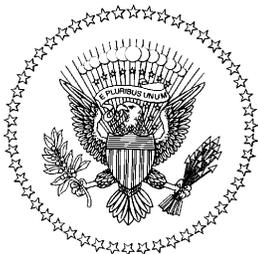


Weekly Compilation of
**Presidential
Documents**



Monday, September 25, 1995
Volume 31—Number 38
Pages 1569–1667

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Editor's Note: The President was in San Diego, CA, on September 22, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under

regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for \$80.00 per year (\$137.00 for mailing first class) and to foreign subscribers for \$93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is \$3.00 (\$3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

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Week Ending Friday, September 22, 1995

**Remarks to Representatives of
Senior Citizens Organizations**

September 15, 1995

Thank you very much. I'm delighted to see all of you. I'm glad to see you with your buttons and your—apparently, with your spirits intact. That's good. [*Laughter*]

As all of you know, we're having this huge debate in Washington today about the future of this country. I want to try to put this struggle over Medicare and Medicaid into some kind of proper context so that you can take it not only to the Members of Congress and to your own members but out to the American people at large.

There is an enormous consensus in our country, with which I agree, that we ought to pass a budget this time that will bring our books into balance by a date certain. I agree with that. We got into a bad habit, this country did, before I showed up here, in the eighties and the early nineties, of running a permanent deficit, not to invest, to grow the economy, to create jobs, but just because every year we preferred to spend more money than we were taking in. And it wasn't good for the country. We're on the verge of paying more in interest next year than we pay for defense, for example. And every year we keep doing that, we spend more and more on interest, and we have less and less to spend on everything else.

But why do we wish to do that? What are the values implicit in that choice? We do it because we want to free our children and our grandchildren from the burden of unnecessary debt. We do it because we don't want to have a country where the Government is taking all the money and the money will be free to be borrowed by private businesses to create jobs and to grow the economy. We do it because we think morally we'll be a stronger country if we don't just borrow money for the sake of borrowing it.

But our objectives will be undermined if we forget about the other obligations we have. That's why I've said, you know, we ought to balance the budget, but why would we cut education and thereby hurt the economy and hurt the future of the very children we're trying to help? Why would we undermine our ability to protect the environment and public health and thereby erode the very quality of life we say we're strengthening by balancing the budget?

And the same thing is true here. We have historically recognized significant obligations to the health care of people who are entitled to be taken care of through the Medicare program or, through no fault of their own, have to be given some assistance. It's a part of who we are; it's a part of what kind of country we are.

And that's what this fight over Medicare and Medicaid is all about. What are our obligations to each other? How are we going to fulfill them? This is a compact between the generations, a compact we have honored now for three decades. It has made America a stronger, better, more humane place. It has made family life more secure not only for seniors, not only for Americans with disabilities, but for their family members, their hard-working family members who knew that they got a little help so that they could all fulfill their responsibilities. These are the values I would argue that we want to advance as we try to balance the budget. We don't want to undermine them. We want to do this in a way that will bring the American people together, not tear the American people apart. That is what I am working to do here.

It is truly ironic that this whole Medicare fight is being played out against the background of the trouble that the Trust Fund is in. Where did you hear that first? From me, right? And in 1993 and 1994, when I said the Medicare Trust Fund is in trouble, we have to do something to lengthen its life, we have to do the responsible thing and keep

it strong, and I proposed solutions to keep it strong, some of those who are for cutting Medicare \$270,000 billion today said that I was raising a red herring, that it wasn't really in trouble, and why were we even worried about this. How quickly they forget.

But, thanks to the responsible people in the Congress in the last 2 years, we extended the life of the Medicare Trust Fund by 3 years. And in my balanced budget proposal, we extend the life of the Medicare Trust Fund by more than a decade from this day forward, making it in better shape than it's been in 9 of the last 15 years. That is what we have proposed to do and to do it without imposing new costs on seniors.

Now, the congressional Republicans have outlined their plan to balance the budget, which includes a \$270 billion Medicare cut—3 times the size of any previous cut—and a \$180 billion Medicaid cut. Together that's nearly half a trillion dollars taken out of the health care system over the next 7 years. I doubt seriously that the health care system can afford that. And that, again, affects all of us, not just people on Medicare, not just people on Medicaid. Almost half a trillion dollars.

Their plan would increase premiums and other costs for senior citizens. It would reduce doctor choice. It would force many doctors to stop serving seniors altogether. It threatens to put rural hospitals and urban hospitals out of business. Brick by brick, it would dismantle Medicare as we know it.

Now, here's the point. If all this were necessary, really necessary to save Medicare, maybe we'd all be willing to do it. But it isn't. And that is the point that has been missing from all this public debate, the point I tried so hard to make yesterday, the point you know but, I have to tell you, most of your fellow Americans, even members of your various groups who are on Medicare, do not know: The proposed reductions in the congressional or Republican congressional plan in Medicare spending on providers do go into the Trust Fund; the proposed increased costs on seniors do not go into the Trust Fund, as a matter of law.

So all this conversation we have heard about saving the Trust Fund—give them their due, when they're talking about holding

back money from Part A to the hospitals and the doctors, they're telling the truth; that will go into the Trust Fund. But the extra cost to seniors, by law, will not go into the Trust Fund. You know it, and I know it, and everyone in America should know it. Every nickel that will be taken from the seniors will go into the General Fund where it will be used to carry out this 7-year plan, which includes a very large tax cut. So this is a plan to take more from people on Medicare, three-quarters of whom live on less than \$24,000 a year, and put it into a tax cut, more than half of which will go to Americans who plainly don't need it.

Now that has to be driven home. That is a fact. And it is a fact I almost never hear discussed. This is not about saving the Trust Fund. If we were really about to see the Trust Fund go broke and there were no other options, we would all be saying, "Let's get in a room and roll up our sleeves and figure out what it is we have to do to save the best of this program," wouldn't we? Every one of us would be; none of you would be here raising sand about that. And you'd also want to say to the hospitals, "We want to keep you open," to the doctors, "We want to keep you going. We don't want to bankrupt anybody. Let's see how we can have a fair plan of shared sacrifice."

But by law, the money coming out of the seniors does not go to that Trust Fund. And it is a grave disservice to the American people not to just tell everybody that, not to say, "Hey, we'd like to fix the Trust Fund, and here's what the providers are going to have to sacrifice." Then you could look at the President's plan and their plan and you could compare. I think my plan asks about all of the providers they can come up with, and it adds 10 years to the life of the Trust Fund. Unless we can dramatically lower medical inflation, I think it asks about all we can right now. But it's good that it adds a long time to the Trust Fund.

But the money we're asking for from seniors—not us, but the congressional Republican plan—the money they ask for from the seniors won't go into that Trust Fund. And no one must be allowed to believe that it does. This is going into the balanced budget plan to pay for the tax cut.

I am also for a tax cut. I believe we ought to help working families raise their children and educate themselves and their children and give tax reductions for those purposes. But I do not favor funding them by raising the price of Medicare on the poorest elderly people when, as all of you know, the average senior citizen today is paying the same percentage of his or her income for health care in 1995 that they were paying in 1965 before Medicare came in. So it isn't true to say the seniors of this country haven't done their part to try to keep Medicare going. We've seen increased costs with inflation.

So I ask you to hammer this point home. This should not be a debate between things that the seniors and the disabled people of this country can't afford to pay and a system we can't afford to let go broke. That is not the choice. You know it; I know it. America must know it before these decisions are made. Fine, let's save the Trust Fund. We're going to do it. I've been working on it for 2½ years. We've made it better. But let us not pretend for a moment that it is necessary to do what is being done either to balance the budget or to save the Trust Fund. These fees on seniors are going up to meet that particular plan with that very large tax cut. And everyone must know that.

A lot of these most painful cuts have been hidden altogether. In this congressional plan, deep within the fine print of the Medicare plan are cuts to be revealed later. What is it called—automatic look-back. [*Laughter*] We've all done that once or twice in one or two ways.

Now, think about this: What about the Medicaid program? You hardly hear anything about Medicaid. People say, "Oh, that's that welfare program." One-third of Medicaid does go to help poor women and their poor children on Medicaid. Over two-thirds of it goes to the elderly and the disabled. All of you know that as well. America must know that. If we reduce projected Medicaid spending by \$180 billion and if States were to follow through with across-the-board cuts, our best estimates are that by the year 2000, there would be 300,000 people who would be either removed from or not be able to get into nursing homes and 4 million poor children who would not have access to medi-

cal care. Hundreds of thousands of families would have a much harder time caring for a member of their family in their home or helping their family members in some other way.

This is very important. If you don't do it across the board—you say, oh, we're going to take care of the people in nursing homes, the seniors—that's even more disabled people who are cut off. That's even more seniors in their homes who aren't helped. That's even more children who are in the streets without any health care. This is not a free ride.

Do we need to lower the rate of inflation in Medicaid? You bet we do. I proposed a plan to do that. It doesn't reduce spending by near as much as theirs does because I don't know that we can do that. I honestly believe these things are going to happen. And we need to consider the consequences of them. I don't want to do something that could close our rural and urban hospitals, that could make the lives of poor children even more difficult, that could be terrible for not only the disabled and the elderly who would be affected by it but for all their family members. You think about how many middle class working people are not going to be able to save to send their kids to college because now they'll have to be taking care of their parents who would have been eligible for public assistance.

I am not saying that we shouldn't balance the budget and that we don't have to slow the rate of increase. But look at the proposals we made in this administration. We made sensible, disciplined proposals that won't be easy to meet, but can be met and are directly related to saving the Medicare Trust Fund and to bringing the cost inflation down in health care and to balancing the budget, without asking the seniors of this country to pay for a tax cut for people who don't need it or where the size of it is too big.

And I'm telling you, you can have the right kind of tax cut, you can have a healthy Medicare Trust Fund, you can have reductions in cost inflation in Medicare and Medicaid, without these Draconian consequences. That's what you have to tell the American people. If these were the only choices, it'd be tough enough. But this is an easy choice

once you know the alternatives. If these health care cuts come to my desk, of this size, I would have no choice but to veto it. [Applause]

But let me say this: What always, always becomes the news every day is what the new fight is, what the new conflict is. We ought to be here to build a bridge. I can't believe anyone would willingly, willingly damage the seniors of this country, the Americans with disabilities, the children of this country as much as I believe this proposal will damage them, especially to pay for a tax cut that is too large, when we can have a targeted tax cut for education and child-rearing for middle class families without doing any of this, when we can balance the budget without doing any of this, when we can save the Medicare Trust Fund without doing any of this.

So I ask you to—I'm glad you cheered and I'm glad you clapped, but there is a bridge to be built here. We can get all Americans on the solution side of this problem. We can get Republicans and Democrats on the solution side of this problem. It is not too late. We have a few weeks here. But first, the American people must know the facts. So I implore you—most of you know so much about this you just assume other people do, too. And it is a very powerful thing to tell an average American working family that deeply believes in this country that we've got to do what it takes to save Medicare. That's a powerful thing. Well, we do. But this is not what it takes to save Medicare, this proposal that we're opposed to.

So I ask you, stand up for what you believe. Fight for what you believe. Know that I'll be there for you if it comes to crunch time. And if I have to use the veto pen, I will. But go out there and build a bridge. Start it with the facts, the evidence, the truth. Ask people to come to grips with the truth. And ask them what our obligations are to one another. Ask them why we're balancing the budget and don't we have to balance the budget consistent with our desire for strong families, for honoring the people who have made this country what it is today, and for building a better future for our children, whether they're rich or poor.

That, I think, ought to be the message. If so, we'll wind up building that bridge and making this country stronger.

Thank you, and God bless you all.

NOTE. The President spoke at 3:41 p.m. in Room 450 of the Old Executive Office Building. This item was not received in time for publication in the appropriate issue.

Executive Order 12971— Amendment to Executive Order No. 12425

September 15, 1995

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the appropriate privileges, exemptions, and immunities upon the International Criminal Police Organization (“INTERPOL”) it is hereby ordered that Executive Order No. 12425 be amended by deleting, in the first sentence, the words “the portions of Section 2(d) and” and the words “relating to customs duties and federal internal-revenue importation taxes”.

William J. Clinton

The White House,
September 15, 1995.

[Filed with the Office of the Federal Register, 11:28 a.m., September 18, 1995]

NOTE: This Executive order was released by the Office of the Press Secretary on September 16, and it was published in the *Federal Register* on September 19.

Proclamation 6824—National Rehabilitation Week, 1995

September 15, 1995

*By the President of the United States
of America*

A Proclamation

National Rehabilitation Week offers us a unique opportunity each year to measure our progress on the long road to creating a totally accessible society in America. This year, as we also mark the 5th anniversary of the

Americans with Disabilities Act and the 75th anniversary of the Rehabilitation Act of 1920, we can look back with satisfaction on the tremendous advances we have made on our journey.

Because of the passage and implementation of these landmark pieces of legislation, millions of Americans with disabilities have received the training and skills to become competitive and productive employees. Working Americans who became disabled in mid-life have received the help they need to adapt to their changed circumstances and to resume their contributions to our society. Today, employers across the Nation are working closely with State rehabilitation agencies to ensure that men and women with disabilities are trained to succeed at the jobs of tomorrow.

Thanks largely to the efforts of people with disabilities, America has come a long way from the time when these citizens were kept out of sight and out of mind. Today, our Nation's disability policies emphasize inclusion, independence, and empowerment. Our laws declare that Americans with disabilities have a fundamental right to full equality—and are entitled to the same choices and opportunities as their fellow citizens who are not disabled.

But we still have a long way to travel before we reach our goal of full equality in fact as well as in law. Today, two-thirds of all persons with disabilities remain unemployed, although many of them already have received appropriate training and rehabilitative services. And even more distressing, millions of these individuals would find it difficult to work if a job were offered to them simply because our society has not instituted the changes needed to help them perform their work responsibilities.

People with disabilities want to work, and it is vital that we offer them the means to gain full employment. Not only is this the right thing to do, it is the prudent thing as well. If America is to continue to succeed in our rapidly changing global economy, we cannot afford to waste the talents, knowledge, vision, or abilities of a single individual.

Let us celebrate National Rehabilitation Week by rededicating ourselves to the spirit of equality. As we move toward the era of

hope and opportunity promised by the 21st century, we must guarantee that every American has a share in that hope and ensure that the doors of opportunity are open to all. By empowering each person, including those with disabilities, to live up to his or her full potential, we will infuse our Nation with fresh energy for the challenges before us.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim September 17 through September 23, 1995, as "National Rehabilitation Week." I call upon the people of the United States, including government officials, employers, educators, and volunteers, to observe this week with appropriate programs, ceremonies, and activities honoring all those who work for self-determination, equal treatment, and full participation.

In Witness Whereof, I have hereunto set my hand this fifteenth day of September, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and twentieth.

William J. Clinton

[Filed with the Office of the Federal Register, 12:34 p.m., September 18, 1995]

NOTE: This proclamation was released by the Office of the Press Secretary on September 16, and it was published in the *Federal Register* on September 19.

The President's Radio Address

September 16, 1995

Good morning. Last week I spoke with you about what I believe must be done to reform our Nation's broken welfare system. I said that real welfare reform should reflect the values all of us as Americans share: work, personal responsibility, and family. And I challenged the Senate to put aside its partisan differences to stand up to ideological extremism and to find common ground and higher ground.

Ever since the 1992 campaign, I've been appealing to Americans to join me in an effort to end welfare as we know it. Since I

became President, I've been working to reform welfare State by State while pushing for national action in Congress.

Our administration has freed 34 States from Federal rules to enable them to move people from welfare to work. We've offered all 50 States the opportunity to set time limits on welfare, require people to work or stay in school, give private employers incentives to work. And it's working. The welfare rolls are down, the food stamp rolls are down across America. But we still need national action in Congress.

The votes taken this week by the United States Senate under the leadership of a bipartisan coalition of Democrats and moderate Republicans give us hope that a conclusion to this effort may only be days or weeks away.

After months of sometimes bitter debate, we are now within striking distance of transforming the welfare system in four fundamental ways: First, people on welfare will have to work in return for the help they receive. Second, no one who can work will be able to stay on welfare forever. Third, we will begin to make work possible by providing child care for mothers of young children. And fourth, we will put in place the toughest child support enforcement measures ever.

It wasn't always this way. Not long ago, some in Congress wanted to punish children for the mistakes of their parents, and some still do. Others wanted to pretend that States could require mothers to work without the child care they need.

But this week, an overwhelming bipartisan majority in the Senate rejected that course and began to insist that welfare reform should be about moving people from welfare to work, not simply cutting them off. Senators in both parties agreed to provide resources for child care.

They agreed that States have a responsibility to maintain their own efforts to move people from welfare to work and to care for poor children and that States should have access to a contingency fund to protect against an economic downturn that would put people out of work and on welfare through no fault of their own. They also agreed on a revolutionary work performance bonus that I have urged that for the first time ever will reward

States for placing welfare recipients into private sector jobs.

They agreed that instead of just cutting off young unwed mothers, we should require them to live at home, stay in school, and turn their lives around. And if their homes are unsuitable, this bill provides incentives for States to establish second-chance homes, a part of our national effort to reduce teen pregnancy and give young people a better start in life.

All these things have long been critical elements of my approach to welfare reform, from my service as Governor to my work as President. For 15 years I have worked on this problem. I know these things will make a real difference in moving people from welfare to work.

Soon, both the House and the Senate will have endorsed all the tough child support enforcement provisions I supported last year, including saying to parents who owe child support, "If you can pay up and you don't, we'll take your driver's license away."

Despite the progress we've made, our work isn't done yet. We'll be working hard on this bill over the next few weeks to make sure the right incentives are there to move people from welfare to work, to make sure children are protected, and that States not only share the problem but have the resources they need to get the job done. And we'll be working hard to build on the bipartisan progress we made this week. We must not let it fall apart when the House and Senate meet to resolve their differences.

Still, there are some on the far right who say they don't want welfare reform at all unless it meets all their ideological litmus tests. These extremists want to cut off all help to children whose mothers are poor, young, and unmarried, even though the Catholic Church and many Republicans have warned that this would lead to more abortions. These same people want Washington to impose mandates, like a family cap, even though Republican and Democratic Governors alike agree that these decisions should be left to the States.

By an overwhelming bipartisan majority, the Senate showed wisdom and courage in rejecting those litmus tests this week. I challenged the conference committee of House

and Senate Members to do the same. One of the primary reasons I ran for President was to reform welfare. I've done my best to do it without congressional action, but with the right kind of congressional action, we can do the job right. We can advance work and personal responsibility and family.

Finally, we're on the verge of coming to grips with one of the most fundamental social problems of our time, moving people from welfare to work. Now we must finish the job, and we can't let ideological extremism and politics as usual get in the way. Make no mistake: If Congress walks away from this bipartisan progress, they will kill welfare reform.

But we've worked too hard, too long, to let partisan extremism kill this effort. Welfare reform will not work and cannot pass unless it's a truly bipartisan effort. And it will only become law if it truly reflects the spirit of our great Nation and the values of all Americans.

There's an important lesson in what took place this week. If we can find common ground on the issue of welfare reform, surely we can find it in our efforts to solve our other problems, especially in our effort to balance the budget in a way that will strengthen families and prepare our citizens to meet the challenges and opportunities of the 21st century. Let's do welfare reform, then let's do the budget and do it right.

Thanks for listening.

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

Memorandum on Travel to Lebanon *September 15, 1995*

Presidential Determination No. 95-42

Memorandum for the Secretary of Transportation

Subject: Partial Resumption of Travel to Lebanon

By virtue of the authority vested in me by 49 U.S.C. 40106(b), I hereby determine that the prohibition of transportation services to Lebanon established by Presidential Determination 85-14 of July 1, 1985, as amended by Presidential Determination 92-41 of Au-

gust 17, 1992, is hereby further amended to permit U.S. air carriers, solely through inter-line arrangements, to engage in foreign air transportation to and from Lebanon of:

- a) passengers who are not U.S. citizens; and
- b) U.S. citizen passengers who have received written approval from the Department of State for travel to Lebanon; and their accompanying baggage.

All other prohibitions set forth in the above-referenced Presidential Determinations, including the prohibition on direct operations to Lebanon by U.S. air carriers, remain in effect.

You are directed to implement this determination as soon as is practical, with due regard to the safety of travelers going to and from Lebanon.

You are further directed to publish this determination in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on September 18.

Proclamation 6825—Citizenship Day and Constitution Week, 1995

September 16, 1995

By the President of the United States of America

A Proclamation

Americans, unlike many other peoples, are linked to one another neither by the confines of geography nor by centuries of tradition. Instead, we base our citizenship on a foundation of shared ideals and ideas, bringing gifts from every country, race, and culture. Those whose ancestors came to these shores long ago and first-generation immigrants alike—all are bound by the unique set of principles set forth in the documents that established and continue to define this Nation.

We find our heritage in profound words: in the declaration that all men are created equal, endowed with unalienable rights to life, liberty, and the pursuit of happiness; in the invitation of liberty extended to the tired, the poor, the huddled masses yearning to breathe free; and in the pledge to remain

one Nation, under God, with liberty and justice for all.

Perhaps the greatest expression of our national identity is the United States Constitution. Adopted on September 17, 1787, the Constitution describes the parameters of our Government and the rights and responsibilities that accompany American citizenship. From its phrases we derive our precious rights to free expression and religious liberty, and we assume the responsibilities of electing our leaders and participating in the workings of government.

Yet the genius of the Constitution is not simply in forming "a more perfect Union," but in framing an ideal and providing a means for progress toward its realization. As Abraham Lincoln once stated, our Founding Fathers "meant to set up a standard maxim for free society, which should be familiar to all, and revered by all; constantly looked to, constantly labored for, and even though never perfectly attained, constantly approximated, and thereby constantly spreading and deepening its influence, and augmenting the happiness and value of life to all people of all colors everywhere."

Indeed, this bold experiment in self-government has inspired more than 200 years of striving for true justice and freedom. From the beginning, there was a dissonance between the plain meaning of our creed and the reality of American life, and constitutional history reflects the vital changes wrought by amendments, civil war, and tremendous social transformations. Emancipation, women's suffrage, civil rights, voting rights—all these began as the struggles of citizens who joined together to push our Nation toward the ideals enshrined in our Constitution and whose efforts were encouraged by the Constitution itself.

In honor of the paramount importance of the Constitution in setting forth the fundamental doctrines of our country and in recognition of the role each American must play in bringing these words to life, the Congress, by joint resolution of February 29, 1952 (36 U.S.C. 153), designated September 17 as "Citizenship Day," and by joint resolution of August 2, 1956 (36 U.S.C. 159), requested the President to proclaim the week begin-

ning September 17 and ending September 23 of each year as "Constitution Week."

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim September 17, 1995, as Citizenship Day and September 17 through September 23, 1995, as Constitution Week. I call upon Federal, State, and local officials, as well as leaders of civic, educational, and religious organizations, to conduct meaningful ceremonies and programs in their schools, churches, and other community gathering places to foster a better understanding of the Constitution and the rights and duties of citizenship.

I further call upon the officials of the Government to display the flag of the United States on all Government buildings on September 17, 1995, in honor of Citizenship Day.

In Witness Whereof, I have hereunto set my hand this sixteenth day of September, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and twentieth.

William J. Clinton

[Filed with the Office of the Federal Register, 12:35 p.m., September 18, 1995]

NOTE: This proclamation was released by the Office of the Press Secretary on September 18, and it was published in the *Federal Register* on September 19.

