

MRS. CLINTON: You get a book, and if you're not on the list, you don't get to go see that doctor. Doctors are being told what they can prescribe. They're being asked to call 800 numbers to ask permission to do certain procedures. The road we are on now will undermine even more doctor authority and their clinical judgment. What I want is to move more people toward the kind of way of delivering care that you find, for example, at the Mayo Clinic. The Mayo Clinic, multi-specialities -- fine institution, world renowned. Everybody knows it's high quality. They're able to deliver care at less than four percent increase this past year, and they do it by the doctors making a lot of the decisions.

MR. KING: We're going to break and come right back with Hillary Clinton. Don't go away.

(Announcements.)

MR. KING: We're back with Hillary Clinton who was just telling me at Mayo the doctors are on salary.

MRS. CLINTON: That's right.

MR. KING: Good salary --

MRS. CLINTON: Very good.

MR. KING: -- but not \$700,000 a year.

MRS. CLINTON: Well, and not one -- I don't know what their salaries are, but it's not based how many procedures they do, it's based on their providing high-quality care to all the patients who come to their doors.

MR. KING: Are you then saying that most doctors want to provide the best of care and that finance is not their driven force.

MRS. CLINTON: I absolutely believe that most doctors do. But doctors are human beings like the rest of us. If the way that you are going to be paid is having to deal with insurance companies and the Medicare and Medicaid programs and list every little thing you did, have a price attached to it, then you're more likely to worry about how many procedures you do, because that's how you're getting paid, and that's how you're satisfying all these people interfering with you, then what I hope will be the new way of doing medicine which is where doctors make the decisions and they decide how much each will get paid and they set those kinds of rules for the system. I will feel better about that because I will believe that doctors are finally able to do what they were trained to do and not turn themselves into insurance company representatives.

MR. KING: After the experience of this week on the Hill, what do you expect the battle to be like for this bill?

MRS. CLINTON: I think that there will be extremes on all sides. I think there will be people making outrageous claims, and disregarding whatever facts and evidence there are because they have a personal and political stake in doing so.

MR. KING: Left and right?

MRS. CLINTON: Left and right, but, unfortunately, more to the right because in order to keep the status quo, which is, let's be honest, making a lot of money for a lot of different types of folks, they will have to engage in lots of scare tactics to prevent people from getting the changes that they want.

But I really believe that most of what will happen will happen in what I call the reasonable middle in both the Democratic and the Republican parties, with a lot of doctor groups, hospital groups, others who are concerned sitting down and trying to figure out how to get where we all want to go. We now have an excellent proposal from the Senate Republicans that says, "Look, we want to get to universal coverage. Here's how we would do it. Here's what we agree with in terms of the president's plan, here's what we disagree with."

It's a very good place to start sitting down and talking and I think that's where most of the debate will be.

MR. KING: Senator Chafee, who has a bill of his own, says there will be a health bill passed by next June. He says it would take a month. Do you agree?

MRS. CLINTON: Absolutely agree.

MR. KING: It will be?

MRS. CLINTON: Yes.

MR. KING: Will a lot of the Chafee bill be in it?

MRS. CLINTON: A lot of it will be because Senator Chafee and I talked the other day that you know, on about 15 issues, we are very close and we need to clarify what our differences are and make sure that we can't get even closer. And then there are a couple of issues where we have some serious differences, but they are within the same universe. They're all trying to reach universal coverage. They're all trying to control costs. So I'm very confident that what Senator Chafee has said will come to pass.

MR. KING: Senator Dole has said that abortion could wind up out of this. It's in many plans, already, because it could be the drawback to getting the votes you need. Do you see arguing about abortion in the health plan?

MRS. CLINTON: Well, I'm sure that some people will argue -- because it's such an emotional issue -- but what we're trying to do is to preserve what is available now. Most insurance plans within pregnancy related services offer abortion if it's medically necessary or appropriate as a decision between the doctor and the patient. We don't want to add or subtract to that basic offering that is available now, but we do want to see something else that we think is very important, and that is that part of the comprehensive benefits package have an increase in access to family planning. Let's try to prevent situations that might lead to an abortion. Let's try and get more women to make good decisions early by getting them to see their obstetrician or gynecologist or their primary care physician of another speciality so that they can perhaps begin to make good decisions that will prevent the situation from having to arise.

MR. KING: Is this more government? Is this a lot more government?

MRS. CLINTON: No.

MR. KING: Not a lot. Can government handle this well?

MRS. CLINTON: I believe so, because what we want government to do is to set up the framework to say what are the guaranteed benefits every American's entitled to, and then get out of the way. We want this to be a state-run program. We want local communities to decide what are the best health plans and for those health plans to compete for your business and mine. There does have to be some government. There's a lot of money that the government will put up -- they already are with Medicaid and Medicare, but we don't want it to be a government-run program, we want it to come out of the private sector. We want to preserve what works in the American health care system and then fix what's wrong.

MR. KING: You accept that kidney can be a disease and heart can be a disease. Do you accept, philosophically and practically that depression is a disease?

MRS. CLINTON: Absolutely.

MR. KING: Therefore, should people be entitled to their Prozac as they are entitled to their antibiotic.

MRS. CLINTON: We make a very, very important start in securing that by putting in mental health benefits in the guaranteed benefit package and by beginning to treat serious mental illnesses in the same way we treat serious physical illness and through a prescription drug benefit to provide for support for medications like Prozac just as you would for insulin or penicillin or some other medication.

MR. KING: So psychiatrists will be a big part of this?

MRS. CLINTON: Well, mental health will be a big part of it. Psychiatrists and psychologists, social workers, others who treat both the most serious clinical diseases and the kind of more mild forms that can interfere with peoples functioning and can have physical consequences.

MR. KING: How about the fringes? How about the chiropractors?

MRS. CLINTON: You know, right now what we want is what is in existence and most health plans, most insurance policies around the country cover chiropractic, cover podiatry, cover optometry, cover the other allied health professionals, and we anticipate that will continue.

MR. KING: Back with more of Hillary Clinton on our premiere edition of "Larry King Weekend."

(Announcements.)

MR. KING: We're back on "Larry King Weekend." See, I haven't said Larry King Live once.

MRS. CLINTON: You've been doing really well.

MR. KING: By the way you're going to come on Larry King Live.

MRS. CLINTON: Someday I am, absolutely. Absolutely.

MR. KING: And you're going to take phone calls.

MRS. CLINTON: Well, I --

MR. KING: By the way, I know you're supposed to say Mrs. Clinton, but you did say, "call me Hillary". So I just don't want to offend anyone.

MRS. CLINTON: No. Go right ahead. (Laughs) Offend somebody.

MR. KING: Thanks. Do you -- one thing on the battle on the hill, you said, okay, the extremists, mostly on the right are going to fight you, but the large center is going to be with you, means you're optimistic?

MRS. CLINTON: Yes.

MR. KING: There's going to be a bill, you're going to -- the extremists are going to be heard? Is it going to be a fight that you're going to be in a day-to-day involvement with? Are you going to be having Senators coming over here, meeting on the Hill, avoiding gridlock, doing all the kinds of things that executives do to get something through?

MRS. CLINTON: I'll do whatever my husband wants me to. I mean this is his plan and he's going to be doing -- supervising the way this goes through making the decisions, calling the shots on it but I hope I can be a part of it. I feel very strongly about that.

MR. KING: What's next? Let's say health care passes. You don't want to be the health care administrator?

MRS. CLINTON: (Laughs) Oh, no!

MR. KING: You've got Donna Shalala. You have others for that.

MRS. CLINTON: Oh, very competent.

MR. KING: Let's take it to utopia here. A health care plan is in effect. It's June, it's 1994. Health care is in place. It's rolling. It's beginning to start. What now, asks Hillary?

MRS. CLINTON: Well, how about a slow trip to New Zealand or Australia or somewhere.

MR. KING: Not you.

MRS. CLINTON: I don't know. I think probably --

MR. KING: What interests you?

MRS. CLINTON: Oh, children and children's needs interests me. That's what's really drives me on this health care issue. I want to be sure that we get welfare reform done. That's an issue that Secretary Shalala and the president -- well that will probably be out before we finish health care. The president's worked very hard on that with some very good help. I care very deeply about public education, which is something that I worked on for a long time in Arkansas, and I'm really committed to doing something about violence in this society. I just can't stand it anymore. I just cannot bear to pick up another newspaper and read about another baby shot.

MR. KING: What do you make of this?

MRS. CLINTON: I think that it's a sick, sick symptom that we are out of control at so many levels of our society. Adults are not watching out for and taking care of children, teenagers don't have adequate adult supervision and discipline and the right combination of love and attention. We don't have adequate policing on our streets in many of our communities. We have too many guns and too many assault weapons in the hands of irresponsible young people who have no business being anywhere near a gun. You can just go down the list.

And I think that it's going to take a concerted effort to break this cycle of violence and that violence has been bred by dependency, by drugs, by the kind of irresponsibility that we've allowed to go unchecked and also, I would add, by the media. I mean, I think there's a role that the media has played in glorifying violence, in giving too much credence to the kind of overly impulsive and aggressive solving of problems and really too much on TV that our children watch for too many hours that seems to suggest that violence is an answer.

MR. KING: Do you agree then with Senator Simon in his efforts to get the networks to change, he said the other day if they don't change then the government's going to have to do something to make them change?

