

Federal Government,” the President said. “As CFO at Education, Don will work with Secretary Riley to ensure that the tax dollars of hardworking Americans are not wasted, but instead directed 100 percent to bettering education in America.”

NOTE: A biography of the nominee was made available by the Office of the Press Secretary.

Memorandum on Excused Absence for Federal Employees in Disaster Areas

July 28, 1993

Memorandum for the Heads of Executive Departments and Agencies

Subject: Excused Absence for Employees Affected by the Flooding of the Mississippi River and Its Tributaries

I am saddened by the devastating losses caused by the flooding of the Mississippi River and its tributaries and the impact on the well-being and livelihood of our fellow Americans. Many parts of the Federal Government have been mobilized to respond to this disaster and to begin a massive effort to recover from the ravages of this flooding.

As part of this effort, I request heads of executive departments and agencies who have Federal civilian employees in the areas designated as disaster areas because of the flooding to use their discretion to excuse from duty, without charge to leave or loss of pay, any such employee who is faced with a personal emergency because of the flooding and who can be spared from his or her usual responsibilities. This policy should also be applied to any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by Federal, State or local officials having jurisdiction.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on July 29.

Remarks on the Earned-Income Tax Credit and an Exchange With Reporters

July 29, 1993

The President. I don't want them to miss the vote. [*Laughter*] This is what is known as an excused absence for the Congress. I want to say a warm welcome and a word of thanks to the Risners, the Dorseys, and the Dikemans, all of them for coming here. They're not used to being public speakers, but I think they did a fine job, don't you?

I'd also like to say a special word to Mr. Dorsey. When I was a boy, I cut lawns for a living, too, and nobody ever gave me more than I charged. You're either a better salesman, a better grass-cutter, or you had better customers. [*Laughter*]

I am so glad to have these families here today because they emphasize that a pivotal part of this economic plan is increasing the earned-income tax credit which, more than anything else we could do, will reward work and family and responsibility and make a major downpayment on welfare reform.

You heard Robin make that point. There are so many Americans in this country who want to work, who want to be independent, who want to support themselves, and who find themselves in a position of not being able to make ends meet, not being able to cover basic costs. The earned-income tax credit can help them do that. It is a terribly important part of this overall plan, which not only reduces the deficit by \$500 billion, but also does it in a fair way. Half of the reduction comes from budget cuts; four-fifths of the rest comes from taxes on the upper income people in this country, the upper 6 percent; one-fifth from taxes on families with incomes above \$30,000 and below, for couples, \$180,000.

But the most important thing of all to reward work is that this will be the first time in the history of our country when we'll be able to say that if you work 40 hours a week and you have children in your home, you will be lifted out of poverty. It is an elemental, powerful, and profound principle. It is not liberal or conservative. It should belong to no party. It ought to become part of the

American creed. It's not about more governmental or social workers or more services. It's about more groceries and a car, more school clothes for the kids, and more encouragement and hope to keep doing the right thing. These families have made it clearer than I ever could.

One of the things that I want to emphasize is that if we ever want to really restore the health of the American economy, it won't be enough just to bring down the budget deficit or just to have good economic policies. You have to find a way to tell people that if they work hard and play by the rules they'll be able to make it, they will be rewarded. The incentive system in America has worked against that for too long.

You know, it's amazing to me how many American families still live in poverty. About 18 percent of the work force, nearly one in five families, have a worker and still do not reach the Federal poverty line. There are 36 million, approximately, low-income Americans; about 20 million of them live in a family that works, with someone working at least part of the year; 6 million live in families where someone works all year round, full-time, and the family is still in poverty. And as I said, where there is a family of four, about one in five, or 18 percent, have insufficient incomes to lift them above the Federal poverty line.

So in spite of all the profamily rhetoric of our National Government for years, our policies haven't worked. In fact, they've been going in the wrong direction. We need every American who can to work if we're going to compete and win in the global economy. And more than ever, we need strong families. This is, as you can see, not just a prowork policy, it is a profamily policy. We shouldn't make it harder to work and support a family. We ought to make it easier, and the people who do it should be lifted up as examples of the American ideal, not punished because they're trying to do the right thing. That's what the EITC does.