Remarks Prior to a Meeting With Community Leaders in Philadelphia, Pennsylvania

September 18, 1995

First of all, let me say to all of you how much I appreciate your taking the time to come here and discuss this with me today. To all who have spoken, I appreciate the kind remarks you had about the efforts of the administration.

I think the time and effort we have put in on this is not so much rooted in the political party I happen to belong to as the fact that I happen to have been a Governor for a dozen years, and I have closed defense bases. And I have also worked for a decade

on trying to restructure the economy of a State that was devastated in the first big recession of the early eighties. And if you look at the challenge to America of creating jobs and raising incomes that we faced here in 1993, when I became President, it is obvious that—it was obvious to me then; it's more obvious to me now—that general policies that may generate an enormous amount of economic opportunity will still leave great pockets of problems, rooted primarily in America today in two things: one is the general distress of isolated urban and rural areas, and second and to the point here, the aggravated impact in some areas of the defense cutbacks in terms of base closings and the defense contracts being cut.

So in 1993, we developed a plan to try to accelerate the rate by which we could turn over these facilities to localities so we could begin more quickly to generate jobs. And then, in 1994, we gave, I think, some of the property here at the Philadelphia Naval Yard. And now what I'm interested in doing is finding out what the remaining problems are, what I can do to accelerate it.

I do believe that we have, as the mayor said, committed over \$100 million to this project. That's not counting the approximately \$170 million in loan guarantees we were prepared to come forward with through NARAD if this shipbuilding project goes forward. I think that is an appropriate thing for our country to do for a naval yard that built and repaired ships for this country throughout virtually its entire history, and for the workers who have given their entire lives to this work.

I would like to emphasize that we have also had a very strong interest in maintaining and enhancing the shipbuilding capacity of the United States. I believe that the international economics have changed on that. I think we have opportunities we simply did not have 10 years ago. I have seen, because of our efforts and also because of the international market and because of the increasing productivity of American workers, I have seen a major facility saved in southern California; I have seen new contracts from around the world come to the Gulf Coast and to the Atlantic Coast. And so, again, I

think that this project is really worth pressing.

I think trying to maintain these kinds of jobs for the people here is not an unrealistic expectation in the world as it exists today and the future as far as we can foresee it. So I would encourage you to do that.

One last thing I'd like to say is that we really want to help you do what you want to do. My strong belief is that the Federal Government works best, in economic areas and quite often in social policy, when we are giving help, giving encouragement, being a partner, but the ultimate decisions are being made by people at the grassroots level.

I just visited a part of Philadelphia that's in your empowerment zone today and the same philosophy for me holds there. In our education reforms we've tried to do that. Tomorrow, Governor, we're going to announce the next round of grants for the School-to-Work project, which is developing training programs for people who don't go to 4-year colleges. And Pennsylvania will get about \$6.5 million in that. Again, projects designed by Pennsylvanians for your State, not something that somebody in Washington decided that you ought to be doing.

I also would like to say a special word of thanks to Dr. Singerman for leaving the Ben Franklin Partnership and coming to work for us. Now, if you don't like what we're doing, you can blame him instead of me. *[Laughter]* And you can literally say that he knows better—*[laughter]*—because of his long experience with you. We thank you.

And the last thing I'd like to say is, again, I want to say a special word of thanks to the Members of Congress here and to you, Senator Specter, for the work you have done to try to give us a chance to develop a bipartisan economic policy, to get the people in this country through the economic transition period that we now see underway.

And lastly, let me just say there can be light at the end of the tunnel. I was in northern California a few days ago. There is an air base there that was closed—an Army base—a few years ago that now has far more employees than it did on the day that it closed. We are on the verge of doing that in three or four other places—and the same or higher quality jobs, not just more jobs.

We can do this here, and we can do it more quickly if we can figure out how to serve you better and, obviously, if we could get one big project early, a magnet project. All these big developments always work better if you can get somebody to anchor it early.

So I want to be there, I want to help. And I thank you for all that you've done so far. Thank you.

NOTE: The President spoke at 5:23 p.m. at the Wyndham Franklin Plaza Hotel. In his remarks, he referred to Phillip A. Singerman, nominee to be Assistant Secretary of Commerce for Economic Development.

Remarks at a Fundraiser in Philadelphia

September 18, 1995

Thank you very much. Ladies and gentlemen, thank you for being here tonight and for all your support. I want to thank, obviously, Tom Leonard and Ken Jarin and Alan Kessler and Bill Batoff and Lynn Barrick and everyone else who worked so hard on this. Mr. Mayor, we're delighted to be back in your city. I thank my good friends from Pittsburgh for being here, and from throughout the State, the State legislators and others, and of course, the four distinguished Members of the House of Representatives who are here, without whom a lot of the accomplishments the Vice President just reeled off would not have occurred.

I'd also like to say a special word of thanks to two Pennsylvanians—one of who is here and one of whom is not—to my good friend Harris Wofford for helping me to give birth to national service and for now, his willingness to lead the fight to preserve national service and to increase it; and to Marjorie Margolies-Mezvinsky for her wonderful leadership in Beijing, China. I thank you.

I came up here, and the Vice President had just concluded and introduced me. I said, "Al, whatever I say now I'm going to be behind. Why don't you just keep on talking, it sounds pretty good." I'd forgotten we did half the stuff he talked about.

I say that only half in jest. You know, when I asked Al Gore to become the nominee for Vice President on our Democratic ticket, I

did it after we had a long set of talks, and we agreed that we were going into an uncertain time when we had to make difficult decisions rooted in what was best for the United States over a 10- or a 20- or a 30-year period, that might not be popular in the short run, that might not even be able to be easily explained in the short run. We knew that.

And we and our wonderful spouses made a commitment to an administration that would always look toward the future, that would always embrace new ideas, that would have the highest standards of excellence, but most important of all, would seek to find common ground in the things we all believe in: the preservation of the American dream, bringing Americans together around work and responsibility and family and community, leading the world into a new era of peace and prosperity, and giving our children the opportunity to have a better future in the 21st century. And I am very grateful for that.

One of the reasons I like dealing with people like your mayor is that they're open to new ideas and to changing things. And thanks to the Vice President, we've done a lot of those things he talked about. It may take 10 more years, but some day America will develop what we call in our administration a clean car, one that will get triple or quadruple the mileage that automobiles get today and produce less air pollution and contribute less to the global warming that we all now see all the scientists in the world saying is a problem. There may not be a single vote in it, but our children will live in a better world because Al Gore made a partnership with the auto companies for a clean car and a cleaner future. That is the sort of thing that we have tried to do.

When we started this work on reinventing Government, I said, you know, there's never been a single incident when a President or an administration generated any popular support for changing the way the Government works. But we are going into a new age, and we can no longer have a top-down bureaucracy that is too heavy with management, that delivers too few services, and is too oriented toward yesterday's top-down regulation. It may not be any sort of political benefit in it, but 10 years from now, our country will

be better off because we have downsized the Government, because we have abolished regulations, because we have forged new partnerships with people to do the right things because they want to do the right things, not because someone in Washington is figuring out 900 different ways to tell them how to do it.

These are the kinds of things that we have tried to do. And I say that simply to make this point, that I really have appreciated the kind of partnership that the Mayor discussed that the Vice President and I have enjoyed. We've done a lot of things that no other administration has done. And we have been told we were politically crazy for doing it. We were advised not to liberate Haiti, but we did it and it worked out all right.

We were advised that if I became the first sitting President to take on the NRA over the issues of the Brady bill and the assault weapons ban that it would be a terrible political mistake. And it turned out to be a terrible political mistake for a lot of brave Members of the House of Representatives who laid down their seats in Congress so that we could keep Uzis out of schools and off the street and keep kids from being shot down in drive-by shootings. But it was the right thing to do.

And let me tell you, we were told that we had no business becoming the first administration to ever take on the powerful tobacco companies in our campaign to reduce teenage smoking. But 3,000 kids start smoking every day and 1,000 of them will have their lives shortened as a result, and who cares what the political consequences are? It is the right thing to do. And that is the kind of thing we are trying to do.

I say that to make this general point about why it is so important that you're here today. This is an incredible country that we have been given, and we happen to have been given the responsibility to live in this country at a remarkable moment in history.

When I ran for President in 1991 and 1992, I did so believing that the end of the cold war and the dawn of this new global economy presented us with challenges which would require us to change the way we conducted our business, both personally as families and communities and as a country, and

that we had to break out of a lot of the established ideas that both parties had advanced. And I wanted to do that. I did not imagine, even though I thought I understood it well, the absolute scope and sweep and depth of those changes.

And I come here tonight to tell you that I believe we are living through the period of most profound change in the way we live and work as Americans that we have experienced in 100 years.

It was about 100 years ago when we basically became an industrial and more urbanized country, shifting from an agricultural and rural country. And we had to decide what that meant about how we were going to treat each other. For when we became an industrial country, a lot of people were getting fabulously wealthy, and it was a time of incredible opportunity. But a lot of the ties that bound people together were uprooted; families were uprooted; whole communities began to disappear. People came to great urban centers looking for opportunities. Immigrants came here from other countries looking for opportunities. And those that found them were doing very well. But we also saw children working 10, 12, 14 hours a day, 6 days a week in the mines and the factories of this country. We saw an absolute disregard for the preservation of our natural resources.

And for about 20 years we had this raging debate, and we decided that the National Government should promote genuine competition, if it meant breaking up monopolies; should protect children from the abuses of child labor that were then present; should attempt to preserve our natural resources; and should, in common, promote the personal well-being and the development of our people. Those decisions were made about 100 years ago, from roughly 1895 to about 1916.

And what happened after that was the most dramatic, breathtaking period of economic and social progress in the United States ever experienced by any country. Yes, we had to get through the Great Depression; yes, we had to win a great world war; yes, we had to make good on the promise of the Civil War and the amendments thereafter to liberate ourselves from legalized racial dis-

crimination. But it all happened because we decided that we were going to be one country, that we were going to live up to the promise of the Constitution and our best values in a new time.

We are now going through all that all over again. When you hear these radical debates in Washington, you hear people say things you think are half crazy, you should not be surprised; it is because we are being kind of uprooted again. For we are moving from an industrial economy to one based on information and technology, even manufacturing more based on information and technology. We are moving from a cold war arrangement among the nations where we're divided into two armed camps of nation states looking across the Iron Curtain at each other into a global economy where the borders of all nations are becoming more porous, as money and technology and trade flee around the world at rapid paces; where we're becoming more integrated economically, but in every country there are pressures for disintegration as the global economy makes it more difficult for families and communities to keep going and as radical political groups tend to arise capturing the benefits of the frustration of ordinary people. And you see it all across the globe.

We don't now fear a bomb dropping on us from the Soviet Union. I am proud to say that since I've been President, for the first time since the dawn of the nuclear age there are no Russian missiles pointed at the people of the United States. And you should be proud of that.

But we do see the development of organized terrorism all around the world, whether it is someone blowing up the Federal building in Oklahoma City or someone blowing up a school bus of innocent people in Israel or someone breaking open a vial of poison sarin gas in a subway in Tokyo.

So we're living now in a world that is in transition, that is full of incredible possibilities, exhilarating hope, and troubling change. It is against that background that this election in 1996 must occur. It is our duty to preserve the American dream for our children. It is our duty to bring the American people together around our common values of work and family and responsibility and commu-

nity. It is our duty to lead the world to a new era of peace and prosperity. And we ought to be happy about doing our duty.

We also have to understand that in a period like this, it is hard for a lot of people to sort out what's going on and that we cannot worry about what is popular in the short run. We have to do what we think is right 10 or 20 or 30 years from now. There is no political roadmap. We must create the future consistent with our values, not based on what we think is popular in the moment.

So I say to you, I have loved the opportunity to serve as your President. I have been frustrated from time to time when there was no clear answer. And in the end, I have tried to do what I thought was right. The Vice President's account of our record would indicate that, more often than not, it's come out all right.

But we have to look to the future. What is our job in the future? Let's look at the economy. Let's just begin with that. If I had told you 30 months ago that in the space of 2½ years we would have 7½ million new jobs, 2½ million new homeowners, 2 million new small businesses, a record number of new self-made millionaires in America, the stock market would go over 4,700, we'd have record corporate profits, the African-American unemployment rate would drop below 10 percent for the first time in more than two decades, but the median wage of Americans, the guy in the middle, would drop in the midst of all this, it would have seemed impossible. But that's exactly what happened.

Why? Because only some of us are doing well in this global economy; because we live in a world where what you earn depends on what you can learn; because there are some people who are caught in the transition from a defense to a domestic economy—that's why we had the meeting about what's going to happen at the Philadelphia shipyard today—because there are some places that have been ignored in all this entrepreneurial explosion and no one is investing in our best economic opportunity, which is all the working people of America who live in poor communities. That's why we have the empowerment zone program. But it's not surprising when you hear all this fabulous economic news and you

realize it hasn't reached everybody. So it is our duty to see that it reaches everybody.

If you look at our social situation, believe it or not, in almost every major area in America the crime rate is down, the murder rate is down, the welfare rolls are down, the food stamp rolls are down, divorce is down, and abortion is down. Almost everywhere we are coming back to our roots. But we still know it's way too high. And we're afraid of losing our children because juvenile crime is up, people under 18 are committing more crime, because casual marijuana use among young children is up, because they don't know if they've got a future.

So what we have to do is to say, "Hey, look at what's going on good in this country. We can do it. We can make it." And we have to have the discipline and courage to spread those good things to everybody in this society. I honestly believe if we do our job in this period of transition, our best days are before us. But we have to remember what we're trying to do.

Now, if you look at the budget debate in that context, to me, what we ought to do becomes easier, and it's not so partisan or political. Should we balance the budget? You bet we should. This country never had a permanent deficit unrelated to economy slowdowns until 1981. It was only 12 years ago—or 12 years before I became President—that there was a political decision made or not made, that it was easy to cut taxes and increase spending and then too hard to do anything about it, so we just run a deficit from now to kingdom come.

Always before, the country borrowed money for two reasons: One is, there was an economic slowdown, and we needed to pump things up. And that was a good thing to do. The other is, we needed to borrow money as a nation the way you borrow money as a family or a business, the same way you'd borrow money to buy a home or start a business. We didn't borrow money to go out to dinner on until 12 years before I became President. And in only 12 years, we quadrupled the debt of the country.

The Democratic Party should work with the Republican Party to get rid of this. It is a bad precedent. We're spending more and more money on interest on the debt. It we

don't balance the budget next year, we'll spend more on interest than we do on defense. This year, the budget would be in balance but for the interest we pay on the debt run up in the 12 years before I took office. And we've taken the deficit from \$290 billion to \$160 billion a year, and we ought to go all the way until we get the job done. America should invest in the future, not squander the present. And we should all be for that.

But we should do it consistent with our values. Why are we going to do it? Because we want America to be stronger in the 21st century. We want our kids to have the American dream like we had. What does that mean for how you balance the budget? It means, number one, don't cut education, don't cut technology, don't cut defense conversion, don't cut research and development. All together, it's a small part of our budget.

But if we want to grow the economy and give children a chance, why would we reduce the number of people on Head Start? Why would we reduce the number of schools in the Safe and Drug-Free Schools program or the number of schools that can teach character education to kids who may not get it anywhere else or the number of schools who can put computers in their classes or have smaller classes for poor kids so they can get the kind of instructions they need or the number of people who can get low-interest college loans on better repayment terms or scholarships? No, we should balance the budget, and we can have a tax cut. But we can't balance the budget in 7 years with a tax cut that the Congress proposes without cutting education. And cutting education would be like cutting the defense budget at the height of the cold war. It's our national security. We ought not to do it. We ought to avoid that.

And I say, not because it's money, but because of the way the money is being invested now. High standards, high expectations, high accountability: That's what we're doing now, grassroots reform. It is different than it used to be. It's not just throwing money at the problem.

The same thing about Medicare. Our administration warned 2 years ago that the Trust Fund which finances hospital care for Medicare was close to running out of money.

We warned that. And we said, here's a plan to give it more life. And the people now in the majority in Congress said we were wrong, said we were crazy, said we didn't know what we were doing. And so without any help, we added 3 years to the life of the Medicare Trust Fund. Then, in health care reform, we proposed to do some more. And they said, "Oh, you can't cut Medicare by that much. You'll wreck the system." Now that they're in the majority, they've proposed to cut it more than twice as much as we ever did.

Now, do we have to slow the rate of health care inflation to preserve Medicare for future generations? Yes, we do. Yes, we do. We absolutely should. Do seniors who have the ability to pay a little bit more have a responsibility to do it because they have very high incomes? I think you can make that case.

But here is what is going on, folks. Under the guise of bailing out the Medicare Trust Fund, people in Congress are trying to require elderly people who make less than \$24,000 a year—don't forget, three-quarters of all the people on Medicare in this country make less than \$24,000 a year—they want them to pay more in their own premiums. And what they don't tell you is, not a single penny of that money goes into the Trust Fund. The premium money goes to pay for things like doctor bills, and that's paid for out of the general budget. So what they're saying is, we want to charge elderly people with incomes of less than \$24,000 a year more so we can pay for this tax cut and balance the budget in 7 years.

I say, let's save Medicare. But let's don't take money away from older people with less than \$24,000 to give it to people like me who have not even asked for a tax cut but do want their budget balanced. Let's do it consistent with America's values and what we owe to the people of this country who have made us what we are.

The Vice President talked about the environment. You know, my family and I just took a vacation in Yellowstone and Grand Teton National Parks. And every day, we benefit from what our country has done for public health and the environment that we don't even think about, cleaner air, clean water, safe food. Now there are those who say, well, we shouldn't even have the govern-

ment involved in this. The House of Representatives actually defeated an amendment twice to say well, at least give us the money to go ahead and regulate things like arsenic in water. They defeated once an amendment that said, at least give us the chance to keep things like cryptosporidium out of municipal water supplies. That's what killed all those people in Milwaukee about a year ago.

Now, folks, Al Gore, since he's been Vice President, running our reinventing Government project, has helped us to eliminate 16,000 pages of Federal regulations. We have cut regulations at the Small Business Administration in half. We cut the budget of the Small Business Administration by 40 percent and doubled the loan volume—doubled the loan volume. We kept the loan volume the same to white males and dramatically increased it to females and minorities and never changed the standards. We're committed to less regulation. We've cut the regulations at the Department of Education on school districts by 40 percent. We're cutting the time people have to fool with the EPA by 25 percent. We want to get rid of regulation, but somebody has to show up every day to make sure that your children have clean water, clean air, and safe food. We should not cut that to balance the budget.

You heard the Vice President talking about crime. The crime bill we adopted was rooted in the advice we got from prosecutors and police officers. It was bipartisan. Mayor Rendell came down with Mayor Giuliani from New York several times to lobby for the crime bill. It has punishment. We just convicted the second "three strikes and you're out" felon, five serious felonies. For once, the guy is going to jail for life so he can't hurt anybody anymore. We have more police officers on the street, and we have more prevention to give our children something to say yes to.

There are those who say, "Well, let's just get rid of it. Send a check to the States." I say, we had a solemn commitment to 100,000 police. This is a small part of the bill. We paid for it entirely by personnel cuts in the Federal Government. That is not the way to balance the budget.

I could give you a lot of examples. I just want to give you one more because to me,

it represents the most important thing of all. In the world toward which we're moving, it's going to be harder and harder to keep families together. More and more parents are working, more and more two-parent families are working. The most important job of any society is still to raise children in an appropriate way. We, therefore, have no more important obligation than to enable people to succeed as parents and as workers. I think we would all admit that. That's why the family leave law was so important.

Another thing that we did in that budget last year was to cut taxes on 15 million American working families with over 50 million Americans, almost 20 percent of our people, through something called the earned-income tax credit, the family tax credit. You heard the Vice President talking about it. Eventually, it will lower taxes for families of four with incomes of under \$30,000 or \$31,000 a year; for families of four with incomes of \$11,000 a year, they can get up to \$3,000 back. Why? Because we believe no one should be taxed into poverty.

If you want people to move from welfare to work, if you believe in family, work, and responsibility, then people who are willing to go out there and work full-time and still do the best they can with their kids and they're making all they can make, should not be taxed into poverty. The tax system should lift them up, not tear them down.

Now, in this budget fight, there are those who believe that they should get rid of this earned-income tax credit or cut it in half or cut it by a third. How in the world can we justify raising taxes on low-income working people, lowering taxes on folks like me, and then telling them, "Don't you be on welfare. You get out there and work. You do your part."

This is not about money. This is about who we are. What are our obligations to one another? How are we going to give our kids the American dream? I'm telling you, I will say again: This is a very great country. We wouldn't be around here after almost 220 years if this were not a great country and if more than half the time we didn't make the right decisions. We have a set of 100-year decisions to make—100-year decisions. You know that, deep in your bones, you know

how much change we're going through. But what works is what has always worked for us. When we look to the future, when we work together, when we try to give people the ability to make the most of their own lives, when we try to be a force for peace and freedom throughout the world, we do just fine.

So I say to you; This is not an ordinary election. And this election cannot be won by sound bites. And this election cannot be run on the politics of resentment. This election must be won by the mind and the heart and the vision of Americans looking down the road to the next generation and saying, I want the 21st century to be an American century, too. I want the American dream to be alive and well.

When I was born, in my home State the per capita income was 56 percent of the national average. I was the first person in my family ever to go to college. I was raised by a grandfather with a 6th-grade education. I became President of the United States not because of my hard work and my innate goodness but because I had the help of a country that cared about the old-fashioned things and wanted every single American to have access to them.

So I say to you, if we do this election right, if we make these 100-year decisions right, the best is yet to be.

Thank you, and God bless you all.

NOTE: The President spoke at 9:05 p.m. at the Wyndham Franklin Plaza Hotel. In his remarks, he referred to Philadelphia Democratic fundraisers Thomas A. Leonard, Kenneth M. Jarin, Alan C. Kessler, William Batoff, and Lynn Barrick; Mayor Edward Rendell of Philadelphia; and Mayor Rudolph Guiliani of New York City.

Statement on the Death of Helen McLarty

September 18, 1995

Hillary and I were deeply saddened to learn of the death of a wonderful woman and good family friend, Helen McLarty.

I have known Helen McLarty my entire life. She was an exemplary citizen and a devoted wife and mother. Like my own mother, she fought a long battle against cancer with

courage and perseverance. Throughout her illness, she was a constant source of strength to all of those around her.

In addition to the love and support she gave to her family, Helen McLarty was a remarkable citizen whose contributions to her community—as the first woman to serve on the Arkansas Industrial Development Commission and as a partner with her husband in building the McLarty Companies into one of the region's largest transportation firms—will not be forgotten.

Our thoughts and prayers are with Helen's sons, Mack and Bud McLarty, her grandchildren, and the rest of her family and friends during this difficult time.

Message to the Congress on Iran *September 18, 1995*

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 of March 15, 1995, and matters relating to Executive Order No. 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12957 and matters relating to Executive Order No. 12959.

1. On March 15, 1995, I issued Executive Order No. 12957 (60 *Fed. Reg.* 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Congress by message dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order No. 12959 to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order No. 12959 (60 *Fed. Reg.* 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits transactions such as brokering and other dealing by United States persons in goods and services of Iranian origin or owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of transactions that a United States person is prohibited from performing; (6) continues the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by any United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allowed U.S. companies a 30-day period in which to perform trade transactions pursuant to contracts predating the Executive order.