MRS. CLINTON: Well, I hope we don't get to that, but I think parents need to exercise more responsibility, you know? They need to turn off that television set.

And I know it's hard for a lot of parents who work, two-parent families, single-parent families, but we have got to save our children from being awash in violence.

MR. KING: What do you make of this city you now live in?

MRS. CLINTON: It breaks my heart. I mean, anyone who comes to Washington knows what a beautiful city it is. I think it's one of the premier cities in the world. But to think that here at the seat of our government, just blocks from where we sit, children are shot in drive-by shootings, people can't venture out of their houses and live behind 10 deadbolts on their doors. It's an outrage.

I mean, we have undermined the basic freedom and right to liberty of literally millions of people by refusing or failing to deal with the violence that stalks our cities.

MR. KING: From the way you seem and appear on this, it looks like that's going to be next.

MRS. CLINTON: Well, I don't --

MR. KING: Hillary Clinton on violence, but this is a really hard.

MRS. CLINTON: Oh, but, Larry, this is an issue that I think every mother and father and every citizen feels in their soul. We've just gone too far.

MR. KING: But you're going to have philosophical argument here, too. There's going to be a side that says put them all away and another side that says there's a reason for every crime ever committed and there's a fault somewhere.

MRS. CLINTON: Well, both are right. I mean, some should be put away and never let out. I mean, there is, unfortunately, some segment of our population that, for whatever combination of reasons are anti-social and are not fit to be among us, but there are other things we can do. We've seen some things that work. You know, if you start with young people to give them some sense of direction, you can see results. My husband is a big supporter of boot camp, where we take offenders at a young age and put them into the situation where they have discipline and structure and role models. We need more adults to just take on the responsibility of serving as role models. We need more men to work with the boys in our cities.

MR. KING: Violence also relates to health. How much of health care is Emergency Room Friday night?

MRS. CLINTON: You are absolutely right, and we've been trying to encapsulate that, and it is in the billions, both in terms of the gunshot wounds that come in and the lingering costs of having to take care of them.

MR. KING: So do you think you might center on something so that in 1995, Hillary Clinton might become identified with attacking violence in America?

MRS. CLINTON: Well, it's something I sure would consider, because I don't see how we can go on at the rate we're going. You know, murder is now the leading cause of death for some of our -- segment of our population young men between certain ages and that is just outrageous, and I don't know how much longer we are we going to live with this without putting our foot down collectively and saying, "Enough is enough"?

MR. KING: Back with more. And it's gone so fast. We're almost out of time, but we've got some more things to talk to Hillary Clinton about and we'll do that right after this.

(Announcements.)

MR. KING: We are in the First Lady's room kind of here. Jackie Kennedy is over there and Lady Byrd.

MRS. CLINTON: Right. We've got Pat Nixon and Eleanor Roosevelt.

MR. KING: Eleanor Roosevelt's over there and you've been most compared to her. First, is that a compliment?

MRS. CLINTON: Well, to me it's an honor. I don't know that I deserve it. I think she's one of the great women in American history.

MR. KING: Read a lot about her. Interviewed her once.

MRS. CLINTON: Did you really?

MR. KING: Yes, I did.

MRS. CLINTON: Oh, I'm jealous.

MR. KING: I was 23 years old.

MRS. CLINTON: Oh, Larry.

MR. KING: Okay, here's what she said. And I'm going to ask you to comment, because I remember it very well. She always felt that Franklin, as she called him, deserved her opinion and had to hear it, whether she carried the day or not, when she disagreed he should hear it? Does Hillary Clinton feel the same?

MRS. CLINTON: I agree with that. I think that there are many things I don't have an opinion about that my husband deals with every day, but there are some things I have a strong opinion about, and if he asks me or if I feel very strongly about it, like most wives that I know, I will share it with him. That doesn't mean he always does what I believe or what my opinion is, but we have a wonderful relationship, going back to our days in law school, where we really like to talk with each other and over the years we've influenced each other so much by trading opinions and saying, "Well, why do you believe this?" and, "How did you get to that point of view?"

MR. KING: Eleanor went so far as to write a column --

MR. KING and MRS. CLINTON: "My Day."

MR. KING: Would Hillary write a column?

MRS. CLINTON: If anybody asked me to, I might. I don't know. I've never considered that. But I have read her columns.

MR. KING: She wrote a weekly column.

MRS. CLINTON: Yes, she did.

MR. KING: Sometimes disagreeing with the administration. Would you do that publicly?

MRS. CLINTON: I don't know. I'd have to think about that.

I think that it's highly unlikely in my case, given what my husband and I believe together that there would an occasion where I would do that. We really have so few disagreements. Now, sometimes we start off at one point and end up somewhere differently, but I would be reluctant to put into print my disagreements because our discussions are evolving and where I was one day may not be where I am the next day, because I learn a lot from him.

MR. KING: But you still might want to write about other things.

MRS. CLINTON: Someday.

MR. KING: What Hillary Clinton thinks. I mean, Eleanor Roosevelt felt that she was part of the structure.

MRS. CLINTON: She absolutely was.

MR. KING: Then we seem to go back into other ways of a First Lady. Do you think you have changed the pattern? Do you think we're going into Eleanorism?

MRS. CLINTON: Larry, I don't think there should be a pattern. I really think each individual ought to be free to do what she thinks is best for herself and her husband and her country. I have a lot of respect for all the men who've been in this position and I think every one of them has made a significant contribution, but they may have done it in a different way, and I don't think that everybody should be like Eleanor Roosevelt or everybody should be like me. Everybody should be permitted to be who they are.

MR. KING: So in other words, because Bess Truman wouldn't have chaired a health program doesn't mean she wasn't very important to Harry Truman and, therefore, important to us?

MRS. CLINTON: You know, if you read that wonderful Truman biography by McCullough or any of the other works about Truman, it is clear that Mrs. Truman had an enormous influence on her husband and, therefore, on the country. I've read that they often would spend most nights going over his work and he'd be asking her opinion, but she did not choose to display that publicly, that the way she felt most comfortable making a contribution was privately with her husband.

MR. KING: But to you that doesn't make here less of a First Lady, just different?

MRS. CLINTON: Absolutely not, and that's my whole point. I mean, it's not just about First Ladies, it's about women in general. We ought to be permitted to make the choices that are right for us.

MR. KING: Back with our remaining moments with Hillary Clinton on this premiere edition of "Larry King Weekend" right after this.

(Announcements.)

MR. KING: When two people have this public a life, and there is no more public an arena, what does it do to or for a marriage?

MRS. CLINTON: Well, it's been really positive for us, maybe because we actually get to spend more time with each other because he works --

MR. KING: Than when he was governor?

MRS. CLINTON: -- he works down the hall and comes home for dinner. I mean, really, when he was governor, he traveled a lot and he was gone a lot.

MR. KING: You work where you live.

MRS. CLINTON: We work where we live. We get to spend time with each other. I've really felt very positive about what it's done for us as a family. Now, maybe in some respects because there's so much public attention, you know, your family becomes even more important, and we value the time we spend together and we try to steal as much of that for ourselves as possible.

MR. KING: What are the Clinton's planning for Christmas?

MRS. CLINTON: We go crazy about Christmas. I mean, we decorate anything that doesn't move and we have a big family gathering and a big family meal and we'll probably spend our first Christmas here in the White House.

MR. KING: Looking forward to turning that light on the tree?

MRS. CLINTON: Yes, I am, although I'm told I have to do it from a great big crane, you know a little tiny -- (laughs) --

MR. KING: And you're afraid of heights, right?

MRS. CLINTON: And that there's no heavy wind that day. Yeah, I love Christmas, so I couldn't be happier about turning on the lights.

MR. KING: And we couldn't be happier about our first guest.

MRS. CLINTON: Thank you so much, Larry.

MR. KING: Hillary Clinton, First Lady of the United States.

Hope you enjoyed this. Thanks for joining us. For the whole gang here at CNN, our whole crew, our

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

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INTERVIEW OF HILLARY RODHAM CLINTON
BY RON FOURNIER OF ASSOCIATED PRESS

The Residence

(In progress)

MRS. CLINTON: I mean, there's a lot that's similar in terms of the kinds of things that Bill's doing and that I'm involved in and all this. It's just different. It was so much easier to have a normal life and to get out and to actually see people and to have a sense about what was going on. It's real important to me. I don't want to get cut off from the real world.

Q Do you feel like you're in a bubble sometimes?

MRS. CLINTON: Yes. Yes, sure. I mean, it's hard not to. But I mean, this house, you can wander around here -- I mean, I'm still discovering things. There are just so many things, so many stories, so many wonderful pieces of American history. So I feel like every day --

Q You're living in the greatest piece of American history. This is a museum.

MRS. CLINTON: That's exactly right. And every time I walk -- I don't know anything about that mirror, so I'll have to find out about that mirror. You just have so many --

Q It must kind of help you keep everything -- keep in mind how important everything is you're doing when you're in a room like this --

MRS. CLINTON: I know. It's a little overwhelming. But parts of it have been really enjoyable so far and there's still a lot of adjusting to do. Well, anytime you move and getting settled in takes a lot of effort and time.

Q (Inaudible.)

