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ago. But our job is to make sure that, as President Kennedy said, ''the rising tide lifts all boats.'' We can't have an America where 20 or even 40 percent of us are the only ones that really do well in this global economy, and it need not be that way.

But if we want our best days to lie ahead, we have got to—we have got to say we are going to get an education for all of our people. It's going to be a lifetime project. Our educational institutions are going to become the center of our communities. We're going to tear down the walls that divide us. We're going to make education available to everybody, and we're going to use the power of Government not to expand or create a new bureaucracy but to empower people at the grassroots level to chart their own future and to make their own lives in this new and exciting age.

That is our mission. If we do it, our best days are ahead. I want that more than anything for you, for our children, and our grandchildren and our country. And I can tell you, the world still needs that. There are a lot of things out there in the rest of the world that are still a threat to decency and humanity and progress. You saw this terrible terrorist attack in the Middle East the last couple of days. The world needs a strong America, and Americans deserve it. And we're going to get it with your help.

Thank you, and God bless you all.

NOTE: The President spoke at 12:36 p.m. in the fieldhouse. In his remarks, he referred to David McFarland, president of the university, and Mayor James Schwoyer of Kutztown.

Remarks to University Presidents

January 26, 1995

Well, good morning. I'm delighted to see all of you, and most of you, I'm delighted to see you again. We're glad to have you at the White House. As all of you know, in the State of the Union, I did my best to restate my vision for our country and the role of education and educational institutions in that vision.

The job of every American at the close of the 20th century is to do what we can to guarantee that, as we move to the next century, the American dream will be available to all of our people, and that our country will remain the world's strongest force for freedom and democracy. That means, to use my formulation, that we have to make some profound changes in our country which will require a New Covenant of commitment to opportunity and to responsibility, a commitment to the strength of our communities and the work of citizenship. We have to empower our people to make the most of their own abilities. We have to expand opportunity without expanding bureaucracy in the information age, and we have to enhance our security at home as well as abroad.

The work of education does all that, and helps us to strengthen our communities at the grassroots level. And as I said the other night, the middle class bill of rights I've proposed should be called the bill of rights and responsibilities, because as all of you know well, you can't give somebody an education, you can only give them the opportunity for an education. It's something that people have to seize for themselves.

In the last 2 years, we've made remarkable progress on the education front, from expanding Head Start to passing the Goals 2000 program. It's promoting reforms within our public schools, like charter schools and the character education movement that the Secretary of Education has done so much to promote, to promoting the partnerships from school to work for the young people who don't go to universities, to dramatically changing the student loan program in ways that have lowered the cost of the loans, improved the repayment options for students, cut down on the paperwork for institutions of higher education, and miraculously lowered the cost of Federal Government as well.

I'm very pleased with all this, but as all of you know, we still have a lot to do. I want to talk a little bit today about the middle class bill of rights and a couple of other issues that are very, very important. To emphasize the importance of the bill to me, I'd just ask us all to remember that, as exciting as this new world is for all of us, most Americans are still working a longer work week for the same or lower wages than they were making 15 years ago. There is an education premium in this new economy that is greater than has

ever been the case in the entire history of the Republic, ever. And your work, your mission and your opportunities, therefore, are greater than ever before.

It's also true, as I have seen recently with Dr. Wilson at Cal State Northridge or yesterday at Kutztown University in Pennsylvania or at the Carl Sandburg Community College in Illinois, that the institutions of higher education themselves are probably the most significant institutions in America today for rebuilding a sense of community and effective citizenship at the grassroots level, because I see it over and over again: People from all ages, all income groups, all walks of life, all political backgrounds, all races, meet together, tear down the walls between them and work to solve problems.

I had a fascinating, fascinating session yesterday at Kutztown talking with the business leaders and immigrants and students about what they were doing to prepare their area to succeed in this new time.

The middle class bill of rights does something we should have done a long time ago: It gives a deduction for the cost of education after high school; it provides for tax-free withdrawals from an IRA and gives a broader number of people access to an IRA for the cost of education; it collapses about 70 of our education and training programs into one block and lets people, not local governments but people draw down a voucher worth $2,600 a year for up to 2 years for education and training programs of their choice.