In Executive Order No. 12959, I directed the Secretary of the Treasury to authorize through licensing certain transactions, including transactions by United States persons related to the Iran-United States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and other international obligations and United States Government functions. Such transactions also include the

export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.

Executive Order No. 12959 revokes sections 1 and 2 of Executive Order No. 12613 of October 29, 1987, and sections 1 and 2 of Executive Order No. 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order No. 12959 was transmitted to the President of the Senate and Speaker of the House by letter dated May 6, 1995.

2. In its implementation of the sanctions imposed against Iran pursuant to Executive Order No. 12959, the Office of Foreign Assets Control (FAC) of the Department of the Treasury has issued 12 general licenses and 2 general notices authorizing various transactions otherwise prohibited by the Executive order or providing statements of licensing policy. In order to ensure the widest dissemination of the general licenses and general notices in advance of promulgation of amended regulations, FAC published them in the *Federal Register* on August 10, 1995 (60 *Fed. Reg.* 40881). In addition, FAC disseminated this information by its traditional methods such as electronic bulletin boards, FAX, and mail. Copies of these general licenses and general notices are attached to this report.

General License No. 1 described those transactions which were authorized in connection with the June 6, 1995 delayed effective date contained in Executive Order No. 12959 for trade transactions related to pre-May 7 trade contracts. General License No. 2 authorized payments to or from Iran under certain circumstances and certain dollar clearing transactions involving Iran by U.S. financial institutions. General Licenses No. 3 authorized the exportation of certain services by U.S. financial institutions with respect to accounts held for persons in Iran, the Government of Iran, or entities owned or con-

trolled by the Government of Iran. General License No. 3 also contained an annex identifying 13 Iranian banks and 62 of their branches, agencies, representative offices, regional offices, and subsidiaries as owned or controlled by the Government of Iran. General License No. 4 authorized (1) domestic transactions involving Iranian-origin goods already within the United States except for transactions involving the Government of Iran or an entity owned or controlled by the Government of Iran, and (2) transactions by United States persons necessary to effect the disposition of Iranian-origin goods or services located or to be performed outside the United States, provided that they were acquired by that United States person in transactions not prohibited by the order or by 31 C.F.R. Part 560, that such disposition does not result in the importation of these goods or services into the United States, and that such transactions are completed prior to August 6, 1995. General License No. 5 authorized the importation into the United States of information and informational materials, confirmed the exemption of such information from the ban on exportation from the United States, and set forth a licensing policy for the exportation of equipment necessary to establish news wire feeds or other transmissions of information. General License No. 6 authorized the importation into the United States and the exportation to Iran of diplomatic pouches and their contents. General License No. 7 provided a statement of licensing policy for consideration, on a case-by-case basis, to authorize the establishment and operation of news organization offices in Iran by U.S. organizations whose primary purpose is the gathering and dissemination of news to the general public. General License No. 8 authorized transactions in connection with the exportation of agricultural commodities pursuant to pre-May 7 trade contracts provided that the terms of such contract require delivery of the commodity prior to February 2, 1996. General License No. 9 authorized import, export, and service transactions necessary to the conduct of official business by the missions of the Government of Iran to international organizations and the Iranian Interests Section of the Embassy of Pakistan in the United States. General License No.

10 provided a statement of licensing policy with respect to transactions incident to the resolution of disputes between the United States or U.S. nationals and the Government of Iran in international tribunals and domestic courts in the United States and abroad. General License No. 11 authorized the exportation of household goods and personal effects for persons departing from the United States to relocate in Iran. General License No. 12 authorized the provision of certain legal services to the Government of Iran or to a person in Iran and the receipt of payment therefor under certain circumstances.

General Notice No. 1 described information required in connection with an application for a specific license to complete the performance of pre-May 7 trade contracts prior to August 6, 1995 (except with respect to agricultural commodities as provided by General License No. 8). General Notice No. 2 indicated that the Department of the Treasury had authorized the U.S. agencies of Iranian banks to complete, through December 29, 1995, transactions for U.S. exporters involving letters of credit, which they issued, confirmed, or advised prior to June 6, 1995, provided that the underlying export was completed in accordance with the terms of General License No. 1 or a specific license issued to the exporter by FAC. General Notice No. 2 also noted that the U.S. agencies of the Iranian banks were authorized to offer discounted advance payments on deferred payment letters of credit, which they issued, confirmed, or advised, provided that the same criteria are met.

3. The Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR"), have been comprehensively amended to implement the provisions of Executive Orders No. 12957 and No. 12959. The amended ITR were issued by FAC on September 11, 1995 (60 *Fed Reg.* 47061-74) and incorporate, with some modifications, the General Licenses cited above. A copy of the amended regulations is attached to this report.

4. In consultation with the Department of State, FAC reviewed applications for specific licenses to permit continued performance of trade contracts entered into prior to May 7, 1995. It issued more than 100 such licenses

allowing performance to continue up to August 6, 1995.

5. The expenses incurred by the Federal Government in the 6-month period from March 15 through September 14, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran are approximately \$875,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Politico-Military Affairs, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

6. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals and presents an extraordinary and unusual threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order No. 12957 and the comprehensive economic sanctions imposed by Executive Order No. 12959 underscore the United States Government's opposition to the actions and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders No. 12957 and No. 12959 continue to advance important objectives in promoting the non-proliferation and antiterrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

William J. Clinton

The White House,
September 18, 1995.

Message to the Congress on Angola September 18, 1995

To the Congress of the United States:

I hereby report to the Congress on the developments since March 26, 1995, concerning the national emergency with respect to Angola that was declared in Executive Order No. 12865 of September 26, 1993. This report is submitted pursuant to section 401(c) of the National Emergencies Act, (50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

On September 26, 1993, I declared a national emergency with respect to Angola, invoking the authority, *inter alia*, of the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) and the United Nations Participation Act of 1945 (22 U.S.C. 287c). Consistent with United Nations Security Council Resolution 864, dated September 15, 1993, the order prohibited the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to the territory of Angola other than through designated points of entry. The order also prohibited such sale or supply to the National Union for the Total Independence of Angola ("UNITA"). United States persons are prohibited from activities that promote or are calculated to promote such sales or supplies, or from attempted violations, or from evasion or avoidance or transactions that have the purpose of evasion or avoidance, of the stated prohibitions. The order authorized the Secretary of the Treasury, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, as might be necessary to carry out the purposes of the order.

1. On December 10, 1993, the Treasury Department's Office of Foreign Assets Control ("FAC") issued the UNITA (Angola) Sanctions Regulations (the "Regulations") (58 *Fed. Reg.* 64904) to implement the President's declaration of a national emergency and imposition of sanctions against Angola

(UNITA). There have been no amendments to the Regulations since my report of March 27, 1995.

The Regulations prohibit the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and space parts, and petroleum and petroleum products to UNITA or to the territory of Angola other than through designated points. United States persons are also prohibited from activities that promote or are calculated to promote such sales or supplies to UNITA or Angola, or from any transaction by any United States persons that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive order. Also prohibited are transactions by United States persons, or involving the use of U.S.-registered vessels or aircraft, relating to transportation to Angola or UNITA of goods the exportation of which is prohibited.

The Government of Angola has designated the following points of entry as points in Angola to which the articles otherwise prohibited by the Regulations may be shipped: *Airports*: Luanda and Katumbela, Benguela Province; *Ports*: Luanda and Lobito, Benguela Province; and Namibe, Namibe Province; and *Entry Points*: Malongo, Cabinda Province. Although no specific license is required by the Department of the Treasury for shipments to these designated points of entry (unless the item is destined for UNITA), any such exports remain subject to the licensing requirements of the Departments of State and/or Commerce.

2. The FAC has worked closely with the U.S. financial community to assure a heightened awareness of the sanctions against UNITA—through the dissemination of publications, seminars, and notices to electronic bulletin boards. This educational effort has resulted in frequent calls from banks to assure that they are not routing funds in violation of these prohibitions. United States exporters have also been notified of the sanctions through a variety of media, including special fliers and computer bulletin board information initiated by FAC and posted

through the Department of Commerce and the Government Printing Office. There have been no license applications under the program.

3. The expenses incurred by the Federal Government in the 6-month period from March 25, 1995, through September 25, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Angola (UNITA) are reported to be about \$170,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Department of State (particularly the Office of Southern African Affairs).

I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

William J. Clinton

The White House,
September 18, 1995.

**Notice on Continuation of
Emergency With Respect to UNITA**
September 18, 1995

On September 26, 1993, by Executive Order No. 12865, I declared a national emergency to deal with the unusual and extraordinary threat to the foreign policy of the United States constituted by the actions and policies of the National Union for the Total Independence of Angola ("UNITA"), prohibiting the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, and petroleum and petroleum products to the territory of Angola, other than through designated points of entry. The order also prohibits the sale or supply of such commodities to UNITA. Because of our continuing international obligations and because of the prejudicial effect that discontinuation of the sanctions would have on the Angolan peace process, the national emergency declared on Sep-

tember 26, 1993, and the measures adopted pursuant thereto to deal with that emergency, must continue in effect beyond September 26, 1995. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to UNITA.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

William J. Clinton

The White House,
September 18, 1995.

[Filed with the Office of the Federal Register,
12:36 p.m., September 18, 1995]

NOTE: This notice was published in the *Federal Register* on September 19.

**Message to the Congress
Transmitting a Notice on UNITA**
September 18, 1995

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to the National Union for the Total Independence of Angola ("UNITA") is to continue in effect beyond September 26, 1995, to the *Federal Register* for publication.

The circumstances that led to the declaration on September 26, 1993, of a national emergency have not been resolved. United Nations Security Council Resolution 864 (1993) continues to oblige all Member States to maintain sanctions. Discontinuation of the sanctions would have a prejudicial effect on the Angolan peace process. For these reasons, I have determined that it is necessary to maintain in force the broad authorities

necessary to apply economic pressure to UNITA.

William J. Clinton

The White House,
September 18, 1995.

**Executive Order 12972—
Amendment to Executive Order No.
12958**

September 18, 1995

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to amend Executive Order No. 12958, it is hereby ordered that the definition of “agency” in section 1.1(i) of such order is hereby amended to read as follows: “(i) “Agency” means any “Executive agency” as defined in 5 U.S.C. 105; any “Military department” as defined in 5 U.S.C. 102; and any other entity within the executive branch that comes into the possession of classified information.”

William J. Clinton

The White House,
September 18, 1995.

[Filed with the Office of the Federal Register, 2:33 p.m., September 19, 1995]

NOTE: This Executive order was released by the Office of the Press Secretary on September 19, and it was published in the *Federal Register* on September 21.

**Letter to the Chair of the Federal
Communications Commission on the
Children’s Television Act of 1990**

September 18, 1995

Dear Chairman Hundt:

The Children’s Television Act of 1990 recognizes the power and value of television’s influence on our nation’s children. The Act sets forth a reasonable exchange—it requires commercial broadcasters to honor their public trust by offering programming that enhances children’s learning. The dissemination of true educational programming across the public airwaves is a priceless gift to our children.

The American public had every reason to believe that when the Children’s Television Act was signed into law, programming specifically designed to benefit children would become an important part of the choices on every broadcast channel. The American public has been disappointed, and American children have lost countless opportunities to learn and to be challenged intellectually.

I urge you again to review the purpose of the Children’s Television Act and the broadcast programming our children are offered today. To paraphrase former FCC Commissioner Newton Minow, if we can’t figure out how the public interest standard relates to children, the youngest of whom can’t read or write, and all of whom are dependent in every way on adults, then we will never figure out the meaning of the public interest standard.

I believe the public interest should require broadcasters to air at least three hours per week, and preferably more, of quality children’s programming at reasonable times of the day. The FCC and the broadcast industry have an unequalled opportunity to redefine how television can serve the public interest, especially with respect to our children. I urge you to do so.

Sincerely,

Bill Clinton

NOTE: This letter was released by the Office of the Press Secretary on September 19.

**Remarks to the Community in
Jacksonville, Florida**

September 19, 1995

Thank you so much. Wow! Sheriff Glover, I don’t ever want to be on the ballot against you. I’m glad to be here.

Thank you, Congresswoman Corrine Brown, for your friendship and your support, and thank you for your support of the crime bill, which has made our streets safer and made the children’s future here more secure. Thank you, Governor Chiles, for being my friend and adviser and for your leadership. And thank you, Lieutenant Governor MacKay, for your long support and your leadership here. Mayor Delaney, we are de-

lighted to be here in this great and growing community. I want to thank you and the State's attorney, Harry Shorstein, and all the other local officials here.

And I want to say, as President, it's a particular honor for me to be here in Jacksonville not only because this is a vibrant, growing city that did get a professional football team—[*applause*]. Don't be discouraged by the rough starts. I've had a lot of rough starts in my life. The opera is not over.

I want to also say a special word of thanks to the people of Jacksonville for the remarkable contribution that has been made by this community over so many years to the national defense of the United States. We are grateful for that, and we continue to be grateful for that.

I want to say a special word of appreciation, too, to Florida's own, our Attorney General, Janet Reno, for the wonderful job that she has done as the Attorney General of the United States. And the Director of our COPS program, who is also here on my far left, Joe Brann, from California, who has come to Washington as a chief of police to work with us to get these police officers out in the United States. I thank them for being here, and I thank them for their leadership.

I want to thank all the schools that are represented here. I have a list. I may miss some, but I think we're joined by Kite Elementary School, Lake Forest Elementary, Moncrease Elementary, Ribalt Middle School, Raines and Ribalt High School, and the Edward Waters College Choir, thank you.

I'd also like to thank one more person—Police Officer Larisa Crenshaw, who walked down the street with me today, because she and these other officers in uniform behind me, they're what we're here to talk about. I thank her, and I thank these people for being willing to serve your community in law enforcement.

You know, when I ran for President in 1992, I had a vision of what I wanted America to look like as we enter the 21st century. I want this to be a high-opportunity country for all Americans, where entrepreneurs can flourish, where people who work hard can be in the middle class, where we shrink the under class and give everybody who is willing

to do what it takes to make the most of their own lives a chance to do it. I wanted us to have strong families and strong communities, with good education systems, good health care, a clean environment. But I knew that in order to do that we first had to tackle the problems of crime and drugs. Without safe streets, safe schools, and safe homes, America will never be what it ought to be.

We've worked hard for the last 2½ years to bring the deficit down, to invest more in education, to deal with all of these issues I talked about, and we've got more jobs and less crime in America than we had 2½ years ago. And I think that's pretty good evidence that our strategy is working to move this country forward.

On the issue of crime, I was astonished when I got to Washington, having been a Governor for 12 years—if there was one issue that had nothing to do with partisan politics all my life, it was crime. I never met a Republican or a Democrat that wanted to be a victim of crime. I couldn't imagine that there would ever be any partisan issue there. When I was a Governor, when I was attorney general, we all worked together on issues affecting public safety. And I can see that's what you do here in Jacksonville. When I got to Washington, I discovered that even though the violent crime rate had tripled from the 1960's to the 1990's, they had been fighting partisan battles over the crime bill for 6 long years—hot air in Washington, more crime on the streets.

In 1994, we ended the hot air and the partisan bickering and passed the crime bill, and crime is going down on the streets of America. The crime bill featured more police, helped the States to build more prisons, stronger punishment for people who deserve it but also more prevention to give our young people something to say yes to as well as something to say no to, the chance to avoid getting into trouble in the first place.

We made "three strikes and you're out" the law of the land. What that means is that people who are serious career criminals now will go to jail for the rest of their careers so they can't get out and continue to do violence and to victimize people. We banned deadly assault weapons from our streets and from our schools, while protecting hundreds

of sporting weapons for law-abiding hunters and sports men and women in this country. It was a good balance and the right one to strike.

We created an office to combat the problems of violence against women, in the home and on the street, a special problem in the United States and one the First Lady talked about when she went to China and represented us so well there just a few days ago.

The most important thing we did was to give the communities of this country the ability to hire 100,000 police officers to do what these 31 police officers behind me are going to do, to walk up and down the streets of America, like Marvin Street, to talk to neighbors, to talk to people, to get them involved in keeping their communities safe and free of crime.

We give the communities the resources they need to put the police officers on the street, and people like Sheriff Glover all over America take responsibility to train and deploy those officers. Then the officers help ordinary citizens, like the folks I just visited with, walking up and down the street, to find the commitment to do their part in fighting against crime.

If we're going to make our streets safe, if we're going to do what we have to do to give our children a chance at a future, we have got to have the help of grassroots citizens who are willing to work with police officers. If we can get them on the streets, you've got to help them do their jobs. In the 6 months since community police officers started patrolling this neighborhood, in 6 months, violent and property crimes have dropped by more than 8 percent in just 6 months. And they're just beginning.

What I want you to know is that, just like Sheriff Glover said that Jacksonville could do anything, America can do this. We do not have to put up with the high rates of crime we have. We do not have to put up with the high rates of drug abuse among our children we have. We can do something about it. You have evidence on this street, in this neighborhood. We can do something about it.

All over America today, the crime rate is down, the murder rate is down. We see people making progress to take control of their own lives, their families, their neighbor-

hoods, their schools, and get this country going in the right direction.

But let me tell you, there are also troubling signs on the horizon. And I'll just give you two. While drug use is down among people between the ages of 18 and 34, casual drug use, marijuana, among teenagers is going back up again. While the crime rate is down all over America and the murder rate is down, violent crime among teenagers is going up again.

The Justice Department issued a report the other day which showed that while the overall crime rate is down, violent crime among juveniles is going up, and a majority of members of gangs say that they think they are justified in shooting someone who treats them with disrespect. We actually had a case in another city not very long ago where a 16-year-old boy shot a 12-year-old boy who was sort of the neighborhood comic. And he thought the 12-year-old boy was treating him with disrespect.

Whatever happened to "count to 10" before you do something you might later regret? Whatever happened to kids being taught that sticks and stones can break your bones, but words can never hurt you? Whatever happened to people defining self-respect based on what they believe about themselves, not what somebody else says about them? Shoot, if the President followed that rule, he wouldn't have any respect. [*Laughter*]

You think about it. It's a big problem. Look at what happened in Los Angeles over the weekend. A family took one wrong turn and because they were in the wrong place, gang members felt they had the right to shoot at them and take their lives, kill an innocent child.

So what I want to tell you is, this is a moment of great hope. We know we can lower the crime rate. We know we can lower the murder rate. We know we can reduce drug abuse and drug dealing in our neighborhood. We know we can take our streets back. We know how to do it. Your sheriff has proved that he can do it, working with you, if you will help him. We know how to do this. This is one of the most important things that has happened to America in the last 20 years. We don't believe we are helpless in the face

of crime anymore. We know we can turn it around. But we also know that the job is not yet done.

Therefore, to go back to what the Congresswoman said at the beginning, we fought through one partisan political battle to get this crime bill. I heard people say on the floor of Congress that the crime bill was a fraud, that it wouldn't help to lower the crime rate, that we would never get 20,000 police on the street in 6 years, and we were promising 100,000 in 6 years. Well, in one year, we're over 25,000, and we're going to make it on time, ahead of the budget, ahead of the schedule.

And we now have a consensus among the American people. I believe that we ought to keep on lowering the crime rate. I don't believe—I haven't heard the first person write me a letter and say, "Dear Mr. President, I don't like the fact that the crime rate is going down. Please stop what you're doing." [Laughter] I haven't gotten one letter saying that.

Now, in Washington the Congress is trying to balance the budget. I support that. We ought to balance the budget. We never had a permanent deficit until the 12 years before I became President. We have taken the deficit from \$290 billion a year when I took office to \$160 billion this year, more than 40 percent reduction. And I want to finish the job.

We can balance the budget, and we should. But what I want to tell you is, we do not have to destroy our commitment to the education of our young people, to the training of unemployed people, to the economic future of America. We do not have to have dramatic increases in the health care costs of elderly people when 75 percent of them are living on less than \$24,000 a year. We do not have to sacrifice the environmental and public health and safety protections that give us clean air, clean water, and safe food. We do not have to do any of this to balance the budget.

I have given the Congress a balanced budget plan which does not do any of these things. And we certainly—we certainly do not have to come off of our commitment to put 100,000 police officers on the street and have more and more stories like the ones I heard walking up and down Marvin Street

today. We owe it to America to balance the budget and to reduce the crime rate until Americans are safe in their streets, safe in their homes, safe in their schools.

So I ask you, because you are fortunate enough to live in this growing and vibrant community, because you are fortunate enough to have elected leaders that work together across party lines and know that crime is an American problem and a human problem, because you are fortunate enough to have a sheriff who has proved to you that community policing works, because you are fortunate enough to have experienced a drop in the crime rate, I ask you to join with me and say to the United States Congress, this is not about partisan politics. We are lowering the crime rate in America. If we have more jobs and lower crime, America is going to be a better place. So let's continue to do that. Let's continue to do that.

And let us say: Balance the budget, yes. But do it and still send us our police officers, because we want our children to have a healthy, safe, strong, drug-free, crime-free, violence-free future. And now we know we can do it. Let's don't stop. Let's keep on until the job's done.

Thank you, and God bless you all.

NOTE: The President spoke at 9:47 a.m. at the Carvill Park Community Center. In his remarks, he referred to Sheriff Nathaniel Glover of Duval County; Gov. Lawton Chiles and Lt. Gov. Buddy MacKay of Florida; Mayor John A. Delaney of Jacksonville; and Joseph Brann, Director, Community Oriented Policing Services (COPS), Department of Justice.

Remarks on Departure From Jacksonville

September 19, 1995

Thank you very much. Thank you for coming out. Thank you for waiting in the hot sun. Thank you, Governor Chiles. Thank you, Lieutenant Governor MacKay. I thank your State's attorney for being here, and Congresswoman Corrine Brown, I thank you for being here. It's wonderful to see all of you.

You heard Governor Chiles say that we have just been with Sheriff Glover in one of the neighborhoods here in Jacksonville. I

want to say two or three things about being in this community. First of all, congratulations on your football team. I'm glad you got one. And I know the season got off to a rough start. But I've had a few seasons like that; it's not over. Just stay in a good humor about it.

I also want to thank the people of Jacksonville for the dramatic contribution that you have made over so many years to the national defense of the United States, so many people here serving in our military, supporting it, and we're very grateful to you for that.

And I'm sure you know that in the recent rounds of military reorganizations and base closings, Jacksonville is one of the communities in the United States that will actually gain several thousand jobs over the next few years because of the work you have done and the quality of support you have given to our military. So I thank you for that.

I want to make, if I might, just a couple of remarks, then I want to get out in the crowd and just say hello to all of you. I ran for President in 1991 and 1992 because I was afraid that our country was going in the wrong direction; that we had forgotten the basic values that make us strong, our devotion to work and family and responsibility and community; and that we were not changing to meet the demands of the 21st century.

The economy is different. You all know it. We have different challenges in holding our country together. And I made up my mind that if the people gave me a chance to serve, I was going to try to get the economy going again so we could grow the middle class and shrink the under class; I would try to make the fighting of crime a major priority so we could reduce the crime rate in America and make our streets and our schools and our homes safer; I would try to change the way the Government works, to be a genuine partner with people in their lives. And that's what we've been here celebrating today.

Florida is creating jobs at 3 times the rate it was when I became President. We have lowered the deficit. We have increased investment. We have a plan for a balanced budget. We're moving forward economically. The crime rate is down; the murder rate is down. All across America we are proving that we can lower the rate of crime in America

if we work together and put more police officers on the street under the plan that was enacted in the 1994 crime bill. I'm proud of that. People used to tell me we will never lower the crime rate. They were wrong. We can do it, and we can do it all over America.

