

The President's Radio Address*June 5, 1993*

Good morning. On February the 17th, I presented to our country a national economic strategy to create jobs and increase incomes through investments in our future and bringing our Government's deficit down. This plan is tough, and it requires real contributions from everyone. It was written to improve our economy long-term, but I believed back in February, just as I did in the campaign of 1992, that this plan could produce positive short-term results, and it already has.

Once it became clear that we would take responsibility for bringing our deficit down, interest rates started coming down. Analysts say that if we can keep these interest rates down for a year, we'll put over \$100 billion back into this economy. How? Because people will refinance their home loans or their business loans. Many of you listening to this program have already done that and have saved a great deal of money. Think what an extra \$100 billion can do, through lower interest rates on consumer loans, car loans, college loans, home loans, and business loans. It means more jobs for ordinary Americans, higher business profits, better consumer confidence, and more consumer spending. All that will grow the economy. It's already beginning to work.

Just yesterday, unemployment fell below 7 percent for the first time in a year and a half. In just the last 4 months, the economy has added 755,000 new jobs. And last month, as mortgage rates hit a 20-year low, new home sales reached a 7-year high. That too means more jobs for ordinary Americans, and more Americans realizing the dream of home ownership, building stronger neighborhoods and stronger communities, and making America a better place to live. We're moving on the right track. If we get our priorities right and our Government house in order, more people will be able to order houses for themselves. If we drive interest rates down, jobs and investment will keep going up.

Now the U.S. House of Representatives has acted courageously and decisively to approve our economic growth plan, and it's time for the Senate to do the right thing as well.

In the plan before the Senate, we cut the deficit \$500 billion over the next 5 years, the largest reduction program ever proposed by a President. The plan is balanced and fair. About half the deficit reduction comes from spending cuts and restraints in Federal entitlement programs and health care programs, and about half of it comes from new revenues.

Included in the \$250 billion of spending cuts are reductions in more than 200 specific programs. We also raised some taxes. But this time, unlike the last 12 years, we're doing it in a fair way. Seventy-five percent of the new money comes from people with incomes above \$100,000, people who can better afford it and whose tax rates went down in the 1980's.

Middle class Americans are asked to make a contribution in the form of an energy tax. For families of four with incomes of \$40,000 a year or more, that amounts to about \$1 a month in 1994, \$7 a month in 1995, and no more than \$17 a month when the plan is fully in place in 1996 and thereafter. For working families with incomes under \$30,000, the income tax system has been changed so that the burden will be virtually nonexistent. And for the working poor, people who are working 40 hours a week or less, we put in place the first big block of our welfare reform program. Because if this plan passes, people who work 40 hours a week and have children in their homes will be lifted above the poverty line for the first time in American history.

Now, no one wants to pay any additional taxes or see anybody else pay taxes. And we're working hard to minimize the tax increases and maximize the spending cuts.

But let me remind you, my fellow Americans, all the people who are out here calling this a tax-and-spend program are the same people who, for the last 12 years, have lowered taxes on the rich, raised taxes on the middle class, taken the national debt from \$1 trillion to \$4 trillion, and reduced our investment in our future so that jobs went down and incomes did too. My plan is working to take us in the reverse direction. It does require tough choices. You've had all the easy choices for 12 years and the hidden taxes. We have given you some very simple and

open truths. We've got to be tough enough to bring down the deficit, but we have to be smart enough to keep investing in our people and our technologies to have a growing modern economy.

Next week, the Senate will begin considering this plan for deficit reduction and economic growth. There are principles the Senate should honor when it considers our plan, the things I believe we must have. Number one, we have to cut this deficit by at least \$500 billion over the next 5 years. Number two, there could be no increases in taxes before there are real cuts in spending, and all the savings should be locked up in a trust fund for the 5-year life of the plan. Number three, because of what's happened over the last 12 years, those who are successful enough to be able to pay more should pay more, and we must minimize the burden on the middle class and the working poor. Number four, we have to preserve these incentives to reform the welfare system and to encourage people who are working, so that more people will move from welfare to work. And number five, when we cut spending, we still have to leave some investment resources for education and training, for new technologies, for converting from a defense to a domestic economy, and for incentives for businesses and private individuals to invest in communities that are distressed and to create new jobs and new enterprises. These are the steps we must take to rebuild our economy. We can do it.

Although the changes I am asking Congress to approve are difficult, especially after more than a decade of everybody being told exactly what they want to hear while things get worse and worse and worse, these changes have to be made. Our living standards are at stake, and we must rise to the occasion. That is, after all, the promise of America. A community at its best provides a growing measure of prosperity for everyone who works hard and plays by the rules. But our challenge is to fulfill that promise by ensuring that as we expand opportunity and growth, everyone has a shot to earn their share.

In my lifetime, no one has addressed that challenge with greater courage or constancy than the late Senator Robert Kennedy. On

Sunday, 25 years after his death, I will be joining his family, their supporters and friends in celebrating his short but exceptional life as one of the most candid and unifying public servants our country has ever known.

At a time when so many citizens feel disconnected from their political leaders, Senator Kennedy had an uncommon feel for what people experienced in their daily lives. He fought to expand economic opportunity, to remind citizens that our rights are accompanied by responsibilities. He sought to close the gap between working class whites and African Americans when others tried for political advantage to keep them apart.

Most of all, Robert Kennedy reminded us that whatever our differences with our leaders are and our differences with our policies, we can and should all love our country. And that is why, even as we remember his life and mourn his loss, we must celebrate his spirit because his example is what we should be following today.

I will keep fighting for a society filled with opportunity for every American, free of discrimination, full of the hopes and dreams that Bobby Kennedy fought for. Realizing these dreams would be the greatest tribute we could offer him and the greatest gift we could give to our children.

Thanks for listening.

NOTE: The President spoke at 10:06 a.m. in the Oval Office at the White House.

Remarks at the Memorial Mass for Robert F. Kennedy in Arlington, Virginia

June 6, 1993

Father Creedon, Mrs. Kennedy, the children of Robert Kennedy, and the Kennedy family, to all the distinguished Americans here present, and most of all, to all of you who bear the noble title, citizen of this country: Twenty-five years ago today, on the eve of my college graduation, I cheered the victory of Robert Kennedy in the California primary, and felt again that our country might face its problems openly, meet its challenges