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MRS. CLINTON: Pretty good. But I'm still not quite feeling that I'm at the sort of level of familiarity and routine. And it's hard because you think to yourself, well, where's the best bookstore and how do I get there? That's the kind of thing. We have gone out to dinner a few times.

Q If it were me, I could pick up the phone and call someone at work and say, now, where is the closest bookstore; I can hop in the car and do it. You have to take an entourage with you and call the pool if you're going with your husband.

MRS. CLINTON: Yes. It's tough -- different.

Q Well, I came here to talk about health care.

MRS. CLINTON: Okay.

Q Lisa, please feel free when we're running out of time to give me about five or 10-minute head's up.

I had a hard time getting ready for this interview because -- and I can just imagine with all the tasks you're going through. This is such an ungainly process and the idea of trying to get you to -- I had a hard time even deciding where to get you to start talking about all of this. Why don't we just take it from the most basic -- is the goal here still to have universal access to health care?

MRS. CLINTON: Yes. The goal of this process is to create a piece of legislation that the President will introduce that will represent his views on this subject. He believes you have to contain costs in our health care system. Otherwise we will be eaten alive, both as individuals in our own personal family income and as a country with the uncontrolled escalation of health care costs.

He also believes you have to have universal access to a quality health care system for all Americans -- not just because it's the right thing to do, but because it is part of containing costs. So all of it to him is part of a whole. And as I have gotten into this in the last five weeks, I have understood more clearly what he has told me over the years, starting with his work as Governor and with the National Governors Association, about how complex the issues were, but how interrelated they were to everything else we're doing in the country. So this whole process is designed to deliver to him a piece of legislation that will represent what he believes has to be done to reform health care.

Q When did health care become a right? It's not mentioned in the founding papers of this country. It's not something even in our most liberal time in our country that was considered a

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right. Other people tried to make it a right and it failed. Why all of a sudden is this an inalienable right?

MRS. CLINTON: Well, I don't know that it's viewed so much as a right as it is a part of the social contract that citizens have with this country that probably predates Social Security but certainly became more understandable within the context of Social Security.

America is founded on a very strong set of values about life, liberty and the pursuit of happiness. And although we are principally dependent for our national success on individual effort and individual responsibility, as the country has evolved and grown over the last 200-plus years we have understood that there are certain activities that have a community impact and a national impact that aren't just solely the province of the individual.

You can go back to the 19th century with the creation of asylums and charity hospitals to find the roots of a recognition that providing health care in some form to people was necessary for us to maintain a coherent social contract among all of us. And then as our world has gotten more and more complex and as we have looked at how other developed countries deal with health care more efficiently than us, we have recognized that our marginal efforts to provide health care to people have not succeeded. We have provided health care to certain segments of our population, but because we have failed to come up with a coherent system we have watched costs continue to climb, quality decline for many while it remained high for others, and the net result is that we have a belief in the importance of health care -- eventually, everybody in this country gets it in some form or another, oftentimes too late and too expensively.

So part of what the President's argument is, is that we already are providing health care to Americans now. How much smarter we would be if we provided, for example, prenatal care to pregnant women instead of emergency room deliveries to those who don't receive it.

When I was in New Orleans last week, I was told that 50 percent of the obstetric patients at the charity hospital in New Orleans received no prenatal care before they arrived at the door.

Q I wonder how that percentage would have fallen if 90 percent of the women had gotten prenatal care.

MRS. CLINTON: Yes. And when I think about how much we are spending to ensure health care as we are now defining it, it's troubling to me because we could provide health care more efficiently

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and certainly more cost-effectively if we had a system instead of the kind of gerrymandered patchwork that we now have.

So I don't know if I would think about it in terms of a right so much as it is something we're already doing but we're not doing it in a rational manner.

Q Are you still wedded to the broad principles that the President outlined in the campaign which, if I'm reading all this right, would eventually lead to some sort of blend of competition and controls that in the long run would restrict choice for people who already have health care and provide it for the millions who don't?

MRS. CLINTON: Well, I don't think that's a fair description of what the President believes. He does believe in a competitive system because that's what we have now in this country. That is a real strength if properly managed to ensure continuing quality and technological development in the other hallmarks of the best of American health care.

He also believes strongly in choice -- that there has to be consumer choice available so that individuals have a range of options to choose from within a competitive system. But he also believes that universal coverage is necessary. So he thinks that understanding the arguments from those who come at the system from that point of view are also critical to designing an American health care system that really responds to the needs that Americans have and Americans' expectations about health care.

So the broad framework that he has put forth that all of us are now trying to flesh out the details for and to draw from different points of view to make sure we're not missing anything would be a competitive framework that guarantees choice and quality and controls costs while providing universal coverage.

Q To do that, though, isn't it a given that when we put together these packages through these consortiums or whatever you're going to call them, that what is going to be offered to a lot of people like myself who are lucky enough to have insurance will be less as far as my choices that I have now? I understand there might be options for me to buy up, right, but there are going to be some people who are going to have less choice than they have now so that the millions of people who don't have health care can get it -- isn't there a little give-and-take, isn't there a little sacrifice --

MRS. CLINTON: I don't know that that's true yet. Part of what we're working very hard on in this process is to come up with a guaranteed core package of benefits that will be comparable with what most Americans now expect. There may be instances where it

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doesn't include something that that is already included under an insurance policy, but there also will be instances, particularly when it comes to primary and preventive health care where options are included that are not now part of insurance policies.

Q My policy doesn't have preventive health care.

MRS. CLINTON: Yes. For example, if you have a typical insurance policy you probably don't cover mammograms or cover Pap Smears or cover enough well-child visits. So that I think you will find a tradeoff as we divide the core benefit package that will be acceptable to the American people. Even though there might be some particular procedures that might not be covered -- although at this moment I couldn't tell you what because we're costing all these -- there will be others, particularly in the primary preventive health care area that will be included.

Q Do you think that most of the families out there, the 85 percent who are lucky enough right now to have health insurance, are going to be willing to pay higher taxes for health care or to accept, like we just discussed, less options or different options than their plan? Will it be a tough sell because of that?

MRS. CLINTON: No, I really don't think so. I think we have to wait to see what all of the factors are that go into making up the plan -- and the work that's being done is unprecedented. There's never been work like this done as far as I've been able to determine, where so many people are involved, where so many options are being examined, where, as one example, for the first time ever the different parts of the federal government that have anything to do with health care have been brought together in the same room.

And I believe that the result of all this work will be a package that most Americans will feel is not only fair, but better than they thought it would be.

Q What do you say, though, to the American who has health insurance now and is going to have to pay higher taxes to provide --

MRS. CLINTON: Well, I don't know that he is going to have to pay higher taxes. I don't believe at this point, based on what we know today, there will be any necessity for a middle class income tax increase to fund the health care proposal that the President makes. There may be --

Q You don't believe there --

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MRS. CLINTON: I don't believe there will be -- that's right.

Q Is that including -- are you excluding the sin taxes from that?

MRS. CLINTON: Yes, that excludes that because those are health related. We can demonstrate conclusively that certain behaviors have put cost burdens on our whole system that are just unacceptable, and smoking is the clearest -- I mean, I hate to -- I hesitate to use an exact figure if I don't have it in my head at the moment, but literally hundreds of millions of dollars of our health care system's expenditures can be traced directly to smoking. So there's a different argument there -- that certain kinds of behaviors, if they are taxed are being taxed not only to raise revenues to make the system work, but, frankly, to discourage behavior that is putting expenses on the system.

If people continue to smoke, for example, then if there were a way that you and I who don't smoke could get them to sign a paper which is you and I will not spend one penny to help them if they contract a smoking-related disease, then, fine, we could give cigarettes away on the street. But that's not the way our system works.

I would want them to get care when they show up at the emergency room or when they go for their lung cancer operation. But it costs me. Their behavior costs me. It also makes it difficult for our health care system to turn around and fund public health clinics that immunize children against preventable diseases, for example, because we're spending so much money on the back end trying to take care of problems that could have been prevented if behaviors had been changed. So those kinds of taxes the President views, as he has said, differently.

But in terms of any broad, general middle-class tax increase, it's just not going to happen. It is not going to be necessary if the plan the President proposes that he is currently thinking about and asking everybody to work on, comes out the way he expects it to.

Q I know we don't have it nailed down how we're going to pay for this, but can you give me some guidance -- we're talking about a lot of money, obviously. Have you got a more general idea than \$30 million to \$90 million? What is the --

MRS. CLINTON: Let me start by saying that we now spend over \$900 billion.

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Q Oh, I thought it was around \$800 billion.

MRS. CLINTON: It's up to \$900 billion now. The last statistic -- I mean, it's so close to \$900 billion and the others that it's give or take now; it's real money. Say \$900 billion. And it will soon be at a trillion if we don't do something about this.

Q A billion here, a billion there.

MRS. CLINTON: Yes, a billion -- and will soon be into trillion if we don't do something about this. Of the money that we're now spending, the best estimates that I have seen which I think are accurate is that maybe as much as \$200 billion is not being spent in an efficient way, and can be redeployed in both the public and the private sector to take care of a lot of the expansion of coverage and the other features that this new system will have.

One example: If we standardize reporting forms so that doctors and hospitals no longer have to spend a substantial portion of their incomes in filling out forms, we have not only freed up money that can be used for everything from doctors' incomes to providing better health care, we have also freed up health care workers. Because many nurses will tell you, they now spend a third to a half of their time filling out forms.