We're now trying to reform the welfare system. I just want to say a word about that. I've worked with Governor Chiles on this for years. I'm all for reforming welfare if what we mean by reforming welfare is moving people from welfare to work and giving them a chance to be good parents and good workers. I am not for punishing poor children just because they were born poor. We ought to be reforming welfare in a way that liberates people. I'm all for having tough standards and tough requirements on people to go to school and go to work if they've got a chance to do it and to take care of their children. So when you watch this welfare reform debate in Washington ask yourself: Is this going to produce good workers and good parents? Is this going to make families stronger and children better? That is the test.

So I want to say to all of you, now I'm going on down to south Florida and then I'm going on across the country to Colorado, and I'm going to be talking with Americans all across the country about the debate in Washington about balancing the budget. And I want to say to all of you, Florida has a lot of interest in that debate. Every American should want the budget balanced. We never had a permanent deficit until the 12 years before I became President, and we've taken that deficit from \$290 billion a year down to \$160 billion in just 3 years. I'm proud of that. We should keep doing that.

But we also have responsibilities. You see it here in Jacksonville, We have responsibilities to the national defense. We have responsibilities to the children and the schools. We have responsibilities to lower the crime rate. We have responsibilities to the elderly who depend on Medicare and Medicaid for their health care. And I say to you, we can balance the budget without undermining the national defense, without cutting our commitment to put 100,000 police on the street, without cutting the number of children in Head Start and the number of young people who are getting college loans, and without burdening

older people. Seventy-five percent of the people in this country who get the benefits of Medicare and Medicaid live on less than \$24,000 a year. We can fix Medicare without burdening them.

That is my commitment: Fix the Medicare system. You don't have to stick it to the older people in this country who barely have enough money to live on. So let's balance the budget and do it right so we can grow the economy, reduce the crime rate, and bring this country together. That is my commitment, and I think it's yours.

Thank you, and God bless you all.

NOTE: The President spoke at 10:55 a.m. at Jacksonville International Airport.

Remarks in a Roundtable Discussion With Senior Citizens in North Miami Beach, Florida

September 19, 1995

The President. Thank you for taking a little time to meet with me and the Governor today. I wanted to just say a few words. First of all, let me thank Governor Chiles for being here. You know, when he was a Senator, he was the chairman of the Budget Committee, so he knows a lot about what we're going through in Washington.

Gov. Lawton Chiles. These people knew me when I had the Aging Committee, before I had the pleasure to know you. [*Laughter*]

The President. That's right. Before you were aging. [*Laughter*]

I'd like to just talk for a couple of minutes and then spend the rest of the time listening to you, trying to answer your questions or at least hearing your concerns about this. You all know we're in a major debate in Washington about balancing the budget, and we're trying to balance the budget. I think that's a good thing to do. Our country never had a permanent deficit in our Government accounts until the 12 years before I became President, and I've tried to change that.

When I became President, the annual deficit was \$290 billion a year; we've now got it down to \$160 billion a year. That's a huge decrease in only 3 years, and I'm proud of that. But we have to ask ourselves now that we're going to go all the way and balance

this budget: Why are we doing it, and how are we going to do it in a way that reflects our basic values as Americans, our sense of personal responsibility, our sense of family responsibility, our responsibility to our communities? And maybe most important, what are the obligations we owe to each other across generational lines and across income lines in America? How can we balance the budget in a way that permits us to honor these values and these obligations?

We want to balance the budget because we'd like to take this debt off of our children and grandchildren, because we would like not to spend so much money every year paying off interest on the debt so we'd have more money to invest in things like education and health care and the economy, but we have to do it in the right way.

Now, I have offered the Congress a balanced budget that increases our investment in education, because I think we owe the next generation quite a lot—in a global economy they'll need more education and because so many of our children, particularly poorer children, need the tools to work themselves into the middle class. I have offered a balanced budget that continues our fundamental obligations to clean air, clean water, safe food, public health, and the environment. And I have offered a balanced budget that deals with the need to slow the rate of growth in medical expenses so that health care does not consume the entire budget and does not take more and more of our income and more and more of your income.

Now, in addition to that, there is this issue with the Medicare Trust Fund, which the congressional majority, the Republican majority, has made a great deal of. But I'd like to talk a little about the Medicare Trust Fund and what its relationship is to the budget, and then we can hear from you.

The Congress has proposed to balance the budget in 7 years and to pay for a \$250 billion tax cut and to cut Medicare by about \$270 billion over that 7-year period and to cut Medicaid by about \$180 billion over that 7-year period.

My proposals, which balance the budget in 10 years with a much smaller tax cut, have a Medicare reduction that's less than half of theirs and a Medicaid reduction that's about

a third of theirs. Now, if you hear them talk, they will say two things. They will say, first of all, we're not cutting anything; we're just slowing the rate of inflation in these programs. And secondly, they'll say we have to cut Medicare because it's necessary for the Trust Fund. So I would like to deal with both of those issues if I might.

First of all, on the Trust Fund, there's a legitimate issue with the Trust Fund. Our administration brought it up in '93 and in '94 in the health care debate. And many of the same people who are saying we have to cut Medicare by \$270 billion today were denying that we could have any reductions at all just last year and denying that there was big problem with the Trust Fund. But there is a problem with the Trust Fund. And so our obligation, not only to the people on Medicare today, but to the people we want to have Medicare in the future, our obligation is to fix the Trust Fund.

The actuaries say that we need to put about \$90 billion into fixing the Trust Fund. That is, if we put \$90 billion in, we will secure it for another decade, and during that decade, we'll have time to figure out what we're going to do when all the baby boomers retire and they get on Medicare because then there will be a lot more people on Medicare.

But neither proposal really deals with that. We're just talking about how to add a few more years, 10, 11, 12 years to the Trust Fund. My proposal takes it out 11 years from today. And that's better than we're been doing in most of the last 15 years. My proposal does it by recognizing that the Trust Fund essentially provides hospital care and other services and is paid for essentially by asking the providers to take less money in the future and by cracking down on fraud and abuse.

And by the way, we have a study which says that Medicare fraud and abuse is about 10 percent of our total cost. And we have the United States Attorney here for this part of Florida, and he can tell you what we're trying to do in Florida. But we have doubled the prosecutions on fraud and abuse, we have assigned 3 times as many FBI agents to try to crack down on fraud and abuse as any previous administration, and we've brought in more money from people who are skimming

the system illegally than ever before. So there is a lot of money there. And we can do that.

Their proposal would ask the beneficiaries of the system to pay more, dramatically more. And it's important that you realize that in their Medicare cuts, about half of them will be absorbed by providers or by improvements in fraud and abuse, but about half of them will come from beneficiaries. And none of that money goes into the Trust Fund. So let's get that on the table. This has nothing to do with the Trust Fund. And the only way you can get money from beneficiaries is either to charge more or give fewer services, or serve fewer people. And that all goes into the budget.

Now, on Medicaid, 30 percent of Medicaid goes to care for poor women and their poor children, but 70 percent of it goes to pay for health care for the elderly and the disabled. So this dramatic Medicaid cut, since the elderly people who get that are disproportionately low income, will have to either be paid for by their children or it means that we're going to serve fewer people. There will be fewer people in nursing homes, fewer people getting in-home services and things of that kind.

You just simply can't decree that the rate of medical inflation will go down to the level they say it will, because we have more and more older people coming onto the system all the time and, thank goodness, living longer, and living better.

So what we need to do is to find the right way to balance the budget, in a way that preserves the Medicare Trust Fund and extends it for at least a decade but does not, does not, cripple the health care system for today's elderly and those who will be coming on in the next decade. Seventy-five percent of the people on Medicare live on less than \$24,000 a year.

So I say to all of you, we need to be open to changes in the system—we can't continue to let it grow at 10 percent a year—but we need to do it in a way that recognizes our obligations across generational lines and across income lines. And we have to be very careful before we approve of a system that would cost our seniors a huge amount more or cause them to have to give up medical services in order to fund tax cuts that go to

people like me who don't really need it—and haven't asked for it, to be fair, haven't asked for it.

So, my point is we can have a tax cut if we target it toward raising children and educating people and middle income people who need it, we can have a balanced budget, and we can fix the Medicare Trust Fund, and we can do all of that without imposing undue burdens on Medicare and Medicaid recipients who simply cannot afford it. And that's the trick. That is what our obligation ought to be.

And I believe that a proposal that would basically reduce future spending in health care by \$450 billion, almost half a trillion dollars, you're either going to—you're going to do one of two things: You're going to either close a lot of hospitals in rural areas and urban areas and teaching hospitals and take a lot of doctors out of the system who won't serve anymore, or you're going to hurt the beneficiaries either by charging them more than they can afford or simply by not serving a lot of elderly people anymore.

So that's the point I've been trying to make going around America. We all have an obligation to fix the Trust Fund, but the proposals in Congress go way beyond that. About half the money in Medicare will go to fix the Trust Fund; the other half goes to their balanced budget tax cut plan. And there's no way around it; that's just the fact. And I just don't think that's right.

Governor, do you want to say anything?

[At this point, Governor Chiles explained that his State would be greatly affected by proposed Medicare and Medicaid cuts because its population is rapidly increasing.]

The President. I guess, the two things I want to hammer home are these: The trustees on which the Republican Congress have relied in saying that the Medicare Trust Fund is in trouble recommend an expenditure of between \$90 billion and \$100 billion to bail out the Trust Fund over the next 7 years. That's in Medicare; that's not \$270 billion, that's between \$90 billion and \$100 billion. I have proposed at around \$120 billion, to ask the providers to do some things that will save money in both Part A and Part B of Medicare. But the premium costs to elder-

ly people that go into Part B are all going into that general budget to fund the balanced budget tax cut plan.

The second point I want to make about Medicaid is, 4 percent inflation sounds like a lot, because we now have inflation down at an all-time low for the last 30, 40 years in America, down to about 2 percent and medical inflation down to 4 and 4½ percent.

The problem is, if you live in a State where—let's say you kept medical inflation to 4½ percent for 7 years, let's just say you could do it. That's 4½ percent per person, and that includes young people as well as older people, and that assumes no population growth. So if you're Florida and you have population growth and most of your health care goes to elderly people, we know that the older you get, the more health care you access, so the inflation will always be more there.

So that's why these numbers simply won't work and will have to be modified and why we must reduce the size of these cuts in order to achieve a balanced budget in a way that reflects our obligations across generational lines and across income lines. You just need to remember those two big points, and everything else flows from that.

Now, you know more about this than I do, so I'd like to stop now and hear from you and let you say whatever you'd like to say or ask whatever questions you'd like to ask in whatever order you want to proceed.

Who would like to go first?

Governor Chiles. Let the ladies go.

The President. Doctor, you want to go first?

[A Dade County doctor discussed the decline of nonprofit hospitals and gave an example of a patient who received inadequate follow-up care due to the practices of for-profit hospitals.]

The President. Now, does this person—is this person in an HMO or not?

[The doctor said that she was not sure whether the patient was in a Health Maintenance Organization but thought perhaps the same company owned both the hospital and the HMO. She continued to cite examples of practices that she felt amounted to fraud in the health care system.]

The President. Let me just point out that, if I might, I'd like to ask—our U.S. attorney is here, and I'd like to ask him to—Kendall Coffey—just to talk very briefly about what we're doing in this here in Florida because this is one area where I hope we can get bipartisan agreement with the Congress.

There is a lot of money to be saved in fraud and abuse. And our friends in the press corps who are covering this, you know, they hear this in every Government program, and people tend to get cynical. But in the Medicare, Medicaid program, it's expanded so fast and diversified so much, and we have so much—things like Alzheimer's that you were talking about—there is genuinely a lot of fraud and abuse. And I think if we could get an agreement—there are some good things, by the way, in their plan that I like about dealing with this. And if we can get an agreement on about how much money we could save, this could help us to go some way toward resolving our differences.

So, Mr. Coffey, maybe you could talk a little bit about what you're doing here in Florida to deal with this fraud and abuse problem.

[Mr. Coffey described Federal and State efforts to crack down on medical fraud and Medicare fraud in particular.]

The President. The one thing I want to say is I think we are finally organized to handle this now so that when people like you believe you know about this, it's very important that you make a referral to the U.S. Attorney's office, because I think a lot of people all across America have these feelings that things aren't right, but they don't know that anyone would ever prosecute it or look into it. We now are organized to handle these problems, and it's very important that not only those of you here but those who will hear about this meeting all across America will call their United States Attorneys and let them know when they think there is some evidence of a problem.

Q. Thank you.

The President. Who else would like to go? Yes, sir.

[A participant voiced his distrust of doctors and hospitals and his concern that they often overcharge for services and asked what the

Federal Government could do to regulate them.]

The President. Well, I think there are two things we can do, two things we have to do at the same time. One is to increase our capacity to investigate fraud and abuse, and that's what we've done. As I said, we've got 3 times as many FBI agents as ever before. We've already doubled the number of prosecutions. We're bringing in more funds. We're moving on that. And then we need help—organized seniors groups can help us a lot by telling us what you think is wrong. You may not always be right, but we won't know unless you give us leads.

The second thing we have to do is to simply slow the rate at which we're putting new money into the system. Now, in this area, there is pretty much bipartisan agreement on at least rough numbers of how much we should slow the rate of money which we're putting into Part A of the Medicare system. And so we have some—we've got agreement. We know if we slow the rate of growth into the provider pool—that's the Trust Fund, the Part A part—that we will force certain discipline on the system and will help to save it money and help to lengthen the Trust Fund. So I think that we're agreed on that—you know, not to the last dollar, but generally those are the two things that can be done about it.

I don't think that the answer to the fact that the system is consuming too much money, however, is to ask the seniors on fixed incomes to pay a whole lot more for the same health care.

Q. That's what worries us.

The President. That's what—what we've tried to do is to strike a proper balance. And my plan is to make full disclosure—is to try to continue the system we've had, but to fix the percentage of Medicare premiums that the seniors have to pay. So if the overall cost goes up, your out-of-pocket costs will go up, because the percentage will be a percentage of the bigger number. That way, we share the responsibility and there's some incentive not to overuse the system. But the main problem is the one that you have outlined.

Who else would like to go next. Yes, sir?

[A participant explained that Medicare and Social Security not only benefit the elderly but also younger people who are no longer burdened with the high cost of taking care of their elderly parents.]

The President. Governor Chiles and I were talking about that on the way in. I don't think people—that whole aspect of it hasn't been thought through. The extent to which, particularly if you look on the Medicaid budget, people who have to go into nursing homes and people who get help with in-home care, a lot of the elderly people themselves have low incomes, but their children have—a lot of them are basically getting by on middle class incomes. And their incomes would also be dramatically lowered if they had to basically go back to try to take care of their parents and their grandparents who were also less independent than they have previously been. I think it's a very important point, and thank you for making it.

Q. It is.

Q. Can we get this across to the congressional majority?

Governor Chiles. Now, that's a different ball game. You'll have to help us.

The President. I think if you can make those points, that this could be, in effect, an indirect middle class tax increase if they overdo it, then it would register, I think, on people, because it certainly would be. I mean, basically it would be an indirect tax increase on young people who are fortunate enough to still have their parents and grandparents living. And I'm saying, of course, it's just like everything else, some could afford to pay it, some couldn't, which is why I like the universal nature of Social Security and Medicare, because it basically empowers and gives dignity to the lives of people. It also strengthens families' ability to take care of their children. So you don't have people choosing between their children and their parents. That was a very important point.

[A participant thanked the President for his support of Medicare and asked the Holy Spirit to guide him in his efforts.]

The President. Bless you. If we had a little more of the Holy Spirit, we could probably come close to—[laughter]

[A participant voiced her concerns about older people who could not afford medical care and about doctors who would no longer take elderly patients. She said that while this was not the case where there were many HMO's, there were other problems with HMO's, such as fraud and excessive profits.]

The President. I think we're going to have to do a lot more work on that because, you know, some of them are wildly popular and are doing a good job. Some of them have taken their management savings, for example, and given people who've joined them free prescription drug benefits—something that Medicare doesn't provide—which is a godsend for people who need it. So we shouldn't condemn the whole industry. I mean, some of them have done a wonderful job. But it also provides a vehicle through which people who care only about making a quick buck can justify just about any way to, in my opinion, to abuse people.

What were you going to say?

[A participant explained the fraudulent practices of some HMO's and what is being done to prevent further abuse.]

The President. Let me say, you know, I think we are getting close to agreement on the question of whether people should have more HMO choices available to them on Medicare and Medicaid but should not be forced into it.

And I'm adamantly opposed to that, any kind of forced—but even if you do that, then you have a problem that we have to be very vigilant about, that Governor Chiles talked about, because the healthiest people which used to go into HMO's and get the best deals, and then the HMO's could then decline to take people who might need, say, the drug benefit. And then 3 years from now, we could be spending even more money on the program than we are now because we let the people that don't cost much go into HMO's and get the regular fee and then everybody else will be out there, we'll have to spend even more on them.

So if this is not a—the HMO, it's a good option in many cases, if it's a well-run HMO. But it's certainly not a be-all and end-all to the problem of medical costs.

[A participant voiced her support for Medicaid but stated that reforms must be made to ensure that the system benefits those who need it and that all programs should be monitored. Another participant then stated that, despite the belief of some people, the elderly are not being selfish in their need for assistance. She also discussed the fact that the talents and capabilities of nurses are going unused in many hospitals.]

The President. Well, as you know, I strongly support that. And I was interested in a comment you made—I hadn't thought to make this point today, but I think it's worth making—when you said that a lot of seniors have children in their fifties who can't get health insurance.

We are—I tried to do something about that, as you know, unsuccessfully. We are losing now—a million Americans a year are losing their health insurance—non-seniors, under 65. This is happening in no other country in the world with an advanced economy. No other country would tolerate this.

Q. Outrageous.

The President. We lose one million a year. Now, we would lose more but for the Medicaid program. The Medicaid program not only helps seniors who need institutionalized care or who need in-home care, it helps some low-income people who are working poor people, who are not on welfare but are working poor—who are not on welfare but still have low incomes from other sources. And many States have tried to do what Governor Chiles has tried to do here, which is to achieve some savings in the Medicaid program by having a decent selection of HMO's and take the money and put it into providing subsidized insurance to the working poor.

All of that will go totally out the window if we reduce Medicaid spending by the amount we're talking about, so that instead of just being the only country in the world that doesn't provide health insurance for people under 65, the only country in the world with an advanced economy losing a million people a year—that number, that one million number will go up quite a lot. We will then begin to lose even more people who are younger.

So this is—that's another way in which this whole issue is an intergenerational thing. I will say again, I believe we can slow the rate of growth in Medicaid spending and Medicare spending. We have already done that in the last 2½ years. But I do not believe that you can just jerk \$450 billion out of the system and pretend that there will be no adverse consequences. That is the point I want to make.

Go ahead. What were you going to say?

[A participant praised the ombudsmen appointed by Governor Chiles to investigate complaints against nursing homes in Florida and stated the need for more control of physicians' fees for particular services.]

The President. Thank you. We have a big crowd of people downstairs, and it's kind of hot for them, so we probably ought to go down there. I do—I want to thank you for sharing this time with me. And I want to assure that I will take your concerns back to Washington, and the things that I can do something about by myself, I will do it. And I hope that this forum will serve to inform this debate that will occur in Congress over the next month or two.

And I hope all of you will speak out. And I hope you will make many points, but first of all, be clear on how much fraud and abuse you think is in the system, because I think that will help to focus people on that. And secondly, remind people of the point you made, that this is not just about elderly people. This is about our intergenerational way of life in America, how we live, how our families function. That's a very important point.

Q. Well, a lot of the older people are taking care of their little grandchildren.

Q. Right now they are, yes, unfortunately.

The President. I bet they are.

Q. Sure they are. And we've got to keep the older people well for the children.

The President. Thank you all. You were great. Thank you.

NOTE: The President spoke at 1:40 p.m. at Point East Senior Center.

Remarks to Senior Citizens in North Miami Beach

September 19, 1995

The President. Thank you. Wow. Thank you so very much, Governor Chiles and Lieutenant Governor MacKay and Attorney General Butterworth and members of the legislature and Mayor, other local leaders and, especially, Ginger, thank you for that wonderful introduction and that wonderful comment about the joys of old age. [Laughter] The last year has brought me prematurely closer to those joys—[laughter]—as I have worked along in Washington.

I did come here today to talk about Medicare and Medicaid, but I'd like to put them, if I might, into a little bit of context about what's going on in our country today for all the American people. We are, all of us, privileged to be living through one of the most interesting periods in our country's history, where the way we work and the way we live is changing very, very rapidly.

I think that you could argue that since we got started as a country, we've had about four periods of really profound change: obviously, leading up to and then after the Civil War; and then when we changed our economy from a rural to an industrial economy between about 1895 and about 1916; and then the Great Depression and World War II and the cold war; and now, coming out of that.

I believe this is the most profound period of change we have faced in 100 years in the way we live and the way we work. And whenever those kinds of things happen, we have to think anew about what our basic values are, what kind of people we are, what our obligations to one another are across the generations and across incomes and in different ways of making a living, and we have to chart a course for our country's future.

For me, that means that we have to have a period that is governed by new ideas rooted in old-fashioned values. This is still a country, fundamentally, that's about individual liberty and individual responsibility, devotion to family and devotion to community, rooted in the idea that we all ought to work if we can, and we all have responsibilities, not only to ourselves but to each other, and that we also have a responsibility to be a beacon of hope

to the rest of the world. And that is what we have tried to do.

We've tried to change the economic policy of the country in a way that would bring the deficit down but invest more in education and technology, and it seems to be working. We've got 7.3 million new jobs. Florida is growing jobs at 3 times the rate it was growing them before our administration came in. And we've reduced the deficit from \$290 billion a year to \$160 billion a year in only 3 years. So we need new ideas and a new direction.

We have found a way to do this while increasing our investment in the education of our children, something I know all of you care deeply about and something that is more important than ever before. We know we've got to cut some things. Your Government is much smaller than it was the day I became President. We've reduced the size of the Federal Government by 160,000, and by the time I finish this term we'll have the smallest Federal Government we've had since President Kennedy was the President of the United States, trying to give you a more entrepreneurial, less bureaucratic, less cumbersome Government, but still one that could fulfill our fundamental values.

Today, even as we speak, the Congress, in the Senate at least, is debating the very important subject of welfare reform, something I've worked on for 15 years, almost as long as I've worked on issues affecting senior citizens in America. What we all want, I think, is for people on welfare to be able to live the way the rest of America lives. We want people to be able to succeed as workers and as parents. We want the values of family and work and responsibility to triumph. We don't want anybody to be trapped, generation after generation, on welfare. And we know it would be good for the rest of us as well if they were liberated and became taxpayers instead of tax drawers. We know that.

Since I've been President, waiting for the Congress to act, I've done what I thought I could to move people from welfare to work and help them succeed as parents. Florida is one of 34 States now that have received permission to get out from under old-fashioned Federal rules to put people to work. And in just one of Governor Chiles's experi-

ments in the last year, the Florida Family Transition Program, they've moved over 800 people from welfare to work. It's one thing to talk about it, quite another thing to do it. And so, congratulations, Governor, for doing it.

Now, this bill that they're debating in the Senate today has broad bipartisan support because it will help to move people from welfare to work, and it will help families to stick together. And I want to say more about that in the context of Medicare and Medicaid in a moment.