We ought to have two principles that operate in this country: People who can work should work, but if they do work, their families at home shouldn't be poor.

Today I also want to announce that the IRS will begin an aggressive outreach cam-

paign to reach all Americans who are entitled to the credit. This will make it easier for them to receive benefits they have earned by working. It will also help us to educate them about the advantage of getting an advanced EITC, rather than having to wait an entire year. All these folks figured out how to work the system. But there are a lot of people out there, just like them, who haven't and who deserve the same incentive for work and for family.

We know that this program works. We know it's a lifeline for semi-skilled workers who are working to improve their education and training. We want Robin to get home in time for the test, and we want her to make a good grade. And we want that, also, to be a symbol for all the people in this country who are struggling to do the same thing.

We know that the vast majority of all those who benefit from the EITC work very long hours for a very modest compensation in jobs that very often have inadequate benefits, either for themselves or for their children. These are just three of the millions of stories we might have heard today from a part of America we almost never see on the evening news.

Every time you see a crime story reported in a tough neighborhood, remember that most people in that neighborhood, no matter how tough it is, work for a living, do their best to raise children, never break the law, and are struggling, struggling against odds that are enormous to make it and to make the American dream real for themselves and their children.

It is time we acted to support those people. In some ways, they may be the most heroic of all Americans today. If we really want to rebuild family life in America, if we want to recognize the realities that nearly everybody has to work to make ends meet, and more and more families have to have both parents working if they're in the home, even if they have four children and two of them are as young as those two youngest boys, we have got to say to those people: We are on your side. Your country is for you. You have done what all of the speechmakers talk about, and it's time the people who make the speeches had policies that reward you for doing what people have been pleading for Americans to do for years and years now.

That's why I think this is a critical part of this economic package. Make no mistake about it: If the people who favor the "no-new-anything approach," as the Wall Street Journal characterized the opponents of our plan, prevail, Americans will lose the prowork, profamily, proresponsibility element of the earned-income tax credits, the largest single expansion in an effort to help the working poor in over two decades.

We can't let this happen. This is just one more reason why we have got to act, and act now on this economic plan. This is not about numbers and digits and accountants' gimmicks; it's not about arguments about who perceives or feels what about this economic plan. This is about how the low-interest rates, deficit reduction, the business incentives and, most important today, the earned-income tax credit will affect the real lives of real people and help them to live and succeed in the way that we always speak as if we want them to be able to live and succeed. This is the real world. You met it today. I hope the Congress will make it possible in the next few days to have more families like this with more success stories. Thank you very much.

We can take a couple of questions.

Economic Program

Q. Mr. President, what do you think is the chance of your budget getting through?

The President. Good.

Q. We understand it's in deep trouble in the Senate.

The President. I think it's good. You have to listen not only to what's being said but how it's being said. You know, as more information gets out, it's just like I've always said, rhetoric was our enemy and reality is our friend. There's a story in the Wall Street Journal today that once again Americans are hearing the facts instead of the rhetoric and the bad-mouthing and the negativism of our opponents and people are saying, "Let's give the President's plan a chance," and more likely to support Members of Congress who support it than they are Members who oppose it. They're beginning to learn again that over 70 percent of the taxes now fall on families with incomes above \$200,000, the top 1.2 percent of the population, and that this

attack that the Republicans have used to try to convince ordinary Americans that they're being soaked, that there's no deficit reduction, is all a bunch of hooley. And I think we've got to get this out. So I'm feeling much better about it.

Q. Mr. President, that same survey shows that despite all the time you've spent on the economy, more people give you high marks for foreign policy than for handling the economy. Why do you think that's the case?