Q My pediatrician was just complaining about that.

MRS. CLINTON: Your pediatrician is symbolic.

Q Ten bucks of my fee is for those.

MRS. CLINTON: That's right. And although doctors' incomes went up in the 1980s -- and The Wall Street Journal reported last week they went up, they doubled, mean income doubled -- an increasing percentage of that doubling went to paperwork, so that by standardizing forms, we will solve the problem that was so vividly illustrated to me in Boston.

Were you in Boston with me?

Q No.

MRS. CLINTON: I went to a forum, a community college, and there were a number of excellent presenters. But the one who sticks in my mind was a practicing physician who came with his stack of forms, he pulled out and he said, I want to show you this form. It's the government form for me to get reimbursement if I take care of a patient that can be paid for by government money. It's on 8 1/2" by 11" paper, it's in red ink. It says HICFA Form 1500 on top

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of it. Now, let me show you a form from a private insurance company. It is on the same size paper and the same color ink, but it has the name of the insurer on top. I cannot just send the HICFA 1500 form to the insurer, I have to fill out a whole second form. And, he said, that is just the tip of the iceberg.

When you think of the amount of money that is being wasted in our health care system, by that kind of duplication of effort and paperwork and bureaucracy, you get a sense of what's out there that can be recaptured, to be turned back into actually delivering care; having nurses at the bedside instead of behind the typewriter.

Q Well, even with recapturing that money, though, how much are we talking about in new money that we're going to have to come up with to pay for --

MRS. CLINTON: That, I can't be any more specific to you about that right now, because we are now getting cost estimates done by all of the various groups in the government that have never been done before. And I'm not going to talk -- I mean, there's been so much loose talk about cost in the last years, I don't want to talk about cost until we have a consensus on cost.

We held the first meeting that brought all the government actuaries together in the same room. They had never met before. They operate on different models. We sent benefit packages to be costed. Within the same department, we got back different cost figures, because they used different models to cost.

It is unbelievable to me that in the last 12 years, with the health care crisis escalating the way it has been, there was not any businesslike effort undertaken to rationalize the systems that were used by the government itself to figure out how much procedures and how much systems cost that cut across government lines. I mean, you could go into any department, you could go over to HICFA at HHS, or you could go over to the V.A., or you could go over to the Labor Department with ARISA, or you could go over the Defense Department, or you could go over to the Treasury Department, and you could get a very precise and comprehensive response to a question. But, then, when you ran from department to department, you would get different takes on the same set of issues.

So we have pulled together everybody who has anything to do with that, and we will have good cost estimates. Until we get the standard benefit package costed, we're not going to really know how much new money we might need immediately, but I would reiterate we are not going to ask for any kind of middle class tax increase. We will look for other alternatives, either a slightly longer phase-in,

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Q -- and if it falls down one way it's going to ruin her life and cost us more money.

MRS. CLINTON: That's right.

Q Again, just to make sure I understand the definition so I don't get anything twisted, quicker cost controls -- had it been a given that there would be some kind of cost controls, are you talking about the global budget concept that's --

MRS. CLINTON: Right. We're talking about a variety of options that are being looked at, none of which the President has even seen in full development yet. So it's not at all near a decision. But here's our problem: Every year we wait on getting this system under control, costs rise. And because of the public sector's obligations on health care, the deficit rises. Because of the private sector's obligations on health care, either under contract or because businesses choose to act in what they view as a positive way toward their employees, investment gets squeezed out.

So, for example, you've got the car companies spending now about \$600 a car to take care of health care, which puts them at an immediate competitive disadvantage, if that \$600 were instead used to develop new models or different kinds of features, we'd be more competitive.

Q Isn't also part of that money, in effect, you could look at it as almost a tax on employees? That's money that could go in your salaries.

MRS. CLINTON: You know, Ron, that's something --

Q Is that a possible sales pitch?

MRS. CLINTON: Well, and you have it figured out, and a lot of people don't. What has happened with wages and standard of living for our workers -- when I say "workers," I really mean everybody making an income except the very richest -- is that they have stayed steady or declined in large measure because health care costs have robbed increases in income away from the paycheck and put them into benefits where benefits were available.

And so you're absolutely right, that in effect, we're all paying more and more and more every year. So if we don't stem that escalation and come up with a reasonable system soon, then all the deficit reduction that the President's economic proposals suggest, and even anybody in the Congress who thinks they can do deficit reduction without solving health care will be way off base.

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So that we might have -- we'll have some good years with good, positive deficit declines and the kind of growth that the President is hoping to see; then we'll be right back where we were after 1997 because health care will explode again.

So how do we, in effect, stabilize the patient until we get the whole system in place? And those are some things that are being analyzed right now.

Q Back on that, when we say costs control, is there a possibility of actually putting limits on what providers can charge for services?

MRS. CLINTON: Well, I use the words cost containment instead of controls because we're not sure what it could be. There are all kinds of options being looked at.

Q -- global budget fit into that?

MRS. CLINTON: The global budget fits into it. The budget with caps for individual providers fits into it. Some kind of fee schedule -- there's a million different options of looking at that.

Q Is it a given yet that we will have some kind of cost --

MRS. CLINTON: No, it is not a given. But it is very hard to understand how we get to where we want to get without taking care of the immediate economic drain and upward pressure that we face.

Q Back on my point about the fringe benefits -- health benefits, actually, taken away from your salary is one thing. And reading Paul Starr's work that really came through. It almost makes an argument for the viability of one way to raise revenues is by taxing those fringe benefits because they are, in effect -- they would have been your salary if health care didn't cost so much.

You were quoted by a source as saying to the effect that that would be political suicide. Were you misquoted?

MRS. CLINTON: I don't recall saying that, but I do believe that it is unfair to come up with any solution that imposes more burden on people who have paid the price during the '80s until we know what all the options are that could avoid that. And the President is intent upon avoiding that.

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Q So you would see taxing health care benefits as a burden on the middle class?

MRS. CLINTON: Yes. At this point in time until we get a system that works, so that they can have some assurance that their health care benefits are not going to continue to explode, which is depressing their wages, I don't see how you can do that to people.

Q How do we then -- what is the laundry list of options we have for raising money if we're not going to have a broad-based tax on middle class and taxing health care benefits, which could raise a substantial amount of money, what options do we have?

MRS. CLINTON: We've got a whole range of them -- mostly aimed at the parts of the system that will benefit from a rational cost control -- I mean, cost containment impact. So that, for example, if you -- going back to my paperwork example. You standardize reporting forms so that you eliminate the paperwork and therefore, the clerical time that is required to fill out those forms, you have given a windfall to a lot of members of the health care provider community because you have freed up a lot of their resources that would have otherwise been spent on paperwork.

That's just one example. There is money in there that then has to be recaptured to be applied to making this new system work. Now, the details of that I can't go into any further because they are all being worked out. But there are dozens of examples like that which are out there.

Q Let me make sure I understood. Are you talking about some kind of -- besides the immediate benefit you're going to get by standardizing forms, is there then a justification for having some kind of tax increase or some kind of revenue increase on the people who are benefiting from the less paperwork --

MRS. CLINTON: Right. And that would go back into the system. I mean, it would be recycled.

Q It would be a double -- you would get the savings immediately from them not duplicating all this paperwork, but also have justification then for getting more revenue out of it.

MRS. CLINTON: Right. And that revenue would be used for the health care system. The revenue wouldn't go to build roads, it would go back into the health care system so that, in effect, they could then see more patients. They could then free up nurses to actually take care of patients who were paying patients. You would eliminate the problem of uncompensated care.

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Q Kind of like the same broad concept of raising taxes on providers in Arkansas -- something providers wanted because they were going to get more money from the federal government --

MRS. CLINTON: Right. But that was -- because that was on the margins, because that was only with the Medicaid system it had the danger of distorting the whole system. But this way it's everybody in the system so that you're in a sense recycling the health care funding, you will get more coverage and more actual health care dollars available for taking care of people.

I'll give you another example.

Q Will insurance companies save money --

MRS. CLINTON: Oh, yes. Insurance companies will save money. If we do away with some of the underwriting practices like preexisting condition, you eliminate a whole bunch of insurance company expenses that are related to those underwriting practices.

Q Do you intend to do away with preexisting conditions?

MRS. CLINTON: That is one of the President's commitments, that no American should be denied access to health care because of a preexisting condition.

Q Again, that would be justification then for having some kind of -- I'm really going to try to nail you down here -- but that would be -- that explains why of a list of options we have seen a tax on premiums --

MRS. CLINTON: Right, right.

Q -- that would fall under the burden of the health insurance company.

MRS. CLINTON: Right, something like that, yes.

Q Is there an option that I should focus on that is

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MRS. CLINTON: No. I'll give you another example. There are so many pieces of the system -- part of the reason we adopted the process we did was to literally get everything on the table. And I have been surprised at how many things impact costs. And I'll give you another example I never would have thought of before four or five weeks ago.

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The antitrust laws in this country prohibit hospitals in a community from sharing technology and from cooperating. It's against the antitrust laws. That means then that in a lot of communities every hospital feels compelled to go out and buy its own MRI, which it then has to amortize by raising costs to you and me whether we use the MRI or not -- we've got that big piece of equipment so somebody's got to pay for it, which means we all pay for it.