So if welfare reform remains a bipartisan effort to promote work, protect children, and collect child support from people who ought to pay it, we will have welfare reform this year, and it will be a very great thing. But if the Congress gives into extremist pressure and walks away from this bipartisan American common ground, they will kill welfare reform. So I ask you to do what you can without regard to your party to encourage your Senators and your Members of Congress to give this country a welfare reform bill that is pro-family, pro-work, pro-responsibility and pro-child. We can do that, and we ought to do it.

Now, what's all that got to do with Medicare and Medicaid? Everything. Why? Because now we have also a bipartisan consensus in Washington for balancing the Federal budget, something that hasn't been done since 1969, although the deficits in the seventies were pretty small and basically related to economic slowdowns. So there is a broad bipartisan agreement that we ought to do it. I believe we ought to do it. And I'm glad to help supporters in the Congress from both parties who want to do that. We had to have a one-party effort to take the deficit from \$290 to \$160, and we need everybody's help to go all the way. And I'm for that.

But how we decide to balance the budget will tell us a lot about what kind of people we are, what our values are, what we're going to take into the next century, what we're going to say to our young people about what they can look forward to as they grow up into productive adults and then they grow into old age. It will say a lot about what we think our obligations are across generational and income lines.

One of the things that has dismayed me about this discussion of Medicare and Medicaid has been the suggestion that anybody that doesn't support the congressional plan is somehow a wealthy older person who is insufficiently sensitive to the needs of the younger generation. That is a load of bull. I can tell you that in all my experience in public life, and I have been working on these issues for 20 years now, the thing that has always humbled me—and my State, Arkansas, had, when I was serving, in every year the second or the third highest percentage of people over 65 in the country—the thing that always amazed me was how much the seniors in my State wanted to take care of their children and their grandchildren, how much they supported efforts to improve education, how much they supported efforts to strengthen the economy, how much they were not interested only in their own issues.

And so I say to you, if you say you don't like this plan in Congress, that doesn't mean that the rest of us think you're either rich or greedy. You have a right to see that there is decency and honor and obligation across generational and income lines as we balance the budget. We have to do it in a fair and decent and honorable way.

Now, here's the problem. It is true that medical costs in the budget have become a bigger and bigger and bigger part of the Federal budget. It is true that medical inflation is going up faster than the inflation rate as a whole. It is also true that we're all living longer. So we've got a higher percentage of Americans on Medicare and elderly people on Medicaid. Praise the Lord, we're all living longer. That's a good thing. I hope it extends to Presidents. [*Laughter*]

It's also true that the system itself, through fraud, abuse, and other problems, has had a higher rate of inflation so that, unfortunately, both the Government and people on Medicare have been paying more every year for the same health care in ways that are unacceptable. And that if we want to balance the budget, we need to slow the rate of growth in health care spending.

It's also true that the Medicare Trust Fund has to be protected. Now, let me talk a little about that. You pay Medicare. You know—if you're involved in Medicare, you know how

it works. You know how it works. There's a Part A which is basically hospital and related services paid for by a payroll tax and that goes to providers and essentially that is in the Trust Fund. And there's a Trust Fund. There's a Part B that deals with all kinds of other services, primarily physician services, medical equipment, and other things, which are paid for out of general tax revenues and contributions by seniors directly—payments.

Here is what I want to say to you about this Medicare issue: We have proposed a balanced budget—I have—that slows the rate of medical inflation and payments to providers to fix the Trust Fund for another 10 years. And we have proposed to do it exactly like the people who are in charge of the Trust Fund, the Trustees, say we need to do. And it doesn't cost seniors anything more than they are otherwise going to pay in the ordinary course of medical inflation.

The Congress, the majority in Congress have proposed Medicare cuts that are more than twice that much. And less than half of them are going into the Trust Fund. The rest are going to pay for the 7-year balanced budget and the tax cut.

So I say, I will work with anybody, anytime, anywhere to fix the problems of the Medicare Trust Fund. But it is wrong to take more money from people whose average income is way below \$20,000 to pay for a 7-year balanced budget and cuts in other areas and a big tax cut for people who don't need it. That is not right. So let's fix the Trust Fund, but let's don't dishonor our obligations across generational and income lines by pretending that we're fixing the Trust Fund when we're taking money from seniors to pay for a tax cut that is too large. That is not right.

Audience member. Hear! Hear! Tell 'em!

The President. Let's look at the Medicaid problem. Medicaid has nowhere near the political support in the country now that Medicare does because most people think it's a welfare program. And they think, if it's a welfare program, we can probably cut it some.

I have proposed to slow the rate of spending in Medicaid. Their cuts are 3 times as great as mine. The problem is that 70 percent, almost, of Medicaid spending goes to elderly people and disabled people for nurs-

ing home care and in-home care. And if these cuts are as large as they are said to be—and for hospital care for low-income people—if these cuts are as large as they are said to be, then we will have people who through no fault of their own, who don't have any money, who either won't be able to get in nursing homes, won't be able to get in-home care, and millions of kids who won't be able to get hospital care.

If you take \$450 billion out of the system over the next 7 years, I question whether we can keep our urban and rural hospitals open, whether the great teaching centers—making us the finest medical country in the world in terms of the quality of health care—will be able to do well. And there is a limit to how much seniors can afford to pay. Seventy-five percent of the people over 65 in this country live on less than \$24,000 a year.

I came here to say to you, we're going to make some changes in this program. We need to save the Trust Fund, but don't you be fooled into thinking it costs \$270 billion to save the Trust Fund. It costs less than half of that. And the rest of that money is going to go right into the general treasury and be used to pay for a 7-year budget and a tax cut that's too big. And I don't think that is an appropriate thing to do. And I don't think you think it is an appropriate thing to do.

I am not promising pie in the sky. Everybody here knows that the average senior on Medicare is paying the same percentage of income out of pocket for health care as you were paying before Medicare came in in the first place, because medical inflation has gone up so much. You all know that there's a lot of fraud and abuse in the system. And, by the way, both parties agree on that, and I think we'll reach an agreement on it. And I want you to know what I'm trying to do about that. We have doubled—doubled—prosecutions for fraud and abuse since I've been President. We have tripled—tripled—the number of FBI agents working on health care fraud since I've been President.

We need your help. The United States Attorney for this district, Kendall Coffey, is here. He gave a report to the group upstairs about what he's trying to do here. We need senior groups all over America to help us to uncover fraud and abuse. A congressional

study said as much as 10 percent of the money may go into fraud and abuse. If that's true, we can put that into savings, and it doesn't have to come out of anybody's pocket, except people who shouldn't be spending the money in the first place.

We are going to have to make some changes. We do have an obligation to preserve Medicare for you, for the people who come behind you, for your children, and for your grandchildren. It's a program that works. But we also have an obligation to make sure that Medicare and Medicaid do their job for America's seniors and do their job for the poor children of this country.

It isn't popular to speak up for the poor children today. It isn't popular—sort of the fashion is to say, well, if they're poor, whatever they get they deserve. The Bible says the poor will always be with us. And all those little poor children, they're going to be grown up some day. And if they don't have decent health care and decent nutrition and good role models and people who care about them, do you think they're going to be good citizens who can take care of my generation when we get old? So just because they're poor, and they're on Medicaid, too, we shouldn't forget about them. We shouldn't act like we have no responsibility to them. It's not their fault what families they were born into. It's not their fault what their family circumstances are.

So what I want you to do is this: I want you in one voice to say, to all of us—we don't care if you're Republicans or Democrats—go balance the budget, go fix the Medicare Trust Fund, make the changes you have to make to do that, but do not take money from elderly people that barely have enough to live on, that have made their contributions all their lives, and give it to people who aren't even asking for a tax cut and don't need it. Don't do that. That doesn't make any sense. It defies common sense. Slow the rate of growth in that Medicaid program but don't do it so much that we can't take people into nursing homes, don't do it so much we can't deliver home care to people who need it and that's cheaper, don't do it so much that we have to turn away poor children who will be scarred forever if we don't take decent, minimal care for them. That's not necessary. We

don't have to do that to balance the budget. Send a voice that I know is in your heart.

I have been—as I said, I have been working on issues of health care, consumer rights for seniors for 20 years. I had my first long-term care conference as an attorney general almost 20 years ago. And I know that the senior population in this country is generous and forward-looking. But I also know that the only way we can continue to have a growing, healthy, strong senior population that is generous and forward-looking is to be decent and honorable and fair.

It is fair and decent to fix the Trust Fund. It is right to do what we can to crack down on fraud and abuse and to slow the rate of medical inflation and to slow the rate of medical inflation in the Medicaid and the Medicare program. But it is not right to pay for an arbitrary balanced budget and a very large tax cut, a lot of which goes to people who don't need it and, to be fair to them, have not even asked for it, to turn around and run the risk of putting Medicare out of the reach of seniors, putting Medicaid out of the reach of seniors, and undermining our solemn obligation to honor one another across the generations. That's what we need to do.

We can get into the 21st century with a growing economy, a balanced budget, a stable future, but only if we do it consistent with our fundamental values. What is proposed up there is not consistent with our values and doesn't make common sense. But we can make common sense, balance the budget, save the Trust Fund and leave Medicare and Medicaid in good shape for you and the people that come behind you.

So tell the Congress and everybody else in Washington to throw away the partisan, political, extremist ideology and the rhetoric and get down to work on doing America's job for America's future.

Thank you, and God bless you all.

NOTE: The President spoke at 2:47 p.m. at Point East Senior Center. In his remarks, he referred to Robert Butterworth, Florida attorney general, and Ginger Grossman, who introduced the President.

Remarks at a Fundraiser in North Miami Beach

September 19, 1995

The President. Thank you. This is the quietest this has been all night. [Laughter]

Audience member. Four more years, Mr. President!

The President. Thank you. I want to thank Governor Chiles and Lieutenant Governor MacKay and your attorney general and the other State officials, the State legislators and local officials and others who are here. Mostly, I just want to thank all of you for coming here to support our candidacy.

This has been a wonderful day in Florida for me. I started the morning in Jacksonville with the sheriff there, looking at some police officers who were hired under our crime bill who have already contributed to lowering the crime rate on the streets of Jacksonville. And then I flew down to North Miami Beach and had a wonderful meeting with some senior citizens about Medicare and Medicaid. And then I came on here.

I know that this is sort of a festive occasion. You're all packed in like sardines in a can, and we're all standing up instead of sitting down. And I won't keep you here very long, but I want you to understand that as profoundly grateful as we are to you for your contributions to this campaign and to all of you who did so much to organize this event, it is even more important that you make a personal commitment tonight to do what you can to make sure that we carry the State of Florida next November.

And the Vice President was talking to you about some of the things that are important. This administration has been good for Florida. We've tried to be good to Florida, and our general policies have helped the economy in Florida. We have also fought against those things that we thought would hurt you. We have represented your State in our Cabinet. We have tried to be sensitive to your concerns. We are trying to work through this budget process in a way that will be fair to the incredible diversity and richness and growth that is Florida.

I feel deeply, personally committed to you because of the fact that I have family members here, my wife's brothers, Hugh and

Tony, and their wives, Maria and Nicole. And now I have a little nephew whom I was just holding upstairs. He doesn't think I'm too charismatic. He goes to sleep every time I pick him up. And because our campaign—my campaign really got started here in December of 1991 at the Florida Democratic caucus—first election I ever won in the Presidential campaign.

But more importantly, we all got a big stake in the future, and a great deal of how we live for the next 20 years will be determined by the outcome of this Presidential election. So let me try just in a couple of minutes, after which the Vice President and I will come down and try to finish shaking hands with everybody and visit and laugh, just ask you to take a couple of minutes to be serious about what is at stake here.

When I ran for President in 1992 and I asked Al Gore to join with me to form what is clearly the most unique partnership between a President and a Vice President in American history—Al Gore is clearly the most influential, effective, important Vice President in the history of the United States of America. We basically agreed that we were in a time of profound change and that we needed a clear vision of the future. We needed a commitment to new ideas. We needed a commitment to old-fashioned American values. We needed a commitment to seeking common ground to going beyond the kind of partisan politics that is eating Washington, DC, alive. And maybe most important of all, we needed to be willing to do what is right for the future of this country, even if it's unpopular in the short run. And that is exactly what we have tried to do in Washington for the last 2½ years.

My vision is that in the 21st century this country will be a high-opportunity place, where we are growing entrepreneurs and growing the middle class and shrinking the under class, where we have good schools and good health care systems and safe streets and a clean environment, where people have the opportunity to make the most of their own lives, and families and communities have a chance to solve their own problems, and America is a force for freedom and prosperity and peace throughout the world. That is my vision.

To achieve that, we need old-fashioned values: freedom and responsibility, work and family, community, excellence, accountability, and a real devotion to the American dream, and a willingness to stand up for this country. But to get there we need some new ideas. We can't keep doing business as usual. That's the only reason I ran for President in 1992.

We are going through a period of change as profound as anything that's happened in this country in a hundred years. This is like when we moved from being a rural agricultural country into being an industrial urbanized country. Now we're going from being an industrial economy to a high-technology information-based economy. We're going from the cold war relationships in our global foreign policy to a global economy, where we're becoming integrated economically and there are all kinds of pressures for disintegration—disintegration of families, of communities, of national economic policy—and the growth of extremism all over the world, political and religious and ethnic extremism. You know it. You see it when a bus blows up in Israel. You see it when radicals run for office or stop elections in other, secular Islamic countries. You see it when the sarin gas explodes in the subway in Japan or when, God forbid, the Federal building blows up in Oklahoma City.

So this is a confusing world. There's a lot of wonderful things happening and a lot of troubling things happening. We cannot continue to do things the way we always did.

Our administration has a clear economic policy for this global economy, reduce the deficit, but increase our investment in people, in education, in technology, in research, in things that will grow the economy. Look at the places that are left behind. Help the places who need help because of defense cutbacks. Help the places who need incentives for people to invest in inner cities and rural areas. And don't forget that the people come first.

What are the results? In 2½ years, the good news is, 7 million jobs, 2½ million homeowners, 2 million new businesses, a record number of self-made millionaires, the stock market's at 4,700, corporate profits at an all-time high. But guess what? The me-

dian income has dropped one percent. Why? Because we still have a lot of people who can't do very well in this new global economy. And I'm telling you, go back to our values. Everything we do—everything we do has to be directed toward helping people who are willing to work hard and do their best to be good workers, good parents, and successful in this global economy. That's what we have to do.

Look at our social problems. Believe it or not—you couldn't tell it maybe from the daily press, but in this country in the last 2 years, the crime rate is down, the murder rate is down, the people on welfare's numbers are down, the food stamp rolls are down. The divorce rate is down. Even the abortion rate is down. But we still have some terrible problems. Why? Because young people feel like nobody's looking out for their future. The juvenile crime rate is up. Casual drug use among people under 18 is up. And so we have to find ways to work together.

That's what our crime bill was all about that the people in Congress are trying to undo. We put 100,000 police on the street, not just to catch criminals but to prevent crime and to give our young people some role models and some people they could relate to, people who would be standing up for their future and telling them there are things you ought to be saying yes to as well as saying no to crime and violence and drugs. And we need to do more of that, not less. We need a different approach that recognizes that we have to do both things.

Today, finally, the Senate moved away from partisan extremism and 87 people voted in the Senate, 87 of 100, for a welfare reform bill that has the elements that I've been advocating now for 2½ years. It encourages work. It provides child care for people on welfare so they can go to work without worrying their hearts out about their kids. And it is very tough in collecting child support that is owed by people; even if they cross State lines, you ought not to be able to run away from the obligation to take care of your own children. That's what we did today.

The point I want to make about all this is that we need to try new and different approaches. And when we do, we can get results. When we fall back into these old pat-

terms of turning everything in Washington into a partisan fight, all it does is turn the American people off and doesn't do a single, solitary thing to move the American people into the future.

Now we have a chance with this budget to find real common ground. I want to balance the budget. The leaders of the Democratic Party want to balance the budget. I have presented a balanced budget plan. But the question is, can we balance the budget consistent with our values and with these new ideas? Why are we balancing the budget? To take the debt off these kids here, to free up money to be borrowed at lower interest rates, to create jobs, to stop spending your tax money paying interest on the debt and start spending it educating our children or taking care of our health needs or fighting crime. That's why we want to balance the budget.

Therefore, I say to you, I don't have to take a back seat to them in balancing the budget. When I took office—I've only been in Washington 2½ years—and most of them had been here forever and a day, and we cut the deficit from \$290 billion to \$160 billion in 3 years. I want to do it.

But I do not believe that the way to cut the deficit is to cut the number of children in Head Start, cut the number of young people in national service, increase the cost of student loans. That is wrong. That is cutting off our nose to spite our face. Cutting the education budget today would be like cutting the defense budget at the height of the cold war. In the global economy, education is our national security weapon, and we dare not cut it.

Al Gore has done a lot to give this country a different kind of Government. You heard him say we've cut the size of the Government, we've abolished 16,000 pages of regulation. Carol Browner from Florida, running the EPA, has cut by 25 percent the paperwork burdens of the EPA. But I'll be darned if I think the way to move into the global economy is to wreck the environment or the public health of this country in the name of balancing the budget. That is not necessary, and it is not right.

I've already said, I was up in Jacksonville with the magnificent sheriff there talking

about the crime bill today. There are those who say in the name of balancing the budget, they want to stop the effort to put 100,000 police on the street and send less money in the form of a blank check to local governments. I say we know how to lower the crime rate; there is no constituency in America for raising the crime rate. Why in the wide world would we seek to balance the budget in ways that will raise the crime rate when we know how to lower it? Let's keep lowering the crime rate, put the police on the street, put the prevention programs out there, put the prison programs out there. Let's don't wreck the crime bill. Let's keep bringing the crime rate down.

I'll give you just two other ideas that are out there to balance the budget. One of the most important things we did that we got next to no credit for in 1993 was cutting the taxes of 15 million working families with 50 million Americans in them, including 10 times as many people in Florida as paid a tax increase. The reason for this was very simple in my mind. I really believed the biggest problem in America today is the stagnant wages of middle-class people who are working harder for less. I really want people to go to work off welfare. I believe if you tell people you want them to work, work has to pay.

Most parents today have to work. We have no higher duty than to make sure that people who work and have children can be both successful at work and successful in the raising of their children, our most important job.

So what do we do? We expanded the family tax credit to give all those people a tax cut so there would never be an incentive to be on welfare. What do they want to do in Washington? They want to raise taxes on the lowest income working people and give everybody else a tax cut. It doesn't make sense; that is not the way to balance the budget.

And finally, let's talk about Medicare and Medicaid. The discussion has appalled me in Washington. The people who are proposing \$450 billion worth of cuts in Medicare and Medicaid act like if you're not for their plan, you don't want to save the Medicare Trust Fund; if you're not for their plan, you must be some greedy, wealthy older person who just doesn't want to pay your fair share.

Let me tell you something, folks. One of the most important decisions we have to make as we change this economy is what our obligations to each other are. Lawton Chiles said we needed a country that's a community, not a crowd. Are we going to be a community or a crowd? Are we going to define ourselves by what we can do together, or what we can do cut alone as a bunch of isolated individuals?

Now, the truth is that most elderly people in this country are more than willing to do what's right, have already done what's right all their lives and care a great deal about the welfare of their children and their grandchildren and the future of this country. And it is a bum rap to say that those of us who have questions about whether we should just jerk \$450 billion out of Medicare and Medicaid don't want to balance the budget and don't care about our country. That is not true, and it is not necessary to balance the budget.

I want you to tell people that. When you hear people say we've got to cut all this money out of Medicare because of the Trust Fund, you just remember one thing: Not one red cent that senior citizens pay in medical bills will go into that Trust Fund, not a penny. It's all going to fund the budget program and the tax cut. Don't ever forget it.

So I say to you, let's balance the budget, but let's do it in a way that reflects our shared values and what we owe to each other. We can balance the budget without cutting education. We can balance the budget without endangering the environment. We can balance the budget without letting the crime rate go up again, and we can certainly balance the budget, slow the rate of health care inflation, fix the Medicare Trust Fund without soaking the elderly people of this country, 75 percent of whom are struggling to get by today on less than \$24,000 a year. We can do these things.

The last thing I want to tell you is—I thought about it today a lot because I was up in Jacksonville—if you are President of the United States at a time when everything is kind of going haywire and changing, you cannot always do what is popular and be right. Sometimes you have to do what's going to be right in 10 or 20 years. That's what you have to do.

Now, I am well aware that I hurt myself terribly in north Florida when I became the first President in the history of the United States, while he was in office as opposed to after he left, to say to the National Rifle Association, "You are wrong about the Brady bill. You are wrong about assault weapons. We need to make our children safer." I'm aware of that.

And believe you me, I am aware that every political adviser I had said, "Look at the States you won last time. You're crazy if you take on the tobacco companies over teenage smoking." But I tell you, folks, 3,000 children a day begin to smoke, and 1,000 of them every day will shorten their lives because of doing that. And I say who cares what the political consequences are if we save 1,000 lives a day from now on. It is worth doing. It is worth doing.

When I sent the United States military to liberate Haiti from its dictators, everybody said I was crazy; there was no political support for it in the country; it was impossible. But I said the United States was promised by those military dictators that they would go. They gave their word to us, and we must keep our word for freedom's sake. We did, and we were right. Unpopular, yes. Right, yes. You have to do what's right over the long run.

I'll give you a more mundane example. When the Vice President and I decided to invest massive amounts of his time and the most talented people we could find to work in the White House to reinvent the Government, my political advisers said, "This is nuts. No President has ever made a single vote on management. No one will ever believe the Government runs well anyway. No one will ever believe the Government gets smaller anyway."

Well, let me tell you something, folks: That may all be true, but we cannot do what we need to do for the United States in the new information age unless we have a smaller, less bureaucratic, more efficient, less costly, better Government. So it's going to be the smallest it's been since John Kennedy, and it's going to put out twice as much output, and we're going to have more examples like the Small Business Administration where we cut the budget by 40 percent and doubled the

loan volume to create small business in America. You're going to have a lot of that. There may not be any votes in it, but it's the right thing for America.

When I stuck up for the elemental principle that we should reform affirmative action because there were some problems with it but that there was still discrimination in this country, and we ought to reach out and try to make sure everybody was considered without regard to their gender or their racial or ethnic background, not given quotas, not given reverse discrimination, but at least given consideration for equal opportunity, I was told, "This is dumb politics. Look at the polls. You're crazy." All I know is, look around this room. We're going up or down together, folks. Our ethnic diversity is the greatest resource we have if we use it in a sensible way. So we should amend affirmative action but not end it.

The Vice President said something I'm really proud of. He will tell you, we were told by expert after expert after expert about politics that the First Lady should not go to China. They said, "Oh, it's a no-win deal. If you go over there, people that are concerned about human rights will attack her and attack you. And whatever you say, if you say anything strong, well, you'll put our relationship haywire. It's a lose-lose deal." But you know what? Somebody needs to speak up on behalf of the United States for the principles of freedom and liberty and decent treatment for women here at home and throughout the world. What happens to women and little girls throughout the world will have a great deal to do with the world we live in. And I'm proud of what she did, and we did the right thing to send her there.

Well, you get the idea. So what I want you to do is to go out of here and say, "Look, you may not agree with everything Bill Clinton and Al Gore do." [Laughter] "I don't agree with everything Bill Clinton and Al Gore do. They make mistakes. But you've got to give them one thing: they've got a clear vision of what they want America to look like; they've got new ideas and old values; they are committed to working with Democrats and Republicans to find common ground based on those values; and they're doing what's right for the next generation, even if

it is politically unpopular, and in a time of change, that's what we've got to do."