The President. Because they're still worried about their economic circumstances. And because they want results. And because the Congress hasn't passed the plan yet. We need to begin to do things. But if we pass the economic plan, if we move on the health care to welfare reform, deal with the crime bill, if the Senate will not filibuster the national service bill and open the doors of college education to all Americans and give people a chance to serve their country, then people will believe that Washington will do better. Also, the ratings of the Congress will go up. People want things done. They didn't hire us to come up here and give speeches. We've tried the speechifying for a good long while; it didn't work very well. They want things to be done. I think the American people are very patient in terms of knowing we've been getting into economic trouble for 20 years, and we followed a certain economic policy that I want to change for 12, and it's not going to turn around in 6 months or a year, that we've got a lot of effort to make. But they want to know that we're at least moving, that we're moving from talk to action.

And that's why I wanted these families to come here today, to point out that this really will affect people's lives. There was another article I saw in one of the papers this morning interviewing very small business people who had been told on the talk shows and from other sources that they were about to get wanged by this plan, and all of a sudden now they've realized they're going to get their expensing provision doubled, and over 90 percent of the small businesses in this country will have an opportunity to lower their tax burden if, but only if, they invest. So I think that reality is creeping back in, and that's a healthy thing always.

Iraq

Q. Mr. President, the Pentagon says that U.S. naval aircraft have again bombed Iraqi missile sites. Could you update us and tell us what exactly is going on?

The President. There is nothing out of the ordinary about what happened. It was not part of any new initiative. It was part of the old understandings under which our planes operate in that area and circumstances under which they respond.

Entitlements

Q. Mr. President, another controversial aspect of your plan deals with entitlements. A few days ago, Congressman Tim Penny said that you're considering issuing an Executive order to curb entitlements. My understanding is it would be modeled after the Stenholm entitlement budget provision in the House. Can you comment?

The President. The Stenholm provision basically imposes discipline on our budget. It says that if we miss the deficit reduction target in any given year in any given category, whatever the category is, whether it's general expenditures, revenues, or entitlements, that the President will have to come back in with a plan to meet the deficit reduction target, and the Congress must vote on it. They don't have to vote specifically for that, but they must vote for something. They have to vote on it. In the rather arcane rules of the Senate, there is some question about whether that provision can go on this budget bill without triggering a filibuster and, therefore, requiring 60 percent to approve that provision.

Now, I believe every Republican Senator is for the Stenholm amendment, in his or her heart. I believe that, because it is what they always say they want: spending discipline. And yet they are threatening to filibuster it. Why? Because it makes our bill stronger, because it's a real deficit reduction, because it undermines the ability to give speeches instead of doing something.

And so if they don't let the Stenholm provision go on the budget, then I will do my best to, by Executive order or through a separate bill or through some other measure, to get as much of that discipline as I can. I think we should every year—nobody, nobody running a business can foresee what's going to

happen for 5 years. The networks represented here can't do a 5-year budget and estimate with absolute exactitude what their revenues are going to be and who will watch what and all that sort of stuff. And you ought to make corrections every year, and this is the first time the Government's ever committed itself to that. I like it.

Bosnia

Q. Mr. President, are you considering the use of war planes over Bosnia, not just to protect U.N. peacekeeping forces but also to keep the supply lines going and perhaps to stop some of the shelling in Sarajevo?

The President. The best way for me to answer that today is to say that nothing has changed since I was asked that question and others yesterday. We're still waiting to hear from the U.N. When we do, when we make a decision, then I will respond.

NOTE: The President spoke at 12:02 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to participant Robin Dikeman. A tape was not available for verification of the content of these remarks.

Interview With the Nevada Media

July 29, 1993

The President. It's nice to hear your voice. I want to thank all of you for participating in this radio press conference or town hall meeting or whatever we want to call it. I'm glad to have the chance to talk with you.

Let me just say very briefly by way of summary, the Senate and the House are meeting today, trying to agree on a final version of the economic program which could then be presented for a vote next week. Obviously, I'm trying to secure passage of the program. I believe it is very important. I want to emphasize, if I might, some of the major features.

First, this is the largest program for deficit reduction in the history of the country, \$500 billion. Of every \$10 of deficit reduction, half of it is in spending cuts, very significant ones in nondefense as well as in defense, including 150,000-person reduction in the Federal