By looking at the antitrust laws and changing them so that cooperation among health care providers to provide the necessary number of equipment or kinds of equipment --

Q And not too much.

MRS. CLINTON: -- and not too much, will save big dollars.

Q In other words, right now hospital X can't talk to hospital Y and say we'll take the MRI if you --

MRS. CLINTON: If you take the CAT-Scan.

Q -- you take the CAT-Scan.

MRS. CLINTON: And we'll send our patients over there and you send your patients over here. That way our MRI is not busy all the time, but we need it for our patients. We've got access to yours.

Q We don't have two MRIs -- so what they're doing is accepting patients who don't really need an MRI to give the MRIs so they can pay for it.

MRS. CLINTON: Well, you churn the numbers so that you maybe have more tests than you need to have. But just the very fact that you bought it and made that big capital investment means that you have to charge more in order to pay off that equipment.

Q Or give unnecessary tests.

MRS. CLINTON: Yes.

Q I didn't realize that right now there are some antitrust problems with hospitals being -- I guess it's a matter of commons sense.

MRS. CLINTON: I had no idea. Well, here, I'll give you another example. You've got anticompetitive provisions in some

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states that prohibit nurses from doing things that they're permitted to do in other states. That means that a nurse might not be able to do the very same test that she could do in state X in state Y unless a doctor's present.

Well, if the doctor shows up it's a more expensive test. And how do we rationalize that? So that we free up that money, we free up that time. That doctor could be out doing something much more important for a patient that is within his area of expertise, and the nurse could be doing what's very important for a patient which is within that nurse's expertise. So we get double the bang for the buck instead of what we're doing now in some states.

I cannot tell you -- there are hundreds of little things like that, Ron, that nobody has ever looked at comprehensively. I'll give you another example. Under our Medicare system we currently subsidize certain specialties in medicine. Now, that might have been a good idea at one time, but we now have an oversupply. We have 70 percent of our physicians are specialists, 30 percent of our physicians are generalists. That is out balance for the population and particularly for providing primary preventive health care.

So we've spent all this money creating a system that costs us more money.

Q Do you know how much money we put in these subsidies?

MRS. CLINTON: I don't know the exact figure. Somebody I'm sure does. But I don't.

Q It's safe to say that's something you would like to eliminate?

MRS. CLINTON: We have to look -- I mean, I had the dean of the Tulane Medical School stand up at my meeting in New Orleans; he said, I'm in a medical school. We've been part of creating the subspecialties. We have got to reverse it. And he's exactly right. That's what I hear --

Q But his school is given money to do it.

MRS. CLINTON: That's right. And so you follow the financial incentives in the system. If you follow the financial incentives you will find out why we have the kind of health care system that we currently have.

Q Getting back to my original question which to me is going to be the key here -- how are you going to be able to sell this

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to the 85 percent of the people who have health care? Do you think this is the kind of thing that is going to make a lot of sense to them? And how do you -- you can't sit down and talk with them all one on one to hear you. How do you guys plan to say, hey, it's stupid, we have two MRIs --

MRS. CLINTON: Well, there's two things. One is that even Americans with health care are scared to death because 100,000 Americans a month lose their health care insurance -- 100,000. With what is going on in industry right now, with businesses renegeing on their promises to their retirees, with businesses that provide insurance cutting back on what they offer, with copayments and deductibles climbing as they are, I don't think there are very many Americans who feel good about their own insurance right now. At least that's what they're telling me.

Even if they still have it they're paying more for it, it's giving them less in many instances and they're not sure it's going to be there next year. So we're not just talking about the people who don't have any, we're talking about everybody benefiting from this system.

Secondly, I think the American people are ahead of a lot of the decision-makers about what needs to be done. I go out to the country and feel great because I talk to people in factories and in small businesses, on the street who are providers, who are patients - they know what's wrong with the system. They only ask two things: they say, look, I want to be secure. I want my family to be secure. I do not want to risk financial ruin if I have to take care of an illness or accident in my family. I don't want to be this vulnerable anymore. And I don't want to be put at risk when I think that I should be able to count on what I pay for and what should be there for me next year.

And secondly, people say, I want a system that I can relate to, that looks like what I'm used to. I want to be able to have choice in my doctors. I want to be able to have choice in the plans that I can choose from. I want the quality to stay like it should be.

Q Will you be able to do that?

MRS. CLINTON: Absolutely.

Q Will there be choice --

MRS. CLINTON: Absolutely, there will be choice and quality. You can't have an American system without that.

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Q How do you provide choice in a plan where you're going to have an overall -- you're going to have a core package, how do you build from there -- a core package in some sort of global budget, either at the state level or national level -- how do you go from there to providing choice?

MRS. CLINTON: The way it's proposed is that qualified health providers would be part of networks of care so that if you lived in a rural area, you'd have access. If you lived in inner city area, you'd have access, where as now those two population groups are often effectively denied access. And if you were among the majority of us who live in suburban or better off, more populated areas, we continue to enjoy access. You would be able to choose from among different approaches. You might choose from among a plan that is like an HMO, particularly the kind that is more common in California than is the rest of the country, where you've got all kinds of health care providers who have joined together and they're all available to you. And it's a cost-effective, comprehensive approach.

You might choose from a plan where it's fee for service, like what you're used to, where the doctor you want is in that plan, and that's where you go, and you pay him on a fee for service basis. But he is part of a group where they are told here is the constraints in which you operate. So it becomes to that doctor's benefit not to do so much unnecessary testing but to do more primary and preventive health care.

Q At the risk of oversimplifying it, is it pay-per-fee?

MRS. CLINTON: Fee for service.

Q Fee for service doctor but your group can only spend \$3.5 million this year?

MRS. CLINTON: Right. Something like that. That's a crude way and I'm not sure that's going to be the final way we describe it but it is something like that. And what will happen based on what we believe because any system in the world that works right now whether it's a German system like the one they have where you've got a private-public system more like ours, whether it's a Canadian system with a single-payer system, every system in the world that does a better job, and I want to stress this, does a better job for the vast majority of their citizens in providing access to primary and preventive health care and where the citizen's health on balance seems to be as good or better in some instances than ours, they live as long or longer, they don't have as many of the certain kinds of disease and the like, they all do it within some kind of negotiated budget of some sort.

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Now, the states have to have a major role in this because each state has a different take on it. I don't think anybody could argue that the people in Louisiana and Maine have exactly the same health problems or attitudes, so we want to give the states authority and flexibility to design these systems in ways that will take account of what their populations will require. But we want to maintain as much individual choice as we possibly can so that's what kind of framework that was laid.

Q I keep hearing people talk about a core. Is there going to be a core plan and then each state is going to be able to work from that to have a smaller subset of selections of an HMO plan and a feeder service plan?

MRS. CLINTON: The way it's envisioned is that there would be a national set of core benefits that every American would be entitled to.

Q Would that include catastrophic care?

MRS. CLINTON: Yes. It would include, you know, the kind -- it would have to include major hospitalization. The kind of things that insurance policies provide now.

Q It would be a national core benefit?

MRS. CLINTON: National core benefit that would have to be available to every American. And then there would be at each state level, and the details on this are not worked out completely that's in the process, but as the President said in many speeches and conversations in the past, there would be at the state level a group that would have responsibility for overseeing the implementation of the health care plan and would negotiate with providers who wish to be available to you as a consumer. So, that you wouldn't have just anybody showing up and say, you know, I'm a qualified health plan and here I am. You would have some sense of who was qualified and whether they could provide the range of services.

And then based either on population or region or some way of defining what the service area was, you would have the consumer then say given the option within this raw base plan, here are five or 10 ways you can choose. It's a given that you get the core benefit package, but you may get it in an HMO or you may get it in a fee for service or you may get it in a PPO or you may get it in something we haven't got a name for yet.

Q Is there going to be some kind of overall cost constraint in like either a national global budget or state by state?

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MRS. CLINTON: That's what they're working on now. That's what they're getting all these cost figures that, you know, I told you about that everybody's working on.

Q Do you know, in general -- is it going to be a national global budget or would it be broken down by region?

MRS. CLINTON: I don't know yet. The goal is to make sure that the core benefit package that is given to every American is good enough that all Americans feel comfortable but affordable. And until we really decide what we think that should be it's hard to give you an answer as to how the budget's going to be fed and how much there will be.

Q So is it a given that there will be some kind of overall cost containment as far as somewhere there will be -- we can only spend this much money.

MRS. CLINTON: At this point it's hard to imagine how else you can run a cost-effective system. We have seen the results of not having that. If I were sitting here and looking at the cost figures that we had explode on us but I was also looking at everybody in America covered, infant mortality declining, other kinds of health industries getting better, I might say, you know, we're spending 14 percent of gross domestic product as the economists say but you know it might be worth it. We're getting healthier, people are able to be more productive, we don't have to have to many days of lost time at work, we don't have these horrible situations in some of our inner cities, we can't even keep our children alive until their first birthday, et cetera, et cetera.

Q If your health care system is healthy your GNP --

MRS. CLINTON: Right. There is a direct correlation. Well, we don't have that. So, what we've got to do is figure out to take the money we're spending because the President has said over and over again we're already spending enough money we're just spending it wrong. And we've got to figure out how to spend it right in the short-term and in the long-term.