These programs, a lot of these training programs were organized and established at a time when there weren't as many grassroots community options as there are now. And so all these three things, it seems to me, have a major contribution to make to increasing the number of our people who are in educational programs, increasing the strength of our communities and the strength of our economy. And we need the help of every university and college administrator and executive, professor and student in this country to pass this program.

There is a great push for a middle class tax cut in this Congress, and it is appropriate because of the stagnant incomes of most middle class Americans, and because we have succeeded in getting control of the deficit and in getting the economy going again. The middle class bill of rights is paid for fully by spending cuts. In fact, we will offer in our budget more than twice as many spending cuts as the tax relief costs, so that we'll have further deficit reduction and pay for the middle class bill of rights. I would urge you to support that concept, too. We have our responsibilities here, and we ought to pay for whatever we do.

I'd like to make two further points. One is, I know that all of you are working on this and worried about it, and I know the demographic changes in our country have put great pressures on you. But in the 1980's, the cost of a college education was the only thing that went up more rapidly than the cost of health care in the market basket of families' essentials. So one of your responsibilities in this is going to be to try to hold down the costs. Cynics are saying that if we provide tax relief for the cost of a college education, that a lot of college executives will simply raise the cost of education to deal with problems at home. We cannot let that happen. We've got to send a signal to America that if you do this, we will use this opportunity to put more people in our institutions and give more people opportunity.

The last point I want to make before introducing the Vice President is—and he will talk about this at greater length—is that we do not want to lose the ground we have gained. We do not want to see overall cuts in education programs. Our budget will reduce the deficit, dramatically cut the budget, and not cut education programs.

We do not need to see a cap in the direct loan program. The direct loan program is saving the Government money, saving the student money, and saving the institutions time and money. We do not want it—if you don't want to join it, that's your business, but you ought to have the opportunity to do it. The Government should not tell you, you cannot become part of this.

The Secretary of Education has done a superb job in administering this program and we don't want to back off of it. There are other programs, as you know, which are profoundly important to you, the work study program, the Pell grants and others. We are committed to keeping them intact. So I ask

you for your support for the middle class bill of rights. I ask you to make it clear to the Congress that you will not take advantage of this by using it basically to increase costs for the same services; this is going to be used to expand educational opportunity, and I ask you to fight to keep the reforms that we've put in place and the programs that you've relied on over the years. We can do these things, and if we do, we will truly be moving forward in a dramatic way for all of our people.

[*At this point, the Vice President and Secretary of Education Richard Riley made remarks.*]

The President. Thank you very much, Secretary Riley. Before I turn the microphone over to President Kelly of Tulane, I wanted to just emphasize two other points, if I might.

First, one of the things our administration has tried to do is to make sure that we all work together to do what was necessary here in Washington make sense of our common efforts. And Tom Glynn is here from the Labor Department, and I want to say a special word of appreciation to the cooperation of the partnership that the Education and the Labor Departments have had on all these issues; Secretary Shalala, from the Department of Health and Human Services, who used to be in your line of work, and some days wishes she still were—[*laughter*]—Joe Duffey, who used to be in your line of work and who probably almost never wishes he still were—[*laughter*]—because he had such a good job at the USIA; Sheldon Hackney, who used to be in your line of work and I think it just depends on what day it is—[*laughter*]—done a great job at the National Endowment for the Humanities; and of course, our wonderful adviser and leader on science and technology, Jack Gibbons, is here; Carol Rasco, the Domestic Policy Council Chief in the White House, and others. We're all honored to be here with you.

There is one other point I wanted to make that none of us mentioned. And that is, I want to begin by thanking you for responding so well to the call I issued in a letter to all of you last September on national service, and I asked you to support the AmeriCorps program and the whole concept of service for students and do what you could to enhance that. I got hundreds of letters back, literally hundreds of letters back. It was a very rewarding exchange, and there are even three colleges: Hampshire in Massachusetts, Loyola of Chicago, and Earlham in Indiana that have agreed to match the $4,725 educational grant that every AmeriCorps student earns in a year with a grant from the college to double the impact of it. And so, doubtless, they'll be getting more AmeriCorps students in some places. But that's a very good thing to do.