I want you to take that out to every person in Florida. We need to win Florida. But more importantly, America needs to stay on the right course: more jobs, higher incomes, safer streets, a cleaner environment, an opportunity to lead in a world that is safer and better, and to come together. If we do that, the best is yet to be.

Thank you, and God bless you.

NOTE: The President spoke at 7:35 p.m. in the Sheraton Bal Harbour. A tape was not available for verification of the content of these remarks.

Statement on House Action To Reauthorize the Ryan White CARE Act

September 19, 1995

I congratulate the Members of the House of Representatives on their overwhelming vote to approve a 5-year reauthorization of the Ryan White CARE Act. This legislation will assure that Americans who are living with HIV and AIDS will continue to receive the life-sustaining services that they need. The Ryan White CARE Act is a lifeline to thousands of Americans who otherwise have nowhere to turn. I hope the House and Senate can quickly work out their differences on this legislation and send me a final bill as soon as possible.

Remarks and a Question-and-Answer Session at the Little Sisters of the Poor Home for the Aged in Denver, Colorado

September 20, 1995

The President. The reason I wanted to come here today is because by coming I hope to honor the work that this home has done and also to point out how dramatically our Nation has been able to improve care for elderly people in the last several years because of the commitments we have made through the Medicare and Medicaid program.

And as you know, there's a big debate in Washington going on now about balancing the budget and what we have to do to balance

the budget. And the health care programs have been the fastest growing part of our budget, just as they've been the fastest growing part of a lot of families' budgets—the cost of health care. So I strongly believe we should balance the budget, and I believe we have to lower the rate of growth in health care spending. But the real question is how do you do it.

And the Medicaid program I think is particularly important because 70 percent of the people who receive the benefits are elderly and disabled people who live in places like this. And the program is funded between 50 and 80 percent, depending on the State, by the Federal Government, and the State government makes up the rest. And it's administered by the Governors. Governor Romer is here, and he and I worked together for years when we were both Governors on this.

But one of the congressional proposals we believe—he and I believe—would cut the Medicaid spending by so much that it would endanger the ability of our country to care for every eligible person and to maintain the high quality of care. You know, when President Reagan—this has been a bipartisan issue, I should add, until this very moment. In 1987, President Reagan signed a law that many of us who were Governors strongly supported upgrading the standards of care in residential facilities. You remember that.

Before that, as many as 40 percent of the people, elderly people in residential facilities in this country were over-medicated, were often unnecessarily physically restrained. It was a very different situation. Not here, but in other places in these for-profit homes. And since then, there's been this dramatic improvement in care. Now, the Congress did make some mistakes, and we've largely corrected them, I think, in the last 3 years, in trying to make sure that the program grew at a manageable rate.

But with more people living longer and more and more people becoming eligible for Medicaid, for this kind of care, I think it is very, very important that we recognize that we have two fundamental moral obligations here.

I think we're obligated to balance this budget to take the debt off our children and grandchildren, but we're obligated to do it

in a way that represents—that reflects our responsibility to our parents and grandparents. And in doing the right thing by America across the generations, it's not always easy, but it's clearly one of our most important obligations.

And of course, as all of you know, the families—if we were to have a budget in place in the National Government which would make hundreds of thousands of people over the next 7 years ineligible for support in nursing homes and millions of people ineligible for help for home care, it would have a drastic impact not only on the senior citizens but on their children.

So I wanted to come here just to highlight to America not only the magnificent work being done here by Mother Patricia and others but to talk about what's being done all over America and how we have to find a way to balance the budget without wrecking the system that makes this kind of thing possible.

I think it must be very rewarding for all of you to know that not only that this place exists for you, but there are places like this all over America where people can live in dignity and security and have not only their health care but their emotional needs met.

So that's why we're here. And I'd like to—perhaps the Governor would like to say something, but I'd like to spend whatever time I can listening to you talk a bit.

[At this point, Colorado Governor Roy Romer advocated a national floor for Medicare and Medicaid so States would provide the same minimum standard of care.]

The President. I should say, just to explain what the Governor said, yesterday the House of Representatives seemed to be embracing—the majority of the House of Representatives seemed to be embracing a plan where the Federal Government would just send every State a check for the next 7 years and cut what we project to spend on Medicaid by about a third, give them a third less and tell them to do whatever they wanted to with the money, which means that now we have a more or less uniform system. That is, States can provide more services, if they like, to seniors or to poor children under Medicaid, but there is a floor below which they can't go, which means that as more and

more families move across the country and live in different places, it means that their parents and grandparents can live anywhere they want with them, be in any kind of facility and know that at least within some limits, they'll be treated equally across the country. That's the point the Governor is trying to make.

[A participant described the service her organization performs for seniors to ensure their independence and dignity and stated that Medicaid was essential. She concluded that she volunteered because of the example of Mother Patricia Friel, administrator, Little Sisters of the Poor Home for the Aged.]

The President. She's an inspiration to me. I think I might—*[laughter]*—I'm interested in living to be 90 now. Before I got here this morning, I didn't know. *[Laughter]*

Let me say that our best estimates are—the proposal that I made would basically slow the rate of growth of spending and require some real discipline on the part of the States. But it is about a third as costly as the congressional proposal. We estimate the congressional proposal could keep, within 7 years, 300,000 people who are now eligible out of nursing homes and over a million people who are now eligible from getting home health services.

And of course, obviously, with people—the fastest growing group of people in America today by percentage are people over 80. And more and more of them are able to live at home because we're learning so much more about what it takes to stay healthy, stay fit. As you know—you're working with them—it would be, I think, a terrible mistake, indeed, even a terrible economic mistake to do anything that would undermine our ability to support home care.

[A participant described the progression for seniors from home care to assisted care to nursing home to hospital care and advocated the longest possible independent living for seniors.]

The President. Since you made that point, I'd like to, if I might, just interject one thing that I've not seen in any coverage of this anywhere, and I'm not faulting the press. I think it's something that none of us have really

thought to emphasize, but, Roy, a lot of these programs where some of the people are on Medicaid and some aren't depend on the Medicaid money, in effect, to subsidize the service of the others. So the number of people who could be losing the benefits of this could be far greater than the number of people in Medicaid because of that.

As you also know, Medicaid for the last several years has provided help to low-income elderly people to help them buy into Part B of Medicare. So also, another thing that will happen, I believe, is that we could be getting very false savings by all of a sudden having elderly people drop out of Part B of Medicare, and it looks like we're spending less money on Medicare, so they don't get regular care, and then we wind up aggravating a problem we already have, which is spending too much money on intensive care when people are desperately ill and maybe nothing can be done.

I'm glad you brought that up because I hadn't thought to mention that to anyone in this whole debate. But I know it to be true from my own experience as a Governor. We had lots and lots of programs where Medicare—we put in a little money, let's say, for half the people and the other half of the people, maybe they could come up with a little something, but they really basically got to be served at a discount because Medicaid was there.

What about you?

[A participant described how a cutback in Medicaid would affect her family and asked if the working class would be the only group affected by the changes.]

The President. The answer is, I think, to be perfectly accurate, I think there is—a small part of the savings would come from charging wealthy retirees and their families significantly more for a part of Medicare. And in that sense, in an atmosphere of cutbacks, that was a part of the plan that I offered last year when I was trying to get universal health care coverage. But the vast, vast majority of the burden will be borne by the middle class and by lower income elderly people and their families, because they tend to rely—first of all, you have to be of a certain income level to be eligible for Medicaid; and

secondly, in Medicare—75 percent of the people on Medicare have family incomes of under \$24,000.

And again, I think this becomes a moral question. If the whole thing were going broke and we couldn't do it, we would all have to look at whatever options were available, where what we need to do is to fix and reform these systems in a disciplined way so they'll be there from now on. And we can do that without causing the kind of havoc that's going to be visited on average people's lives, I think.

One of the reasons I wanted you all to be here is I want people to understand that this is a thing that has family impact.

[Governor Romer stated that Colorado calculations showed the congressional proposal would increase costs to the State by \$40 to \$50 million at a time when the State had planned to increase education expenses by the same amount, forcing the State to choose between education and health care.]

The President. In other words, the Congress is taking the position that they'll just give this arbitrary cut to the States, and they are sure they'll be able to just manage the program better. But the truth is, they'll be making decisions just like you will be. Children will be making decisions between their parents and their own kids, between their health care and their parents and the education of their children. States will be making decisions between the health care of their elderly citizens and the education of their children in a much more extreme way than in our experience.

And again, I would say, if it were absolutely necessary to either save Medicare or Medicaid or to balance the budget, it would be one thing. But it is not necessary. There are many options to balance the budget and preserve what you are celebrating here around this circle this morning.

Would you like to say anything?

[A participant suggested that the money being spent on Medicaid and Medicare be invested.]

The President. You mean invested by the Government?

Q. Yes.

The President. Well, one of the things that they propose to do, that they're trying to do, the Congress is trying to do, is to allow people to invest some of their money that would otherwise go into Medicare and Medicaid into a medical savings account.

The problem with doing it that way—I'll answer your two questions—and I've thought of both things. I think a medical savings account, by taking some of the money that would have gone into Medicare-Medicaid, giving it to citizens, letting them invest it in a medical savings account, the good thing about that is that you might be able to get a higher rate of return than the Government gets a—I mean, we invest essentially in Government securities. The problem is that it only works if you happen to be a healthy elderly person, if you see what I mean. In other words, if you have a period of long-term health where you're investing and earning, you do great. If you get sick in a hurry, where you have to draw down, you'll be in the hole, which is why we have programs for the whole society. So the medical savings account may be something that we ought to explore and experiment with, but it will always, I'm convinced be sort of an add-on, a marginal support for what needs to be a fundamental program.

The problem with the Government investing in mutual funds is—knock on wood, I hate to say this since the stock market has gone up so much since I've been President—is that it's fine if we get a high rate of return than we get from Government securities, but the problem is you have to be taking money out on a regular basis, as you know, to fund a health care program, and sometimes the stock market's going up and sometimes it's going down and when the time came for our quarterly withdrawal if there had been a 50-point drop the day before in the stock market, we could be really in deep trouble, which is why we've always relied on the basic steady but lower rate of return from Government securities when we invest in them.

Q. Can you do half and half?

The President. Well, I don't know. The problem is—another problem is, because we've been running a deficit, is that we have to have the money to basically, in effect, to finance our own deficit. It may be an option,

but I think that's something—that's one thing that States will be able to look at if they have some more flexibility here.

But the problem is, when you make those investments in mutual funds, the thing that really makes it go is if you believe there is a long-term trend in the stock market, you have to have the flexibility, just like an individual investor, of when to withdraw. In other words, the investor decides when to withdraw. So if you lose money, you say, "Oh, it's awful, but thank goodness I don't have to cash my stocks in. I think there will be a turn." Even after October, '87, the people who could ride it through if they could wait a year or two, were making a profit again. But the Government, we'd have to withdraw these funds on a regular basis to pay our bills, so that is the risk inherent in that.

Q. Well, according to the trustees' report, though, if we go with your plan, we'll be out of money like 2005, and the Republican plan would be 2015.

The President. The trustees haven't said that yet. It depends on what the Republicans do. If the Republicans have all of their Medicare cuts coming out of doctors and hospitals, they could stretch it to 2015, but the general conclusion of the health care community is that if they did that, they would be closing large numbers of health care facilities and a huge number of doctors would simply opt out of the program. So that's why they've got a problem. They actually adopt—right now, they adopt cuts in the hospital program, the Part A, about the same size as ours. But they have this \$90-billion amorphous amount of money that they can't say how they're going to save yet. So they can't go any further than we do unless they take more money away from the hospitals and doctors.

My problem is that—let me just back up and say, my problem in this whole thing is, when we put our budget together, we asked the following questions to the best of our ability. We asked the substantive questions. How much can we take out of Medicaid over the next 7 years without having doctors opt out or closing hospitals that need to stay open or really damaging the elderly in the country? How much can we cut Medicare over the next 7 years without really hurting the hospitals and the medical delivery system that

depends on it? Let's squeeze it as hard as we can. That's what we did.

What they did was to say, "We promised to balance the budget and give a \$250-billion tax cut to the American people. How much do we have to cut Medicare and Medicaid to meet that number?" It seems to me that once you commit to an end of balancing the budget, then you have to say, how can you balance the budget consistent with how much money you can take out of the health care system?

What they said is, "Here is our target date. Here's how much of a tax cut we're going to give. Therefore, we're going to take \$450 billion out of the health care system." And I think that, frankly, they have no idea whether they can do that. They don't know what the system will bear. And I think it's far better to be more disciplined about it and take a little bit longer and know that you're not going to upset this complex of relationships here that have developed. If you do that, you can always experiment with the medical savings accounts; you could always experiment with alternative investments; you could always do these things. But you have to realize that these people, they have to get up and run this place tomorrow.

Q. That's right.

The President. And the hospital downtown, they have to get up and run those places. I mean, their lives go on. And some decision we make in Washington may or may not be consistent with the reality of what it takes to run the place. That's what we're trying to struggle with there.

[The participant described the percentage of the budget which should not be cut and then asked why cuts could not come from the remaining percentage, like tobacco subsidies.]

The President. Well, one thing, there is a lot cut out of that, a great deal being cut out of that. And a lot of that is—

Q. How about more?

The President. But a lot of what's left is education and infrastructure and the things that grow the economy. Again, you have to understand, I think the issue is: What are our objectives here? If our objectives are to balance the budget, secure the financial integrity of Medicare so that it's there from

now on, and invest enough in Medicaid and Medicare to make sure that the fundamental mission can be achieved as we slow the rate of inflation growth, and then the rest of your money we should spend to provide the national defense and to grow the economy and to help people help themselves. Then we should put all that together and come out with a plan to balance the budget as quickly and as well as we can.

But they did it backwards. They said, "We promise to balance it in 7 years and to give a \$250 billion tax cut—this is how much we have to cut this other stuff—and to increase investment in defense to build new weapons systems."

And I just believe that—believe me, we are looking at all possible alternatives. I have already passed—the first 2 years of my Presidency with the previous Congress, they took the deficit from \$290 billion to \$160 billion; they added 3 years to the life of the Medicare Trust Fund; they voted to reduce the Government to its smallest size since John Kennedy was President. I mean, it is the first time in decades that we have actually reduced that other part of the budget, dramatically.

But that other part of the budget also includes things that will really shape our children's future: research and development, investment in technology, medical research, a whole range of things. It's now a much smaller part of our budget than it used to be. Most of what we spend money on today is Medicare, Medicaid, Social Security, and defense.

Now, the other thing you should know if it weren't for—to make the point further about how much we've been cutting—if it weren't for the interest on the debt we pay today for the debt run up between 1981 and the day I became President in 1993, the budget would be in balance today. So there really is an argument for trying to bring this budget into balance so you stop wasting so much money on interest and start freeing it up. And we are doing our best to cut these other things.

For example, the tobacco program—and you know I'm the first sitting President ever to take on this issue to try to limit teenage smoking, and I'm in a big struggle with tobacco companies. But you should know that

the tobacco program itself is self-financing. There is no direct Government subsidy to tobacco farmers. It's a self—they pay a fee, and then it rotates back there. So it's a self-financing program. The only expenditure the Government has, I think, is for whatever administrative costs the Department of Agriculture has to administer the program, which is not—it's a very small amount of money.

And believe me, I tried to raise the cigarette tax to help pay for health care last year, so I'm open to that. But there's just not much money there.

[A participant expressed concern about waste and abuse on the part of the providers.]

The President. That's correct. There has been a substantial amount of fraud and abuse on the part of providers. And the General Accounting Office of the Congress has estimated that it may be as much as, in some years, 10 percent of the total cost, which is a lot of money. So, to try to address that, we have tripled the number of FBI agents that are working on health care fraud and we have doubled the number of prosecutions of serious Medicare and Medicaid fraud. And that's beginning to make a big difference.

And that's one of the ways that we proposed to meet the inflation targets. If you can take that out of the system, you can continue to give homes like this one an adequate return through Medicaid to do the work that they have to do. That's what we're—but you're absolutely right; in terms of the recipients, there is no question of fraud. You never have any questions about Medicare and Medicaid eligibility the way you do the Food Stamp Program, for example, which, by the way, we're also doing a better job of—Food Stamp rolls are down, and we're getting a hold of that.

But since you're eligible here by age in Medicare, or by age and income in Medicaid, it's a much clearer situation. And you're right, it's very hard to abuse the program,

[A participant expressed appreciation for the President's approach and said that, while there was talk of cutting regulations, regulation seemed on the increase and cited respite care as an example of how regulations encumber respite care, making it unworkable.]

The President. You mean you can't just do that having met the standards of running this operation?

[*The participant described specific requirements that make it difficult to offer respite care.*]

The President. You know, no one has ever mentioned this to me before. This is very interesting, and I'm somewhat embarrassed to say it's never occurred to me before. It's a great idea.

Let me ask you, if you wouldn't mind, would you be willing just to put on paper for me the kinds of things that you think ought to be changed, that you think would facilitate you doing this kind of thing? I'd be happy to see what I could do, because we are really working hard—we have already abolished 16,000 pages of Federal regulation. And we're trying to do a lot more, because I think a lot of things are over-regulated and they focus too much on input rather than evaluating the results. If you get good results—as a matter of fact, this is—I don't know why we shouldn't do it in this context, but we are now picking 50 big companies in the country for a new experiment on clean air. And if they tell us that they will meet the clean air requirements of the law and be tested on a regular basis, we'll let them throw the rulebook away for figuring out how to do it. In other words, if they can figure out how to do it cheaply and more efficiently than all the rules and regulations, they can just ignore them, because all we care about is whether the air is clean.

So those are the kinds of things that I think we ought to be looking at. So if you would send me that suggestion I would be very, very happy to—if you could also send a copy to the Governor, because some of those things may be things that are within the State's ability to deal with rather than the Federal Government.

[*A participant described the respite care program offered by the Little Sisters of the Poor.*]

Governor Romer. Do you have a program for Governors? [*Laughter*]

The President. You know, Roy and I would like a little respite care here. [*Laughter*]

We'll be back in a month.

[*Mother Patricia Friel asked for concluding remarks. A participant described her life at the home and indicated that it would not have been possible without Medicare and Medicaid.*]

The President. Would you like to say anything before we go?

[*A participant described the impact of Medicare and Medicaid on her life.*]

The President. I don't know what we'd do if it weren't for people like you who would work until you're 74. Bless you. Thank you.

[*Archbishop Francis Stafford of the Denver archdiocese thanked the President and the participants.*]

The President. Let me also tell you just one thing. We're going to do our best in the next 2 months not to play politics with your lives. I mean, not to unduly aggravate the differences, not to—I'm going to do my best to get an agreement here that will give the country the confidence that we can balance our books and go on into our future, but that also will give you the confidence that you can educate your son and not worry about your mother. I believe it can be done.

But I believe we have to look realistically, and we have to do it from the bottom up. We have to know what is possible, and that's why I wanted to meet here today, and we're going to explore every conceivable alternative. But in the end, we need to—places like this need to do well, and programs like yours, helping people stay home and running respite care, they need to do well, because we're all going to be—this country is going to get older, and people are going to live longer, and that is a good thing. It is a good thing, not a bad thing. We just have to find a way to manage it, and it's a new thing.

Governor Romer. Mr. President, you're not going to have a chance to see this whole facility. I've just been staring at this floor. I don't know——

The President. Amazing, isn't it?

[*Governor Romer and Mother Friel made brief concluding remarks.*]

The President. Thank you very much.

NOTE: The President spoke at 9:43 a.m. in the first floor lounge.

Remarks to the Community at the Little Sisters of the Poor Home for the Aged in Denver

September 20, 1995

Thank you very much. Thank you very much, Marie Schroeder, for that robust introduction. [Laughter] And quite to the point. I was almost lost in my notes there for a moment—[laughter]—there it was, time to be here.

Mother Patricia, Mother Provincial Margaret, Archbishop Stafford, and my long-time friend Governor Romer, I thank you all for being here today, and I thank you for your wonderful welcome. I want to say a special word of thanks to Helen Cooper and to her daughter and son-in-law, and to Reynalda Garcia and to her two daughters, for spending some time with me just a few moments ago to discuss the care that they receive in this wonderful home and the role that Medicare—I mean Medicaid plays in that. I want to thank all of you for giving me the chance to come here. And I'd like to begin by a special word of appreciation to the Little Sisters of the Poor who run this wonderful facility and who in their lives, with just a little bit of help from the Government here in the form of Medicaid, illustrate an ethic of service that few Americans can hope to match but all Americans should seek to emulate. I thank them for that.

I have come here to talk about a Government program called Medicaid, what it means to families like yours all across the country and what role it should play in our efforts to balance the national budget.

We are all now living through a period of remarkable change in our country's history. Everybody knows it. You have only to follow either the events in the news or perhaps even the events in the lives of your own families to know that we are changing the way we work and the way we live more dramatically than at any time in the last 100 years.

About 100 years ago, we began a transition from an agricultural and rural society to a more urban and industrial society. Now we

are in the midst of a transition from that urban industrial society to a society that runs primarily on dramatic increases in technology and in information and one in which all the countries in the world are increasingly united together after the cold war in a global economy but one that is not free of difficulty, as you know.

The more we seem to be integrated economically, the more we often seem to be splitting apart in other ways. And we see the rise, for example, of extremism and groups of hatred rooted in religious or ethnic or racial differences all across the world. We see it when a bus blows up in Israel or when a fanatic breaks open poison gas in a Japanese subway or when, unfortunately, the Federal building was blown up in Oklahoma City.

So in this period of change, it is not surprising that one of the things that we have to do is to be open to new ideas about what we have to do to change the way we do business in America so that we can adapt to this new age. But it is also important to remember that every period of change is a challenge, in my mind, issued ultimately by God, to make the adjustments we need to make change our friend while maintaining true to our basic values. And that's really what this debate in Washington about the balanced budget is all about.

We ought to balance the budget. We never had a permanent, built-in deficit in our country until 1981. We quadrupled the debt of America in the 12 years from 1981 until the day I became President. We built in this huge deficit. We wanted lower taxes and we wanted higher spending, and we took both and forgot about the consequences to our children, our grandchildren, and the future. It is so bad today that interest on the debt next year could exceed the defense budget. And interest payments today are so great that the budget would be in balance today but for the debt run up in the 12 years before I became President.

On the other hand, if we're going to balance the budget, we have to say, why are we doing this? What's America all about? What have you given to us that we have to give to our children and grandchildren? A reverence for work and family, for personal responsibility, and responsibility to the com-

munity, a devotion to excellence and to service.

Yesterday I was in Florida with the Governor of Florida, who is a friend of Governor Romer's and mine, and he said, "America has always been and must always be a community, not a crowd." He said, "A crowd is a collection of people who are all on their own, the survival of the fittest. Power gets more; weakness gets less. A community is a group of people that recognizes that they have responsibilities to each other, responsibilities to each other."

The generation that lives in this home conquered the Great Depression and World War II, launched the cold war to stand freedom against democracy, saved the world, and gave us the most prosperous country the world has ever known. We have obligations to the generation of elderly Americans who did that, our parents and our grandparents. We have obligations to our future, to our children and their children to balance the budget.