Q One thing that interests me -- I have something I want to reemphasize -- in reading about Paul Starr, the booklet, he mentioned having separate plans -- I don't know if he recommends it or just said this might be a good idea, separate plans for children, which would mean, for the first time you will actually have people competing to put together a program that's best for kids, which I would assume would be emphasized, preventive care. Is that something that you're taking serious?

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MRS. CLINTON: It's something that is being looked at, yes. It might be, for example, you as the parent of small children the plan you would want would be the plan that emphasized care of small children.

Q Laurie and I are relatively healthy, our kids are always sick.

MRS. CLINTON: It would still cover you, too. You would be covered but you would have a special emphasis on well-child care. As the mother now of a teenager I am just appalled that the most under-served age group medically in the country are adolescents.

Q Really.

MRS. CLINTON: A lot of parents don't feel the need to bring in their teenagers for, you know, yearly check-ups or when they sniffle and the way we do when we have little babies. You don't find pediatricians who take care of -- lots of time equipped to take care of older teenagers so sometimes they fall in the cracks of the medical system. Do they go to a pediatrician or do they go to an adult doctor, and it's kind of a hassle so they kind of go to neither. You have problems with doctors not getting reimbursed for the kind of consulting time it sometimes takes to figure out what's going on with a teenager.

I had a physician who runs the adolescent medical department at a huge hospital in California tell me that the presenting symptoms for most teenagers are in some way affected by emotional or psychological issues. You know, you're a teenager, you've got all kinds of things going on. And in today's world they're exacerbated.

Well, you might, as the mother of an adolescent I might really demand that any health care system I opt into provide well-child care for my child until she's like 18 or 20. Not just when she, you know, breaks a bone or has a serious illness so that on a yearly basis I can be sure she goes in and gets a good workup with an appropriate physicians who know how to deal with adolescents. You know, that might be something I would demand.

There will be, we hope, in these plans a lot of consumer input, because we think that will be the best way of making sure that whatever money is out there is spent well, by hearing from consumers so that they can keep an eye on how it's being spent.

Q And that would probably be something that would come from the state level --

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MRS. CLINTON: Right.

Q It would be something that state or regional -- so you'll have more grassroots.

MRS. CLINTON: Right.

Q If you could talk a little bit about the sales job involved here. Some of the memos that have been leaked; there's even been mention of infomercial. You're doing some traveling in the next couple weeks. There's some talk about some focus groups -- I understand in Greenberg and --; might be involved in some kind of polling. Can you hit on all those aspects as far as -- I mean, even the Governor, even the President, excuse me -- one of the reasons you guys have been successful and at least in Arkansas, it wasn't just that you came up with good ideas, but you knew how to sell them. I don't see that as a negative or -- how do you plan to sell this thing?

MRS. CLINTON: I think that health care is on everybody's mind. There's been a lot of good work done in the Congress and elsewhere about trying to solve this. But we still have lacked until now a focus for pulling it all together, which the President gives, as he did in his address to Congress.

And there's, I don't think any doubt, that in order to present this effectively to the American people, it's going to be very important to spend an enormous amount of time communicating about it and soliciting reaction, so that it can be sheperded through the Congress and enacted this year.

I don't know yet all the pieces that will be part of that job of presentation. But I view this as a campaign. I mean, and I view it very seriously as a campaign for the future of America. I do not believe that our country will be prosperous and productive and healthy if we don't deal with health care now because for every year we wait we get further behind.

Q Will we see some campaign techniques like polling and --

MRS. CLINTON: Well, there's a lot of groups that have already done a lot of polling. I mean, I've reviewed polls from -- I get dozens of groups. There are insurance companies that poll, medican groups that poll, citizens groups that poll -- there's a ton of polling out there. And I'm sure that they'll be polling all along and I'll be reading it and trying to figure out what it all means.

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Q If you don't mind, there's one critical question I need to ask and I should have really -- actually two. One is, if you don't mind, a colleague of mine is doing a feature on Ira Magaziner -- if you could say, you know, something nice about him. The second one is what is your role in this? Are you going to be more than the gatherer of information and the sales person? Will you be making -- helping your husband decide just what we're going to do?

MRS. CLINTON: Let me start with the last first. My husband, as you know, solicits information from everybody. If he runs into you in the hall, Ron, he's going to ask you what you think I ought to do. And he will take it all in. What I have tried to do is to bring as many people into this process as we possibly can, so that we get the benefit of a lot of good thinking and practical experience to be able to present to the President the best possible information. And he will then decide. There will be many people whose opinions he will solicit, but ultimately, as he does with everything, he will make the decision.

Q Beginning tomorrow, will you start narrowing down options, if you go by the timetable that's set up. Will you be involved in, you know, throwing some things away and deciding this is what we bring to the President?

MRS. CLINTON: Not very much, because I leave that to most of the people who are involved in this process because they know a lot more about it than I do. I react to anything that they ask me but I have not done the ground work that many of them have done for decades to really understand these problems.

I kind of view myself, in some ways, as a citizen representative. I mean, if it doesn't make sense to me, than how is it going to make sense to my mother and my father or my brothers or my friends? So they have to convince me with all of their proposals that this is a good system for Americans and that all of us can understand it and it will all be better for us. And if they can't persuade me of that, then I don't know that they can persuade anybody. So I kind of keep -- that's kind of my contribution to this enormous amount of work that's done.

I'd like to say one more thing before I say something about Ira. I want to say something about the process because some people have criticized the process and I think it's important --

Q -- (inaudible.)

MRS. CLINTON: Yes. I think it's important for the American public to understand what we're really doing, as opposed to

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the way it gets characterized sometimes by people who have another agenda.

Q For instance.

MRS. CLINTON: I don't think there's ever been a process like this. I don't know of any administration, ever, that has tried to run as open and inclusive a process for legislative drafting as this one. I would be very hard pressed to think of anything at all comparable. So unlike the way it's being characterized, in effect, it is probably the most open process that any president has ever engaged in.

Q Are we missing the forest for the trees by harping on why aren't the meetings open?

MRS. CLINTON: Yes, I think so. I mean, that might take on it. I mean, usually legislation, whether it's drafted on the Hill or drafted in the administration, it's drafted by very few people -- too frequently in the past by special interests who got in there with the government officials and did that. And we have over 400 people -- nearly 500 people -- on a regular basis, from all walks of life, involved in this. We have over 100 health care providers, you know, more than 60 doctors and 20 nurses and social workers and people who have direct hands-on experience. The majority of people who are involved come from the federal government but come from different points of views that have never been all in one room together before. And we have got extensive consultations going with the Hill so that we have the points of view on both sides of the isle from all different perspectives represented as well.

In addition, we have this huge intake process where we have received, at last count I was told, 30,000 letters, postcards, phone calls, all of which are being seriously analyzed. We've received something on the order -- and you may know this better or not -- something on the order of 5,000 -- no, 500 really serious health care proposals unsolicited from citizens ranging from very thoughtful handwritten letters from senior citizens about their drug costs or their problems with Medicare all the way to physicians taking the time to send in their ideas about what can be done to make their lives better as doctors.

We have called a lot of these people; we have followed up on them; we have held over 100 meetings with representatives from over 300 groups on an ongoing basis almost around the clock in the White House. We are putting together panels of Americans who represent consumers and providers out in the real world to react to the decisions that we come up with.

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So I don't know any process that's ever been like this. I am very satisfied that it has been put together in a way to make sure every point of view is represented. Now, that does not mean everybody with a point of view is going to get to be heard because I've now concluded that we have 250 million Americans and 250 million experts on health care. It does also not mean that every point of view is going to be accepted. But it does mean that every point of view has been heard.

And we've learned a lot, across the board from everybody with their different ideas.

Q What the folks -- what my colleagues in the West Wing want is to be in on those meetings.

MRS CLINTON: Yes.

Q And I think the President's already touched on it, but why not?

MRS. CLINTON: Well, I think there are a couple of reasons. One is that I don't know of any legislative drafting process that has ever been open to the press. I mean, just by the nature of it, that's hard to even imagine how you would do it. I mean, some of it is so boring that probably only those insomniacs among could cover it. But beyond that, it would interfere dramatically with the give and take of trying to draft a piece of legislation.

The second, and maybe more important issue is that we are trying very hard to listen to everybody no matter what group they represent without being taken over by those groups. We do not want to have health care legislation in the Clinton administration written by any special interest group. I've been pleased by the cooperation that many of these groups have offered, but I am not so naive as to think that if they were given full access in an open manner to this process, there would not be another agenda for some of them.

So what we have tried to is to listen and to be very respectful. And I think we've made a lot of progress with a lot of these groups. But we are not going to permit the kind of conflicts of interest that marred a lot of the activities in the past and undermine the confidence of the American people and what their government was doing.

Everybody will be able to judge this proposal when it is introduced. That is the way legislation works -- the Congress, the press, the special interests, the American public. There will be ample time to ask the questions and to poke and prod. But what we

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were trying to do for the President is to give the President the best, most honest kind of advice about a health care plan that would really work for America, that he could trust, because it had not been in some ways subverted before it ever got to him. So I think the process really deserves a lot of consideration and respect for what it's trying to accomplish.

Q Quickly, on Ira -- why is he a good man for this job?