There are those who believe that we ought to eliminate the AmeriCorps program. I think that would be a terrible mistake because it—it again, it does all the things that I think we should be doing. It promotes education, it promotes citizenship, it strengthens community bonds, and it is totally nonbureaucratic. It involves people helping others, one on one, in established grassroots organizations.

So we understand that the new Congress—many of the Members came in with a commitment to slash spending, and we've been slashing spending. We'd like to have some help. And we understand that they came in with a commitment to reduce the size of the Federal bureaucracy. We've been doing that. There are 100,000 fewer people here today than there were on the day I became President. We'd like to have some help doing that.

We just don't believe that raising the cost of going to college, reducing access, undermining national service, is the way to do it. And we want to work with them in good faith, but we think we have to have your help in supporting the right kind of tax cuts that raise incomes in the short run and in the long run, through education, and the right kind of budget cutting. Those are the two requests we ask of you. Help us get the right kind of tax cuts, the right kind of budget cuttings; let's do it in a way that will increase the incomes and the opportunities of the American people so that we really do expand access to the American dream.

Thank you.

NOTE: The President spoke at 9:16 a.m. in the Indian Treaty Room at the Old Executive Office Building. In his remarks, he referred to Blenda Wilson, president, California State University, Northridge, and Eamon Kelly, president, Tulane University.

Remarks to the World Economic Forum

January 26, 1995

Good evening, and thank you, Professor Schwab, for that introduction. I'm pleased to join all of you, especially Secretary-General Boutros-Ghali, Councillor Cotti of Switzerland, and Prime Minister Carlsson of Sweden. And I'm delighted to have this opportunity to speak to the World Economic Forum.

Let me begin by saying I've very much enjoyed listening to the questions you asked the Secretary-General and to his answers. I was profoundly moved by the wisdom of his answer about the media. I wrote it down, and now I will use it in the next press conference. I noted you also talked about the academic wisdom and the media power represented in your group. I hope also there is academic power and media wisdom in your group.

The thoughts that you shared and the projects that grow out of your meetings clearly are going to play a vital role in determining the issues that dominate all of our international agenda. Your opinions will play a key part in shaping the debate on some of the most important issues of our time.

Two years ago, I took office with the strong conviction that the American people, as all the people of the world, were facing a new and rapidly changing global economy. I believed then, and I believe more strongly now, that the incomes and living standards of Americans are tied directly to what happens outside our borders. It is now impossible to separate international and domestic economic concerns. As soon as our administration began its work, we devised a detailed strategy to set a new direction. And during the last 2 years, we have devoted ourselves to preparing our country and our people for this global economy and to creating an international system of free and expanding trade that benefits not just the American people but all the world's people.

We've made good strides. The essential first step for us was to put our own house in order. Let's not forget that, 2 years ago, it was a very open question whether the United States could summon the political will to cut our deficit significantly. But as many of you who specialize in global economics had urged for years, we changed that dynamic. We did the hard work. We cut the deficit dramatically, more than $600 billion, or about $10,000 for every family in our country.

This year, the deficit will shrink for the third year in a row, for the first time since Harry Truman was the President of the United States. Cutting the deficit has helped us to create almost 6 million new jobs in the last 2 years, to keep the inflation to 2.7 percent and to boost our exports by 11 percent. The combined measure of unemployment and inflation is at its lowest point since 1968. In fact, a survey of your own members last year concluded that the United States is now the most competitive economy on Earth, and we appreciate that, and we're going to do our best to keep it that way.

To ensure that, we know we must continue to invest in our own people, to empower individuals to take advantage of the opportunities of the global economy and to make the most of their own lives. Today, when exports account for so many of our high-skill, high-wage jobs and when what we earn depends so directly on what we know and what we are capable of learning, education is more important than ever before.

That's why I proposed as part of my middle class bill of rights, that we make education and training more accessible than ever before in the United States, through a range of tax cuts for students of all ages and through a system of cash vouchers for people who have been laid off and must be retrained. Another part of our strategy has been to lay the foundation for a new era of global growth and open markets in the century to come.

Already, after 7 years, we've made some real progress by adopting the GATT treaty. Those negotiations were begun here in the United States under Presidents Reagan and