The great question in Washington is: Can we meet both obligations? And if so, how? I believe we can, and I am determined to do it. I believe that the future of this country contains our greatest day if we can still stand for freedom and responsibility, if we can still stand for work and family, if we can honor our children and our parents, and if we can all recognize, without regard to our income or personal circumstances, we're in one community and we have certain obligations to each other. That is really what this debate on the balanced budget is all about.

I believe that we should balance the budget. When I became President, our annual deficit was \$290 billion; now it's down to \$160 billion. Some of you may actually remember that the last time the deficit went down 3 years in a row was when Harry Truman was President of the United States. I am proud of the fact that we're emulating Mr. Truman's record. And I want to go all the way and bring this budget into balance.

One of the biggest problems with bringing the budget into balance is that inflation in health care has been going up faster than economic growth, not only for the Government but for a lot of you who are out there on your own private budgets. Inflation in health care has been one of the fastest grow-

ing areas of a family's budget. And if we don't do something to lower that rate of inflation, we can never bring the budget into balance unless we're prepared to just stop investing in education or stop investing in the new technologies and the new sciences that may offer us the answer to a lot of the world's problems or walk away from some of our other obligations.

So we have to slow the rate of medical inflation. I've worked hard on that. For 2½ years, we have made the Medicare Trust Fund more solvent, we have corrected some of the abuses that were in the Medicaid program, but we have really faced the fact that we still have fundamental responsibilities to help people who depend upon Medicare and Medicaid to live.

Now, there is—the great contest in Washington today is basically over how much we should cut health care, how much we should cut education, how much we should cut the environment, how big we should cut taxes—how much we should cut taxes, to balance the budget.

The congressional proposal, which came out yesterday, I believe, on Medicaid, I believe endangers the Medicaid program that makes it possible for places like this wonderful home to exist. And I do not believe it is necessary to balance the budget. So I came here today to tell you two things: One is, we need to slow the rate of medical inflation in every program, including the ones that benefit you, and we can. But two is, we don't have to wreck the program and throw families into abject insecurity to balance the budget. It is not necessary.

I have given the Congress a balanced budget plan which will preserve the integrity of Medicare and Medicaid and enable us to serve the senior citizens of the United States. And that is important.

Let me tell you about Medicaid. Two-thirds of the Medicaid program goes to benefit senior citizens and people with disabilities. Seven in 10 Americans in nursing homes get help from Medicaid to pay their bills. Forty-three percent of the residents in this nursing home get that sort of support. Medicare can be the difference between quality care in a quality facility and an uncertain future. In the United States as a whole, the average cost

of nursing home care is \$38,000 a year. Three quarters of our senior citizens live on incomes below \$24,000 a year. You don't have to be a mathematical genius to know that someone has to step into the breach. There has to be a system to honor the people in this country who have done their part for America and need this kind of help.

The plan proposed by Congress would take away the guarantee that Medicare would be there to help, would instead cut future spending by about a third and send a check to all the States. That's what Governor Romer was talking about. Marie Schroeder was able to come here from another State to be near her son because Medicaid is a national program, run State-by-State, but it has certain basic guarantees in it. If it becomes a State-by-State program, a lot of people who live in States that may have good care, may literally be robbed of the chance to go visit and live with their children because they live in States that don't.

A lot of middle class families, who have the security of knowing that their parents are okay, can help their children to finance their college education. If they lose that security, they may not be able to help their kids go to college. This is a huge issue. We must do this right.

The plan proposed in Congress, we estimate, could mean that up to 300,000 American senior citizens who today are eligible to go into nursing homes won't be eligible in just a few years; and over a million who get services in their own homes, who get to go to senior centers and other things to support in-home care, won't be able to get those services, not to mention the 30 percent of the program that goes to help the very poorest children in the United States today.

It isn't fashionable anymore to speak up for the poor, but the truth is, those kids are our future. And at least in this country, as poor as you are, at least you can go to a doctor because of Medicaid, and these kids can get off to a good start in life. But there's not much of a political lobby for poor children. So if we become a crowd instead of a community, a lot of them are going to get left behind. So that's what I want to emphasize to you. We can slow the rate of growth in Medicaid without wrecking the program.

Today, if you have to go into a nursing home and you need help from Medicaid, by law you can get it. And you don't have to force your spouse, for example, to sell your possessions. Under this new plan, States would be permitted to force someone, for example, whose husband has to go into a nursing home to actually sell her car and her house before they could get any help from the Government. I don't think that's right. I don't think that's right.

I also don't think it's right to totally abandon a commitment to national standards of quality. Now, just a few moments ago, Mother Patricia was telling me about some Federal rules and regulations that she thought ought to be changed. And we have done more to deregulate the Government in sensible ways than any previous administration in the last 30 years. We've abolished 16,000 pages of Federal regulations, and we're working on thousands more.

But before we had national standards for residential care in 1987—which was, by the way, up until then, totally a bipartisan thing; it was signed by President Reagan—before that, up to 40 percent of people in nursing homes were over-medicated and over-restrained. And you don't see that anymore.

You know, unfortunately, not everybody can get into a facility run by The Little Sisters of the Poor. I wish they could. I wish everybody in America could do that. So we do need some standards to protect people, to make sure it's not just a money deal. That would all be gone.

The other thing I'd like to say is, a lot of our poorest elderly people are able to use their Medicaid money under national law to pay for their Part B premiums under Medicare so they can get doctor care and in-home services and medical equipment. This would do away with that, which means a lot of our poorest elderly people wouldn't be buying into Part B of Medicare. It's a good way to save money on Medicare. People say, "Oh, my goodness, Medicare is not as expensive as it used to be," but it will be very expensive for this country not only in the diminished dignity of seniors who have it now but in their increasing health care costs when they can't be regularly treated in a preventive, sensible way. It's a mistake; I'm against doing away

with that. It's unnecessary, and we shouldn't do it.

Again, let me say to you, I have proposed reducing the rate of inflation in Medicare and asking the Medicare providers to take less so that we can keep the Trust Fund strong for another 11 years. I have proposed reducing the rate of inflation in Medicaid and forcing economies in the program but only about a third as much as the Congress proposes.

The reason they have proposed this huge number is they said no matter what, we're going to balance the budget in 7 years, not 8, 9, or 10, and no matter what, we're going to give a tax cut of \$250 billion, a lot of which will go to people like me who don't need it and haven't asked for it.

And the point I want to make to you is not that we don't have to make any changes in these programs, not that we don't have to slow the rate of medical inflation but that we have to do it in a way that is consistent with our ethical obligation to honor our parents and grandparents and to honor the idea that we have obligations across generational lines and our obligation to help middle class people free up their incomes so they can educate their children while their parents live in dignity. That this the objective here.

So I say to you, I hope all of you will join me, without regard to your political party, in this national effort to balance the budget in a way that is consistent with our values. We're going through a time of big change. And the reason this country is still around after more than 200 years is that when we have gone through periods of huge change, we have recognized that we needed teamwork more than conflict. We have recognized that no one had all the answers, that no one was the repository of infinite wisdom—that belongs upstairs—and that we are going into a future that we have to do our best to shape not for the moment, for what's popular in the moment, but what will work 10, 20, 30 years from now. And we need to do it as a team. We need to do it as a community, not a crowd.

We need to do it in ways that will fulfill both our objectives of balancing the budget and honoring our obligations to our parents and to our children. Now, we can do that.

But we cannot do that if we are excessively ideological, excessively partisan and arbitrary in saying we care a lot about this program but not as much about the program as we do having a \$250 billion tax cut in a 7-year time frame. We can do this, but we need to do it in good faith.

So I ask all of you, in your prayers and in your pleas and in your letters, to reach out to the Congress in a spirit of cooperation and say we all want to help, but Medicaid does a lot of good for the senior citizens of this country. Medicaid enables this country to be what it is today. Medicaid supports private, charitable work. Medicaid in this nursing home is the embodiment of the lesson in the Catholic Bishops' letter that the quality of life in a society is the sum of both the personal choices made by individual citizens and families and the big choices made by the society as a whole. And they have to fit together.

So I say to you, this should be an exciting time to be an American. Whatever your age, you are living through a truly historic era. But we have to do this right. And to do it right means we have to do it consistent with our basic fundamental values. If we don't stray from them, we can embrace all the new ideas in the world and come out on the other side of the divide with a stronger, better America.

But if we forget for a moment what we owe either to our parents or to our children, then we will be making a grave mistake. I'm betting on America. I'm betting that the best is yet to come. But we have a difficult, invigorating, tough 60 or 90 days ahead of us in which you and people like you all across America can have a profound influence on the decisions we make and on whether we preserve this very, very important partnership which has brought dignity to the lives of millions and millions and millions of Americans.

Thank you very much.

While you're all standing up, I now have one more announcement to make. Ethel Hoag, who is sitting right over there in that pink chair, is 94 years young today. This is her birthday. I believe we should end this wonderful meeting by singing "Happy Birthday" to Ethel Hoag.

NOTE: The President spoke at 10:40 a.m. In his remarks, he referred to Mother Provincial Margaret Halloran, Chicago Province, Little Sisters of the Poor; Cecile Cooper and Daniel Ely, daughter and son-in-law of home resident Helen Cooper; and Ramona Sena and Evangeline Landford, daughters of home resident Reynalda Garcia. A tape was not available for verification of the content of these remarks.

Remarks at Pueblo Community College in Pueblo, Colorado

September 20, 1995

The President. Thank you so much.

Audience members. I love you—

The President. I love hearing it. Thank you very much. Thank you very much.

Ladies and gentlemen, let me begin by thanking you all for making me feel so very welcome. Thank you, Dr. May, for opening your fine institution and for bringing all your students and a lot of the folks from the surrounding area here. Thank you, Governor Romer, for your leadership and your friendship. Ladies and gentlemen, I had the privilege of being a Governor of my home State for 12 years before I was elected President. I was never part of the Washington scene, but I knew quite a lot about what it took to be a Governor. And by the time I left office, most of us thought Roy Romer was probably the best Governor in the United States of America and was doing more for education than anybody else. Thank you, Diana, for your introduction and for the power of your example. You and your family are the best of what this country is all about. And I came here to talk about your future and the future of all the students here and, in fact, this entire country.

I'm glad to be back in Pueblo. Anyplace where I can wear my cowboy boots and feel comfortable and has an Arkansas River is all right as far as I'm concerned. I also believe in community colleges. When I was a Governor I helped start several. I saw it open the doors of opportunity to people of all ages and all backgrounds. They are truly the community colleges, the most open and democratic and opportunity-filled institutions in the United States today. And I know I am

at a good one today, and I'm proud to be here.

You know, our country has come a long way in over 200 years because we believed that we could always make the future better, and we believed we had an obligation to try. Pueblo was established in 1862, and one of the county commission's first acts was to collect money for a school. They knew that education could be better than gold, way back in 1862, and in 1995 it is more important than ever before.

I am here because the future of your education and those who come behind you is going to be affected by decisions which will be made in Washington, DC, in the next 2 to 3 months. All of you know that we are in a period of great change in our country. I believe that this period will be written up by the historians as a period of most profound change in 100 years, since the time we became an industrial society from a rural and agricultural one. Today, we are becoming a global economy, an information-based, technology-based society. We know that, and we know we have to make some changes so that we will be able to benefit from all these things that are going on in the world.

We know that one of the things we have to do is to provide lifetime learning for all of our people, to give everybody the opportunity to do well. And I've worked hard at that. I want to get more kids off to a good start at school. That's why we expanded Head Start. I want higher standards—[*applause*]—I want higher standards and smaller classes and more computers and other opportunities for our school students. That's what Governor Romer and I worked on Goals 2000 for.

I want more opportunities for young people who don't go on to the 4-year schools to get good jobs with good prospects for the future. That's what the school-to-work program that your president talked about is all about. I want more scholarships, more opportunities for community services, and more affordable loan programs for young people to go to college and for people who aren't so young to be able to go back to college. It's important.

Make no mistake about it, my fellow Americans, every dollar we spend investing

in education has a big economic payoff not just for the people who benefit from it. Every year of education after high school today generates between 6 and 12 percent of higher income for the people who get it. But it's more important than that. It gives more dignity, more meaning, more possibility to people's lives, and it makes our Nation stronger. We know we must do this.

I want to ask you today to think about all the things you know are going on in your Nation's Capital and the big argument we're having over the budget in terms of this fundamental fact: We're living in a global economy; what we can learn determines what we can earn. We have an obligation to pass on to the next generation a stronger, better America. We also have an obligation to balance the budget. That is part of passing on to the next generation a stronger, better America.

And so I ask you to consider this: How should we do that? That's the big question, not whether we should but how we should. I think we need new ideas and our old-fashioned values. We need to make decisions about this budget rooted in our devotion to freedom and responsibility; to work and to family; to giving young people a chance to do better; to fulfilling our obligations to the elderly, the disabled, and to poor children; to finding common ground instead of cheap and easy political rhetoric; and to doing the right thing for the future even if it's unpopular in the moment. We have to create the right kind of future for the United States of America.

We need to balance the budget. Your country never had a permanent structural deficit before 1981. In the 12 years before I moved to Washington as your President we quadrupled the national debt over the previous 200. There's no excuse for that. It's so bad now that the budget of your country would be balanced today if it weren't for the interest we pay on the debt run up in the 12 years before I took office. And we have cut the deficit of your country from \$290 billion a year down to \$160 billion in just 3 years. And it's the first time in 45 years that we've been able to do that.

So the question now is, how do we go all the way? How do we balance the budget con-

sistent with our obligations and our values? I believe that we should balance the budget in the same way I've been reducing the deficit—by cutting other things and increasing our investment in education, because that will make us a stronger country as well.

You know, almost half the people at this community college have Pell grants. I want to see more people have access to Pell grants, so more people with modest incomes can go on to college. Next year the University of Southern Colorado will join so many others around the country in participating in our direct student loan program, and this fine community college has applied to participate in it. Let me tell you what it does. The direct student loan program enables the Government to get rid of all the redtape, the banks, and the middle men and all the excessive costs from the student loan program, to send money directly to a school to give to the students at lower costs with better repayment terms, receiving the money more quickly.

Every school I have talked to that has participated in this program loves it because it's a lower cost for the school, lower cost for the students, and there are many more options to repay. One of the most important things about this direct loan program is that a young person can repay his or her loans based on a percentage of the income they earn when they go to work. So you never need to fear that you can't afford to borrow money because you may not have a lot of money when you get out.

I believe in the direct loan program. I believe in the Pell grant program. I believe in the AmeriCorps program, the national service program which enables people to earn money for college. Here in Colorado, you have young people working to keep kids out of gangs, to teach adults to read, to renovate vacant houses for working families, to clean up parks for children to play in, and in return, earning some money to go to school.

And I also believe that we can balance the budget and have the right kind of tax cut. But I favor a smaller, more targeted tax cut for middle income American families to educate themselves and their children and to raise their children. Let's value child-rearing and education. If we're going to have a tax

cut, let's finance more people going on to school.

The last thing I want to say is that I think we ought to have special educational opportunities for people who lose their jobs through no fault of their own. When I was—30 years ago when I was in college, 8 in 10 people who were laid off from work were called back to the same old job as soon as the economy got better. Today, 8 in 10 people who are laid off from work are not called back to the same old job because the economy is changing.

So I have asked this Congress to take about 70 different training programs the Government has, put it into a pool of money and just simply give a voucher to a person who loses a job, worth up to \$2,600 a year, to take to the local community college to get trained for a better life, a new start, a stronger beginning.

If we do this and balance the budget, over the next 7 years 20 million more people will be eligible for lower cost, better repayment college loans. Three million more people will get the Pell grant scholarships that enable so many of you to be here. If we keep this commitment, we can have over 1.1 million people going on to college by the end of this decade, and we can do all that and balance the budget. The question is, will we?

The debate we're having in Washington today—I want to emphasize again—is not over whether to balance the budget, it's over how to balance the budget consistent with the fundamental values of this country. A majority of people in the Congress have a plan that reflects very different value choices. If their plan prevails, we won't be able to help as many poor kids get off to a good start in school; we won't even be able to keep helping as many as we are now; we won't be able to help as many schools to achieve those smaller classes and higher standards and more computers in the classrooms. And we certainly will see it become harder and more expensive to finance a college education, which means not as many people will go. There will be no more AmeriCorps, no national service program. There will be over 4 million fewer people getting Pell grants over the next 7 years. The direct lending program that this school wants to get into is

going to be either severely limited or abolished, and the application that you have to give all your people here a better chance to go on and succeed will never see the light of day.

Now we learn that some in the Senate even want to charge colleges to process the Government loans. The president of the University of Kansas was quoted today as saying, "That's like charging people who run grocery stores to handle food stamps." Can you believe that? They actually want to start making the community college pay just to have people here with college loans. They want to raise the interest charged to working families who take out loans to send their children to college. They also, believe it or not, want to do some other things which will dramatically undermine the ability of people to go to college and all told—listen to this—all told, will cost over \$7 billion for students, their families, and their schools over the next 7 years.

Now, this is not about money. This is not about balancing the budget. This is about what kind of country we're going to be and what our obligations to each other are. They have made three value choices in Congress. They say we have to balance the budget in 7 years, even if we could increase education and still balance it in 8, 9, or 10 years.

Then they say we have to give a huge tax cut of \$250 billion, half of it going to upper income people like me who don't need it and don't want it. But they're determined to give it anyway, even if they take it away from you and your education and your children's future. And they say that we're going to take some of this student loan money away from the students and give it back to the banks and the middlemen, even though it raises the cost of going to college, provides more paperwork headaches for the schools, delays the loans getting to the students, and robs you of the option of repaying based on a percentage of your earnings. They say these interest groups didn't like it when they lost the money. We're cutting education, but we're going to give them some of their money back.

Now, those are value judgments. This is not just about money. Our solemn obligation is to reward people who are willing to work to make the most of their own lives, to make sure that the enthusiasm these young people

have shown us today becomes mirrored in brilliant, successful, happy lives that make America a stronger place and guarantees that their children will have an even better America to grow up in. That's what this is all about.

So I challenge Congress to work with me to find common ground, to balance the budget without raising the cost of going to college to pay for a tax cut. It is not necessary, and it is not right. It is not consistent with basic American values. We can balance the budget, cut taxes for middle class people who need it to educate and raise their children, and still increase our investment in education. Let us do this the right way and advance what America really stands for. That's what this is all about.

I saw a very moving picture in the newspaper here today of the trip that President Kennedy made in 1962. He came here to honor the citizens who had built Pueblo 100 years before. And he said this, "I hope that those of us who hold positions of public responsibility in 1962 are as far-seeing about the needs of the country in 1982 and 1992 as those men and women." Well, President Kennedy's generation was. They went to the moon. They explored new frontiers of science and technology. They ensured that we would win the cold war. They advanced the cause of education and economic growth and world peace.

In this day and age, the popular thing to do would be just to go along with all of this, because the popular thing is to tell you that your Government is the cause of all your problems; all Government is bad and all tax cuts are good. I know that would be popular. But friends, almost all the money the Government spends today is on medical care for the elderly and the disabled, Social Security, the national defense, interest on the debt, and education and other investments in our future. I want to cut it some more. I want to get rid of the things we don't need. I want to balance the budget. But the popular view is not right.

Your Government is you. And we better invest in your education and your future. Twenty, thirty, forty years from now the people who are sitting here on this great lawn will appreciate it if they know we balanced

the budget and secured our financial future in a way that protected the educational future, the economic well-being, and the fundamental values of the United States of America. Let us resolve to do that and to do it together.

Thank you, and God bless you all.

NOTE: The President spoke at 2:33 p.m. on the College Center lawn. In his remarks, he referred to Joe May, president, Pueblo Community College, and student Diana Gurule.

Statement on the Decision To End Airstrikes in Bosnia

September 20, 1995

The U.N. and NATO commanders are in agreement that the Serbs have completed the required withdrawal of heavy weapons from the exclusion zone. The Sarajevo airport has been opened. U.N. and humanitarian traffic is moving along the main routes into the city. Therefore, the commanders have concluded that the NATO airstrikes can be discontinued. I welcome this development. The NATO air campaign in Bosnia was successful.

But let me also repeat what I have said before: Renewed attacks on Sarajevo or the other safe areas, or any Serb noncompliance with their other commitments, will trigger a resumption of NATO airstrikes.

The results of NATO's and the U.N.'s actions will help us achieve a peaceful settlement in Bosnia. They show, once again, that firmness pays off. We all are proud of the American and allied air crews who conducted the NATO operation with such bravery and skill.

All parties should now turn from the battlefield to the bargaining table and complete a political settlement. Ambassador Holbrooke and his team have made additional progress since the Geneva meeting 12 days ago. The time has come to end the fighting for good and begin the task of reconciliation and reconstruction in the Balkans.

Message on the Observance of Rosh Hashana

September 20, 1995

Warm greetings to all who are celebrating Rosh Hashana, marking a new year of both promise and renewal.

On this solemn occasion each year, the powerful call of the shofar is sounded, summoning Jews around the world to a spiritual reawakening. The message of Rosh Hashana—remembrance and redemption for the new year—serves as a timeless lesson for all of us as we seek a closer relationship with God and work to find deeper meaning in our lives.

This sacred holiday is also a time for self-examination and an opportunity to celebrate God's ongoing creation. Let all who are rejoicing in this season of hope also strengthen their resolve to work for a better, brighter future.

Best wishes for a joyous Rosh Hashana and for a new year of peace.

Bill Clinton

Remarks at a Fundraiser in Denver, Colorado

September 20, 1995

Thank you very much, Mr. Vice President, you certainly convinced me. *[Laughter]* Folks, I hope I live long enough to see Al Gore look at this seal when he won't have to close his eye to read "President of the United States of America." *[Applause]* Thank you.

You have no idea how good a speech that was. We—Sunny must have waked him up down there at dinner or something because the Vice President and I were in Philadelphia 2 nights ago; I flew to Miami; he flew back to Washington. But the next night when we were speaking in Miami, he was in Miami. Now here we are in Denver. I flew to Denver last night; he flew back to Washington—*[laughter]*—and then got up this morning and flew to New Mexico and then came here. He is a bionic person. He actually has a little computer chip at the base of his spine that was about to play out. *[Laughter]* And I don't

know how he got through this tonight, but I'm grateful to him for doing it. *[Laughter]*

Let me say that I am honored to be here with Wellington Webb and with Wilma. I admire his leadership and I admire their partnership. That has a pretty high place in our family's deliberation; I like that. I've enjoyed working with Mayor Webb on many things, and we've got a lot of things to work on in the future for the benefit of the people of Denver, and I look forward to that.

I always love the time that I have to spend with Roy Romer, who, as all of you know, is a longtime friend of mine. He and Bea and Hillary and I have known each other a long time because we both were fortunate enough to serve as Governors for a long time. And I said today down in Pueblo, I want to say again—by the time I left the governorship in 1992 to become President it was the consensus of the Governors of the United States in both parties that Roy Romer was the best and most innovative Governor in the entire country.

I also want to thank all of you who sold the tickets and who raised the money, and those of you who gave it and came here. Tonight I want to talk to you a little bit about—the Vice President has talked about what we have done—I want to talk about what we're going to do and what matters to our country. And I want to ask you when you leave here not to think that your job is done.