MRS. CLINTON: Ira has experience in the private sector putting together very large teams of people who have to work under incredible pressure to produce the result. So when the President was looking to put together a team on health care, his prior relationship with Ira and knowledge of Ira's accomplishments strongly argued for putting someone like that in the private experience in charge of this effort who understands numbers and understands costs and can come up with the best possible compromise and consensus among people who come from different points of view.

Secondly, in his prior life, Ira ran one of the very few, maybe only, statewide studies of a health care system that's ever been done. For about a year, he coordinated an in-depth study of the Rhode Island health care system in which he had people actually follow health care providers to find out how much time they did spend on paperwork compared to delivering health care. I don't think there's ever been a study like that done anywhere else. It was as a result of his work there that he reached the conclusions he did about how much money was in that system that could be redeployed if we were using people differently, if we had different kinds of financial incentives. And so he brings not only his private sector experience but very particular experience in analyzing the health care system to this task.

Q I appreciate. I apologize for going over my time.

MRS. CLINTON: No, this was helpful for me -- helped me talk through some of these things.

Q It was very educational. I really tried to bone up on this. But there was quite a bit I didn't understand.

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THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

January 15, 1996

INTERVIEW OF THE FIRST LADY
BY ANGIE CANON, KNIGHT-RIDDER

The Residence

Q This book tour was supposed to be a chance for you to, you know, highlight your 25 years of experience on children's issues. Instead, look what's happening.

MRS. CLINTON: Right.

Q You're sitting here and you've done four of these today, a couple of -- you've spent your whole weekend, in a way, having to clear your name and defend yourself. Is this somewhat of a disappointment for you?

MRS. CLINTON: Well, it certainly is not the best timing in the world, that's one thing. I'm hopeful, though, that I'll be able to get the message of this book out through the storm over Whitewater, because the whole idea of "It Takes A Village" is that each of us is responsible for raising children, and there is something all of us can do, whether it's mentoring or tutoring a child, or adopting family-friendly policies in the workplace, or just spending more time talking to and reading with your own child.

I have some things I want to say as a mother and as a woman and as a long-time volunteer and worker on behalf of children that I believe, based on my own visits around the country, are of interest to other people who share my concern about children. So although I would have wished that this would not have happened in this way at this time, I'm going to continue talking about my book and trying to answer questions at the same time.

Q You know, throughout your career you've been portrayed as a tough, smart, political person who, from time to time has maybe tried to soften that image. And here comes another big political campaign and a new book about child-rearing. Some of your critics, you know, are saying that this may be another attempt to portray a softer image. Is it that?

MRS. CLINTON: No. And I think the only way someone could say that is if they think children's issues are soft issues. And I fundamentally disagree with that. I believe that raising children both in your own family and in a society poses the hardest issues any of us ever face.

There are many things I could have done if I had not wanted to write a book that not only summed up my experience, but more importantly, shared stories about what works around the country. But this is a labor of many years for me, and I'm reminded of some of the stories that I tell in there. Like I told the story about the maternity hospital we visited in Brazil, because I think there is a lesson for Americans in the very difficult conditions those women were facing in that hospital. And I tell the stories about my own experiences, trying to raise Chelsea and the mistakes that I made and the need for help from people, not just books that I could read.

So these are issues that I care deeply about, that I think are more important than much of what is talked about that is

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here today and gone tomorrow. So I think the book can maybe help start a conversation that could really help many of us with our responsibilities to children.

Q You were saying that there were other things that you could have done.

MRS. CLINTON: Oh, sure -- I could have not written a book. But, you know, there are things that I've already been questioned about that people think of as controversial in this book. You know, my feelings about divorce are that you should not jump into a divorce if you have children, but you try to keep your marriage together, and that divorce should be harder to get if you have children.

On the other hand, I think that every child should have health care. Now, both of those are controversial issues. So I didn't have to talk about those or write about them, but it's what I feel in my heart. And whether people agree with me or not, if we can get this conversation about children started, I'm confident that people will look for ways that they can help our children.

Q In the book you mention, on the point about divorce, that you are sort of ambivalent about no-fault divorce and, you know, the idea of a waiting period when children were involved. In Michigan, for example, right now the legislature is considering repealing a no-fault divorce law. Is there something that you think the government could really do to try to make divorce more rare?

MRS. CLINTON: Yes, Angie. And I don't think we should immediately go to repealing no-fault divorce. I think there are some other steps we should take first.

I believe that it's in everyone's interest if the government and not-for-profit agencies began to advertise more widely what we now know about divorce. Many people still view the effects of divorce on children as benign, and we know that's not the case. I also believe that we should try breaking mechanisms. And by that I mean mandatory education and counseling for couples with children; so they know what the likely impact of a divorce is, or they learn how they might get their marriage back on the right track through some kind of help.

So I believe there are things we should try first before we make no-fault divorce unavailable, or make it so difficult that people are put back in the position of lying and cheating and all the other things they used to do to get a divorce. But I want everyone to just take a deep breath and stop and consider how damaging, on the whole, divorce has been to children over the last 30 years.

Q This, perhaps, mandatory counseling, like, it would be part of your -- if you were going in to file for divorce?

MRS. CLINTON: Yes.

Q So, through the court system?

MRS. CLINTON: Right. Like, it might take you longer to get a divorce if you had children. You know, not that you'd have to make up something as you would if no-fault divorce were eliminated, but that you just couldn't rush to it. You had to take time. And you had to go to a series of education and counseling sessions, and you could not go forward with your divorce unless you proved you had actually gone to those sessions. Those are some of the things I think we ought to look at.

Q Not necessarily something on the federal level?

MRS. CLINTON: No. No, I think this is rightly the province of the states. But the other piece of that is that child support has to be enforced; and families where children are born out of wedlock, there has to be a better job in finding fathers and having them take responsibilities.

So it's not just a divorce issue, it's the whole question of parental responsibility for the children that they bring into the world. And the federal government, state government, but beyond that -- local groups, religious institutions -- everybody should be concerned about that. And there are many different actions that different institutions could take.

Q Let's go back to sort of an unpleasant subject again for a minute. Polls show that a lot of Americans think that you lied. Why do you think this is, and what does that say about you? And, also, what does that say about the mood of the country right now?

MRS. CLINTON: Well, it certainly concerns me. But I think it's understandable in light of the barrage of accusations that have been made against me, particularly over the last month or so. And it is rare that the other side of the story gets out with as much intensity and repetition.

I don't believe, for example, that more than 10 percent of the country knows that an independent investigation conducted for the RTC by a national law firm headed by a former Republican U.S. Attorney has verified that what we said four years ago about Whitewater was true.

You know, we said then that it was a failed real estate transaction where we lost money and were passive investors. Four years later this independent study confirms that's the truth. Then we were accused, perhaps, of taking money from this Madison Savings and Loan, and we said it did not happen. We couldn't disprove someone's accusations because we didn't have access to the files of that savings and loan. But this independent study did. So, four years later they've looked at everything, spent \$4 million, and they come back and say we were telling the truth.

And so every time our truthfulness is validated, that doesn't get anything like the attention as both the original charges and whatever new charges come up received. So I'm not at all surprised that people would be asking questions and wondering where the truth was. And I'm going to do as much as I can to answer every question publicly, to respond as best I can and to explain how I think all this happened.

And then I believe that the American public is fundamentally fair. And I will just trust the American public to make their judgment about me. And that's what I'm going to be doing.

Q You sort of indicated that you might be willing to go up voluntarily and testify on the Hill. Are you going to do that?

MRS. CLINTON: I can't really speculate on that yet, other than to say that I am going to cooperate. And that means cooperate in every way I can. There isn't anyone who wants this matter resolved more than I do. And I have tried to cooperate as fully as I knew how. I will continue to do so.

Q You haven't quite made up your mind yet about going up there?

MRS. CLINTON: No, I don't have any opinion about exactly everything I'll be doing in order to put this matter to rest. But I will do whatever it takes.

Q Are you thinking about maybe another press conference or something like that?

MRS. CLINTON: I don't have any plans. Right now I want to get out and answer people's questions that have arisen, and try to do the best I can to put everything into context so that it makes sense to people as much as possible. So that's what I'm really concentrating on right now.

Q Do you think that there is sexism involved in some of these attacks against you?

MRS. CLINTON: I don't know. I don't know. I really don't understand some of the motivation behind some of the attacks which are so blown out of proportion, and making claims about matters that don't really stand up. But I think it's more in the nature of the political season. I think that's really what's going on here. That, you know, we're in a presidential election year and things get political. It kind of goes with the territory, unfortunately, these days.

Q Do you -- how do you -- one thing I've wondered is, how do you talk to Chelsea about all of this stuff with the attacks? I mean, what do you say to her about that? She must hear that kind of stuff. That must be hard.

MRS. CLINTON: Well, it is. You know, and I write in the book in a chapter called "The Best Tool You Can Give Your Child Is A Shovel," about my father, you know, in times of difficulty saying, "Well, how are you going to dig yourself out of this?" And I've always carried these little mental images of shovels around. And I think you always have to be prepared. You know, it's a particularly apt metaphor after having survived this blizzard, because shovels were in great demand.

And starting when Chelsea was about six, as I explain in the book, her dad and I tried to make sure that she was prepared, she felt part of what we were doing so she could always come to us with questions. And we did that by telling her that in politics people sometimes make up stories about their opponents, they say bad things about them, and she should always recognize that that was an unfortunate part of politics. And we even practiced little mock debates with her where she would play her daddy and then, you know, Bill would play his opponent and say, you know, mean things about himself.

So from the very earliest age, she became quite aware of what happens in politics. And so any time anything like this comes up -- you know, she reads the paper, she follows the news -- you know, I'll say, "Well, do you have any questions, do you want to talk about this?" Bill will do the same. And we just try to be as straightforward with her as we can, because we want her to feel comfortable in knowing what we think is happening -- we obviously can't predict other people's actions -- so that she has a good understanding.

And I think that she sees a lot of what happens in political life these days for what it is. And I'm glad we prepared her so that she would not be hurt by it or upset by it.

Q She's not too upset by it? She's handling it?

MRS. CLINTON: Yes. I'm sure she is, as I would be, if people were saying things about my parents. But she mostly has a pretty good head on her shoulders and is a really, you know, kind of an aware child. So I think we've done the best we knew how to do. And I feel that it's been helpful to her.

Q Another thing that I was wondering about was, it seems that other first ladies have also been very, sort of, out front. Roslyn Carter was involved with mental health issues. Nancy Reagan was behind some personnel moves in the White House. One difference, maybe, was that you campaigned on the "two-for-one" slogan. In retrospect, do you think that it would have been better to play sort of a more traditional game during the campaign and maybe to have been more circumspect as they were about power in the White House? Do you know what I mean?

MRS. CLINTON: I do. I do. I don't know quite how to answer it because our problems in the presidential campaign started almost from the day that Bill announced. He was such a threat to so many people that we just were the targets from the very beginning. Because I really don't believe a lot of this is directed at me so much as it is at him by trying to almost do a bank shot off of me.

Because I don't think, from my reading of history, that the wives of presidents influence votes much one way or the other. I mean, there are first ladies in our history who have been enormously popular, and their husbands did not win re-election; and first ladies who have not been particularly well liked, and their husbands did. So I think it's important to judge each individual on his or her merits. And certainly the President should be looked at for what he's done and who he is. And I would ask the same for me.

I do think one of the differences, though, is that I brought a lifetime's worth of work to the White House, you know, starting -- I had my first job, as I say in the book, when I was about 13. And I had a lot of -- I had many different experiences. And I had always functioned as an independent person and had always been direct with people. And I think that that took some adjusting on the part of some people, to have someone with that kind of background in the White House. And I'm sure that I could have, perhaps, you know, communicated maybe a little differently, or understood the expectations differently.

But I have to be who I am. And who I am is someone who cares deeply about the issues that I write about in this book; who saw a chance, for example, through health care to try to work on helping to provide health care to the more than 40 million Americans who don't have it. That's who I am. And that's why I would say that when all this sifts through there will be people who approve of what I do and who disapprove of what I do for many different reasons. But what I would hope is that they will make their judgments based on the facts, not on what somebody claims or charges. And that's what I'm trying to help sort out for people right now.

Q When you said that maybe that you could communicated things differently, do you mean maybe not using the "two-for-one," maybe not saying that? Or are you thinking about the travel office thing, that maybe expressing -- sometimes in any kind of institution -- even in a newsroom an editor says, "I don't like stories about ducks," well, they don't do stories about them, you know?

MRS. CLINTON: Right.

Q But if you express a concern about something, people sometimes interpret it -- is that what you're thinking or --

MRS. CLINTON: Well, I wasn't exactly thinking that, but I think you're on to something, because I have been thinking recently about how this experience I brought to the White House was perfectly appropriate and useful in every other setting I had ever been -- whether it was in my work life or my volunteer life or serving on a board of a hospital or a corporation. I was thinking, for example,

today that, you know, I would be in a board of directors meeting and if I heard about something that was going wrong I might say, "You know, I've heard these stories about these problems we're having. What's going on?" You know, "Gosh, are we paying attention to this?" And nobody would ever view that as my directing anybody to do anything. It would have been an expression of concern.

Well, to some extent, I think that I didn't realize how I would not be perceived as I had always been perceived -- as a colleague, as a peer, as someone with concerns and opinions to be put into the mix. So that if, for example, my husband says, "I like bananas," the next day everywhere he goes in the White House there are bunches of bananas. And I think for me it's been a learning experience about how this place magnifies everything, so that an expression of concern, an offhand comment, something you don't even remember saying -- I've told this story to a couple of people because I remembered it when President Mitterrand died -- when I was in France -- were you on that trip with the President?

Q I wasn't on that one.

MRS. CLINTON: You know, we were having a State Dinner, and that morning of the State Dinner I met with Madame Mitterrand and we talked about mostly her interests in human rights issues. And at the end, as I was leaving she said, "Oh, I apologize ahead of time that the tables will be so bare tonight." And I said, "Oh, all right." And she said, "But we have followed your directions, no fresh flowers." I said, "Madame, what do you mean?" And she said, "Well, we know you have prohibited fresh flowers anywhere the President appears because of his allergies." I said, "We have fresh flowers everywhere in the White House. We love fresh flowers." I said, "Who told you that?" "Oh, my people said that your people told them, based on," you know. And it was one of these, like, playing telephone deals.

And, you know, we never got to the bottom of it, but I could have made an offhand comment that, you know, "Gee, my husband's allergies are, you know, up again. And so we've got to be careful for him," which then gets translated into some, you know, prohibition of flowers at the State Dinner. Luckily, she told me and I was able to say, "Please," you know, "let your people put the flowers out. Make it beautiful." But I do think that I've had to really learn how to function in this environment, which was very different, given my background. I mean, if I had always been somebody who played a behind-the-scenes role, if I had never, you know, been out working and leading an independent life, I think I would not have, you know, seen much difference. But it was a big difference to me.

Q Since you've come here you've seen friends who have had their reputations tarnished, some go to jail, commit suicide. You and your husband have seen your family finances drained, your integrity questioned. Do you think it was all worth it?

MRS. CLINTON: Absolutely. You know, certainly, the problems and even tragedies of some of the people we know are painful. No one wants to see people hurt, whether it's of their own making or not. And I regret that deeply. But I've become, I guess, more accepting of the fact that so much of this, both now and in history, is part of not only politics and the presidency, but trying to speak out on behalf of issues and people, as the President does; so that it's not just a caretaker president, but a very active one trying to, you know, explain our involvement in Bosnia and defend Medicare and Medicaid. It's so much a part of what he believes in doing.

And I think it is absolutely worth it, because I really believe that he's not only done a good job for the country, but that what he's done is beginning to be understood by people. So we get a

lot of daily satisfaction out of trying to help individuals. Sometimes he'll come in at the end of a day and he'll say, "I really know why I was elected president today," because of something he was able to do. I come away from encounters with people who come to me for help, or want me to solve a problem for them -- just two weeks ago we had the Denny (phonetic) family from Oklahoma City here, whose two little children were among the six who survived the bombing. And I spent, you know, lots of time with them and I have a picture of those two little kids, Brandon and Rebecca, up on my -- one of my tables in the center sitting hall, because they really represent hope and miracles and all of that.

So I get to see the best of America, as well as what is, you know, difficult to take personally. And that's really -- you know, what Bill and I have to put up with personally is nothing compared to what so many people in America live with every day. And you can't really compare the two. You know, when you're standing there talking to Mr. Denny about how every day is a gift from God, how grateful they are for the way the country rallied around. The rest of this stuff that happens doesn't seem all that important in comparison.

Q I think that's a really healthy attitude to take. Although, I know most people say -- always say to me, "How does she deal with it?" You know? But I think when you do put it in that broader perspective that you're right, absolutely.

MRS. CLINTON: I also have the tremendous benefit of knowing I didn't do anything wrong and that eventually all of this will be resolved. So it's a matter of being patient and getting through every day, doing the best you can. And I have a lot of, you know, faith in what the future holds.

Q Just a couple last quick things. What do you think of the way Senator D'Amato has been handling the Whitewater investigation?

MRS. CLINTON: I don't have any opinion about that. He does -- he has to do what he thinks he has to do.

Q And I am also wondering if you are thinking -- or had thought at all about the idea of throwing a lamp at Bill Safire?

MRS. CLINTON: (Laughter.) No, no. I have too high a regard for lamps.

Q Okay. And I just wondered if you had -- did you know that -- you know that Clinger was announcing today that he was --

MRS. CLINTON: I heard that. Has he said anything other than --

Q He's just -- I haven't seen that. I just didn't -- I wondered if you had had any thoughts about his retirement at all?

MRS. CLINTON: No. No. I don't know him, but I am -- I know Pat Williams, who I do know quite well, also announced over the weekend that he was not running again. And I regret that we're losing a lot of people with many years of experience and we'll miss, you know, a number of them quite a bit.

Q Just one last thing, if that's okay. Are you at all worried that you're becoming somewhat of a political liability for your husband?

MRS. CLINTON: Oh, I really hope not. You know, obviously, I love my husband very much, and I also believe he's been

a good president and deserves to be re-elected. But I think the voters will judge the President on who he is and what he's done. And I think I will be judged on who I am and what I have done. I don't know what else either of us can do, except to every day do the best we can. And I think at the end, at the time of the election most people will believe that Bill Clinton is the person that they want to be their president again.

Q Thank you so much.

MRS. CLINTON: Thank you. I was real glad to see you again.

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