I am profoundly grateful for the support, for the work that Terry McAuliffe and Laura Hardigan and our people have done, and all the people here in Colorado and the folks who have come from Arizona and other places all across America. I thank you for that. But I would remind you that this is just a beginning. Every one of you was given at your seats a little article about our administration, written by a person I've never even met, but it's pretty favorable. *[Laughter]* And you can read the other stuff every day—I thought—*[laughter]*—and a summary of the things that the Vice President just talked about. I hope you'll take it home with you. I hope you'll give it to your friends. I hope you'll use it. I hope you'll begin to speak about why this election is important, because I believe that what we have done and what it is we still have to do as a people, make

this coming election one of the most important elections of this century.

I also want to say one very serious word about the Vice President. You know, all those things he said we've done, he told the truth about, but what he didn't say is a lot of them would not have happened if he hadn't been the Vice President. And I think, even the people who don't like me and don't agree with a lot of our policies cannot dispute that because of his role in reinventing Government, in telecommunications policy, in the environment, and in foreign policy, he is the most influential Vice President in the history of the United States of America.

Now, one of the things that wasn't on his David Letterman's list of the 10 best reasons to be Vice President that should have been is, working with Bill Clinton. I know so much more about so many things than he does, I have an interesting job, and when it goes wrong, he takes the heat. [Laughter] But nonetheless, it's been an incredible partnership.

First thing I want to tell you is that this is one of those sort of get-off-the-dime elections. You know how people always say they want you to be brave and courageous, and they want this, that, and the other thing, but they don't, really. [Laughter] You know? It's fine if you do it, but not them. Or, one of Clinton's laws of politics is, everybody is for change in general, but against it in particular.

I heard a story the other day that a friend of mine—actually, my senior Senator—told me about our neighbors in Louisiana, when Huey Long was preaching his “share the wealth” gospel in the Great Depression. And he was out in a country crossroads, speaking to a bunch of farmers in their overalls. And he saw one he knew out there, and he was trying to make the point that half the people in the country were starving and out of work, people in Louisiana were in terrible shape. And he saw this old farmer and he said, “Now, Brother Jones, if you had three Cadillacs, wouldn't you give one of them up so that we could drive these country roads and collect all these kids up and take them to school during the week and to church on Sunday?” He said, “Of course I would.” He said, “Brother Jones, if you had \$1 million, wouldn't you give up half of it so we could

build a house for every family in this county and put a roof over their heads, give them three good meals a day?” He said, “You bet I would.” He said, “And, Brother Jones, if you had three hogs—” he said, “Now, wait a minute, Governor, I've got three hogs.” [Laughter] So everybody's for change in general.

Or, my favorite story—I've got to quit this, but—[laughter]—my favorite story is the minister who gave very boring sermons, and finally he decided he would, if he never gave another one, finally give a passionate sermon that would move his congregation to give up all their inhibitions and stand up and shout and reaffirm their faith. And he worked and worked and worked, and he was doing a brilliant job. And he got to the climax of the sermon and he says, “I want everybody who wants to go to Heaven to stand up.” And the whole congregation leapt to their feet, except one old lady on the front row that hadn't missed a Sunday in 40 years. And he was crestfallen. And he said, “Miss Jones, don't you want to go to Heaven when you die?” And she leapt up and she said, “I'm sorry, Preacher, I thought you were trying to get up a load to go right now.” [Laughter] So we're all for this in general, but not in particular.

Now, what is the point of all of this? What is the point of all this? We are living, I believe—when historians look back at this time, they will say that we are living now through a period of change so profound that its only parallel really is what happened 100 years ago when we became an industrial and urbanized society, moving out of a rural agricultural society. We are now becoming not an industrial society, but a society rooted in information and technology, even in manufacturing where the permutations of the uses of information and technology are staggering, unending, and rapidly increasing all the time.

We are moving from a bipolar world of nation states roughly organized by the cold war into a post-cold-war era where there is remarkable global economic integration but very frightening forces of disintegration all across the globe, mostly organized forces of religious or racial or ethnic bigotry that can access technology to do terrible damage, whether it's a bomb blowing up a bus in Is-

rael, or a fanatic breaking open a vial of sarin gas in a subway station in Tokyo, or a disturbed young man blowing up the Federal building in Oklahoma City, with a bomb, the instructions for making which you can now find over the Internet if you're plugged into one of the fanatic programs.

On balance, this is a very exciting world we are moving into, and most of the people in this room, we're going to do great. And it's the most exciting time you can imagine. But it's also a time that is full of challenge.

Whenever people have to change, as I just tried to illustrate from my little stories, there is always a sort of inbred reluctance. We can't get to where we need to go, we can't make the 21st century America's century, we can't keep the American dream alive for all our people unless we're willing to embrace new ideas and new approaches. But we also have to be faithful to our basic values.

To go back to the remarks that Governor Romer made earlier tonight, that really is what this debate in Washington is all about today. How can we change, and do what we need to do and be true to our basic values: freedom and responsibility, work and family and community, the obligation to find common ground and to work together, the obligation to do some things that may be unpopular in the present because they will be right for our kids 20 and 30 years from now? How can we help families to stick together? How can we help parents to raise their children in the right way? How can we give communities the capacity to solve their own problems and seize their own opportunities? How can we both help people who are trying to help themselves, but hold people accountable who are doing things that are destructive of where we all want to go? That, it seems to me, is the great question of the day.

Now, you heard what the Vice President said. Our economic policies have brought a lot of good. We didn't do it alone, but we were a good partner with the private sector. And I want us to do more. Some of you here tonight are into communications. I want us to have a telecommunications reform in this country that will unleash enormous competitive impulses and create tens of thousands of new jobs. But I don't want to do it at the

expense of ordinary people; I want us to have a fair and balanced approach to this.

And let me explain why. If I had told you on the day I was inaugurated—just consider this—now, if I told you on the day I was inaugurated 30 months from now here's what will happen: We'll have 7½ million jobs, 2½ million new homeowners, 2 million new small businesses, the largest number of new entrepreneurs than at any time in our history; we will have the largest number of new self-made millionaires in American history—hallelujah—the stock market will be at 4,700, but the wage of the guy in the middle in America will have dropped one percent, you would think, nah, no way, can't have happened. But that's exactly what's happened.

In other words, in the midst of what by any standard is a very strong economic recovery, the 25-percent increase in exports and all the other things the Vice President said and with the jobs being created on balance paying way above average wages, the median wage, the wage of the person in the middle, is still slipping.

Why is that? Because all these forces toward global integration work to press disintegration on families and communities who aren't prepared to compete and win in that world. That means if our value is to keep the American dream alive for everybody who's willing to work hard, we have to ask ourselves, now what do we have to do, not only to keep the economic recovery going but to spread its benefits to all those people that are out there doing the right thing and still can't keep up?

If I had told you 30 months ago that the crime rate would be down in this country, the murder rate would be down, the welfare rolls would be down, the food stamp rolls would be down—even some of our deeper social issues that don't go directly to Government actions—the divorce rate is down, the number of abortions in America is down, we seem to be coming back to a more traditional way of coming to grips with our problems. You would say, that's very good. And a lot of our policies did contribute to some of that. We're collecting more child support as well. We're collecting more delinquencies on student loans. We are holding people more accountable for their actions. That's all great.

How could this happen and at the same time we are facing, as the Mayor and I talked about tonight, an explosion in crime among juveniles between the ages of 12 and 17? Drug use among people between the ages of 18 and 34 is down in America, but casual drug use among people between the ages of 12 and 17 is up. There are a lot of reasons for this, folks.

And I may be stepping on somebody's toes tonight, but a lot of these kids are out there raising themselves. A lot of the schools are turning them out too early. And a lot of them see people their own age being manipulated in horrible ways. And as I said, this may not be popular. I don't have any comment on whether those Calvin Klein ads were legal or illegal, but those kids were my daughter's age that were in those ads, and they were outrageous. It was wrong.

And it is wrong to manipulate. It is wrong to manipulate these children, to use them for commercial benefit. It's hard enough to grow up in this world as it is without confusing people further. It's hard enough to give kids a chance to grow and to learn and to adjust to how they ought to relate to other people without their being either ignored or manipulated.

So I say to you, we ought to be happy about these good things that are happening. I am ecstatic. But we cannot lose a whole generation of our children. And if they don't happen to be in our families and they happen to be poor and they happen to live a long way from us, we still better be concerned about them.

Yesterday when I was with Governor Romer's and my friend, Lawton Chiles, the Governor of Florida, who used to be the chairman of the Senate Budget Committee and was always trying to get us to do something about the deficit, he said an interesting thing. He said, America has to decide whether we are a community or a crowd. He said a crowd is just a bunch of people that just do the best they can and the strongest win and the weakest lose. And most folks just get pushed around. A community recognizes that we do better if we go up together and that we have obligations to one another and that when we change, as we are now, we have to ask ourselves all over again, what are those

obligations going to be and how will they be defined in this new age?

Now, that's what this budget debate is all about. Make no mistake about it, this is not about money; it's about values. The money is almost incidental to the decisions that are being made to affect people's lives.

But I ask you to consider this: The issue is not whether we should balance the budget. The Vice President told you the truth. We have effected a great change in the Democratic Party. People used to say, "Well, the Democrats are the party of Government and big spending." It was always overstated. The truth is that in every year of the Reagan and Bush years except one, in every year but one, the Congress spent less money than the President asked them to. A lot of the Democrats in this—won't believe that, but it's the truth. I went back and checked myself. [Laughter]

We said to the Democratic Party in Congress, we said, we shouldn't be running a permanent deficit. We never had a permanent deficit in this country until 1981. Oh, yes, we ran a little deficit in the 1970's because we had all that stagflation and it was a bad economy, but we never committed ourselves to the proposition that we ought to just spend more than we take in forever and a day until 1981. And in 12 years, we quadrupled the debt of this country. The budget of this country would be balanced today but for the interest we have to pay on the debt run up in the 12 years before I moved to Washington as your President. Now, that's the truth.

So, now we've got both parties saying, "Let's balance the budget. Hallelujah, it's the right thing to do." But how we do it in a period of great change will make all the difference. So I say to you, let's look at these things. What are our obligations to the next generation to build the American dream? What are our obligations to our parents who built this country, defeated the Depression, won World War II, set up the cold war, prevailed there, gave us the greatest period of prosperity the world had ever known? What are our obligations across the lines of generations and incomes? And how are we going to change to build the kind of economy that will permit everybody to benefit from the ex-

plosion of opportunity that is the information age?

The first thing we have to recognize is, we'll never get everybody's income up until we educate everyone. The plain, hard fact is that in the world we are moving toward, people in rich countries with low levels of education are going to be pounded. We know that. Therefore, we ought to help more kids get started right. Therefore, we ought to help our schools have smaller classes and higher standards and greater accountability and more computers and whatever else they need.

Therefore, we ought to help people move from school to work. If they're not going to a 4-year college, at least give them the kind of training they need to get a good job with growing prospects. And therefore, we certainly ought to help our young people do things like national service, or get Pell grants, or get more affordable college loans with better repayment terms so they can go on to college and make the best of their own lives. This is huge deal.

So I say to you, we do not have to destroy the education budget of this country to balance the budget. Therefore, we shouldn't do it. Now, the congressional plan reflects a different value judgment. Their value judgment is, "We said we'd do it in 7 years, and we didn't know how. But we're going to do it in 7 years, not 8, 9, or 10; even though if we took a little longer, we could protect education. And we said we were going to give a \$250 billion tax cut, and we're going to do it if we have to bust a gut doing it, even though half the money will go to people who are doing real well now who haven't asked for it, and most of them don't want it, we're going to do it anyway. And if it means we have to cut education, if we have to kick kids out of Head Start or we raise the cost of college loans or do other things that are bad for America, well, it's just too bad. We've got to have 7 years and \$250 billion."

I say we ought to do what's right for the children of this country. We owe it to them. And we know—we know—that America will not be the place that we grew up in if we have another 30 years where half the people work harder every year for lower wages. Now, we know that. You don't have to be

brilliant, we know that; so we ought to do it.

There are those who say that the free enterprise system is being hobbled by all these terrible rules for clean air and clean water. In the Congress this year in one House, they voted to say we couldn't enforce the Clean Air Act. It wouldn't be so good for Denver. They voted to say that we couldn't enforce the rules to keep cryptosporidium out of municipal water supplies. That's what killed all those people in Milwaukee. It wouldn't be so hot if it got in your water supply.

They voted to say for a while until we defeated and we couldn't even implement the regulations for safe meat to stop more *E. coli* outbreaks like those that killed those kids in those fast food places a couple of years ago. We're still inspecting meat the way dogs do. [Laughter] That's the truth. We smell it and look at it. [Laughter] Your Government has never modernized the technology that's there available. Now we're going to do it. Our administration has worked for 2 years to do it. Mike Espy, when he was Secretary of Agriculture, started it. And they tried to delay it, because it was going to add the teeniest—I mean the teeniest—amount to the cost of a hamburger. If it keeps a kid alive, it's worth it.

Some of them have suggested we ought to close a couple of hundred national parks. You know, Hillary and Chelsea and I went to Grand Tetons and Yellowstone this summer, and we spent our time in the national parks. We got to feed the wolves that we're trying to reintroduce into Yellowstone. We got to see things that were priceless.

But you know what was unique about it? Anybody in America in a car could get in for \$10. Anybody in America in a car could get in for \$10. We've got some folks wanting to build a gold mine 3 miles from Yellowstone. And, you know, when you mine gold or any other mineral, you have a lot of waste product, and it's acidic, and if it gets into the water, it will ruin the water quality. And up there where they want to mine it, they only have about 2 months of frost-free days a year, so you've got a lot of variation in the temperature. They want to build sort of a hard plastic bag, 70 football fields long, and six or seven or eight stories high and put it

between two mountains and say, well, we're just sure nothing will happen to Yellowstone in the next 20 or 30 or 40 years.

This is the sort of mentality—this is not about money. Eighty percent of that gold will go to jewelry, not to some great scientific purpose. What's Yellowstone worth? What's our natural heritage worth? What's clean air and clean water worth?

Now, Al Gore—we have worked very hard to take some of the crazy regulations out of the EPA. Next year, the average person complying with the EPA regulations will spend 25 percent less time than they used to. If a small businessperson calls the EPA and asks for help now, they cannot be fined—listen to this—they cannot be fined for 6 months because they're trying to do the right thing.

We have tried to change the burdensome things. But I'm telling you, there is no value to put on the preservation of our natural heritage, and it is not necessary to balance the budget to destroy it. It will only undermine the future of America if we do that, and we must not do it.

You heard what the Vice President said about the crime bill. Some people say that we should cut spending on the crime bill, which we paid for by eliminating 100,000 Federal employees, we ought to cut spending on the crime bill, not require 100,000 new police officers and send a block grant to local governments and hope it gets spent right.

I never thought there was a constituency for raising the crime rate until this happened. [Laughter] The one thing any law enforcement officer in America will tell you is, if you put more police into community policing and they walk the streets or they drive around the same blocks all the time and they know their neighbors, you can actually lower the crime rate.

This is a big deal. If you told anybody 5 years ago we could lower the crime rate, most Americans would say, "Nah, not a chance," you know, "We're just going in the wrong direction, people don't have enough respect for each other. There's too much violence, too much guns, too much this, too much that." Well, it's not true.

We passed the Brady bill and tens of thousands of people now—tens of thousands of

people with criminal histories or dangerous mental health histories have not gotten guns who would have gotten it otherwise. It has worked. And those police officers, they're working. We're lowering the crime rate. You cannot convince me that we have to raise the crime rate to balance the budget. It is not true. That is a value judgment. That is a value—you're laughing, but you know, you've got to be like Abe Lincoln, you're laughing because you're too old to cry. [Laughter] This is true.

And I could give you so many other examples. Ronald Reagan said the best anti-poverty program put in in the last 30 years was the program the Vice President talked about, the earned-income tax credit. It's a family tax credit. And I increased it dramatically, or at least I asked the Congress to and they did, because I had a simple idea. I said, "Look, everybody wants to reform welfare, but if we're going to reform welfare, we ought to make work pay."

And most people who are parents in this country today have to work, so we ought to want people to succeed as parents and workers. Therefore, we should use the tax system to lift people out of poverty if they're working 40 hours a week and they've got kids in their home. And by the way, it's had an ancillary economic benefit because, as the Vice President said, those folks spend all the money they make, and it's helped to jump the economy; it's helped to support our economy.

But it's been—basically, it wasn't a money deal, it wasn't all that much money. It was about family and work and fairness and responsibility. And it worked.

So there are people now in the Congress who say that the best way to pay for our tax cut is to cut back on the earned-income tax credit and, thereby, raise the taxes of the working poor. Now, I didn't think there was any constituency in America for making welfare more attractive than work again. But that would be the necessary impact of this. We don't have to do it to balance the budget, and we shouldn't. It's not about money. It's about our values.

The last thing I want to say is, there's a lot of talk about Medicare and Medicaid. I understand there was some talk in the local paper about it today. And some people say,

“Now, the acid test about whether you really want to balance the budget is just how much you want to cut Medicare and Medicaid. That shows whether you’re really macho on balancing the budget.”

Well, I want to say this: When I became President the Medicare Trust Fund was in trouble. Now, you hear the leaders of the Congress telling you how much trouble it’s in now. It’s still in trouble, but it’s in 3 years less trouble than it was when I became President when they denied it and wouldn’t help us, and we fixed it because we knew something had to be done about this. And something does.

Why? Because medical costs are going up faster than the rate of inflation, and we can’t keep going. But I want you to understand, we can fix the Medicare Trust Fund, and we can slow the rate of medical inflation without—without having huge increases on elderly people on Medicare—and keep in mind, three out of four of them live on less than \$24,000 a year—without foreclosing 300,000 opportunities for people to be in nursing homes and over a million opportunities for people to have home health care under the Medicaid program. We can do that.

I have proposed substantial reductions in Medicare and Medicaid that don’t do that, that don’t run the risk of hurting your city hospitals here or closing these rural hospitals in the plains States. We can do this if we recognize our fundamental obligation, if we say, how are we going to balance the budget in a way that promotes our values.

So I want to ask you all to do what you can to help, with all the people who represent you in Congress without regard to their party. Tell them you want them to balance the budget. Tell them you expect them to balance the budget. We’re doing it to lift this terrible burden of debt off our children and to free up money to be invested in the private economy to grow more jobs. But we cannot do it in a way that undermines the very fabric of what it means to be an American. That is the issue in the budget debate.

I just want to make two other points. One is, we’ve got to keep trying to find common ground. There’s too much in our politics today driving people to the extremes, trying to use every issue as a wedge issue. This wel-

fare issue—it’s very important to reform welfare. You know why? Because it isn’t good for the children and their parents to be trapped on it. And because it undermines our country when everybody can’t live up to the fullest of their own abilities. But it is not busting the bank. It’s only costing you about 2 or 3 percent of all the money that the Government spends.

We need to do it because of the values involved. And therefore, it is important that we do it in a way that brings us together, not drives us apart. We shouldn’t punish little babies for the mistakes of their parents. We shouldn’t do anything that doesn’t support the two objectives we have: We want these people to be good parents, and we want these people to be successful in the workplace. That should be our objective. And everything about welfare reform should be seen through that prism. I believe in being tough, holding people accountable, requiring them to work if they can. But not at the expense of raising their children successfully in the right way.

Let me give you another example. This affirmative action issue, there are a lot of people who say this ought to be a big issue in the Presidential campaign because they believe that they can convince white voters who’ve got stagnant wages that the real reason is somebody did something for minorities or for women under affirmative action.

Well, let me tell you, I conducted a huge review of all the affirmative action programs of the United States Government. And there are some problems with some. We’ve already abolished one. Some more may be abolished. Several more will have to be amended. But we are still not a country where people have equal opportunities without regard to their gender or their race. And until we are, it is okay to take account of that in trying to make sure that everybody has a fair chance.

I’m against quotas. I’m against reverse discrimination. We have brought reverse discrimination suits in our administration. But I say we should not end affirmative action until we have gotten the job done, and we should not use this issue to divide the American people when we should be united over it.

I feel the same way about immigration. There are people who want to make a big

political issue out of that to divide us. We have had unprecedented levels of immigration and unprecedented problems with illegal immigration in the last 10 years. I have—instead of making a political issue out of it, I appointed Barbara Jordan, the distinguished former Congresswoman from Texas, to look at the issue and say what is right for America. And we have done far more than was done in the previous years to try to limit illegal immigration, and she has recommended and I have supported a reduction in the annual quota for immigration because we went way high after the cold war to try to help people adjust to the end of the cold war. And if we're going to lift wages, if we're going to expect people on welfare to go to work in those kinds of jobs that will be available, we have to make sure that we have a decent tight labor market. And so I'm in favor of that.

But let's not forget, except for the Native Americans in this audience tonight, we all came from somewhere else. We are a nation of immigrants, and we should not use immigration to divide us. Our diversity is our strength in America, not our weakness.

And the last thing I want to say is this: I have no earthly idea what is popular or not, or what will be on election day, because one of the things you have to reconcile yourself to in a period of great change is unpredictability. And we have to do things in Washington that look terribly unpopular in the moment because we think they're right for America 10 or 20 or 30 years from now.

I'll give you a mundane example. When we decided to invest the Vice President's prestige and some of the most talented staff people in this reinventing Government thing all the political advice I got was this is nuts; no President has ever made a single vote on managing the Government. All I know is that they're having a terrible disaster now in the Virgin Islands and Puerto Rico, and our Emergency Management Agency used to be a disaster, but now they're down there helping people. And that was worth doing. And that's one example of what we've done.

You heard the Vice President—they told me that I had absolutely slipped my lid when I made the decision to do what we did in Haiti. Everybody said, "This is crazy. Nobody

is for it. Nobody understands it." But I knew that those military dictators who were murdering people down there had promised us—they had given us their word on our soil that they would get out and let the elected President of Haiti return, and that if we didn't enforce their word to us, then the United States would not be able to be a force for peace and freedom and democracy in our own hemisphere. And nobody would respect us if we let them get away with lying to us. And what we did was right and decent, and it did not cost the life of a single American. It was the right thing to do.

I can say this in Colorado, I know what I'm talking about here: all the political advice I had was not to do the Brady bill. And once we did the Brady bill, for goodness sake, don't ban assault weapons, because the NRA will convince all the country people with a gun that you're coming after their rifle. And that happened, folks. If you get them in a quiet room, the leaders of the Republican House will tell you they probably have a majority today because we banned assault weapons. And I knew it was bad politics. You know why? If you took a poll in Colorado, two-thirds of the people would have agreed with the Democrats to banning the assault weapons. But the people who didn't were all going to vote against them. The people that agreed with them found some other reason to vote against them.

You want to know why people never take on organized interest groups? That's why. And if you want people in public life to do it, you need to stick with them when they do. But do you know why we did it? You know why we did it? You know why we did it? Because I went to city after city after city—I sat in Philadelphia, I sat in Chicago—I'll never forget this in my life—and I talked to all these people who were running emergency rooms in Chicago telling me that the mortality rate of children with gunshot wounds was three times what it was 15 years ago because they have 3 times as many bullets in them when they're brought into the hospital. And I say, if it gets the Uzis out of the high schools and off the streets and give some more kids a chance, it's worth the risk to do it. But we ought to do it.

We've got another broadside today in Washington over this fight we're in to try to discourage teenage smoking. And all the experts said this is politically nuts because, while most people agree with you, those that don't will take you out, and those that do will find some other reason to oppose you. But you know what? We studied this problem for 14 months, and there were two inescapable conclusions: All previous voluntary agreements had failed. The tobacco companies knew that the product was addictive, was dangerous, and they were directing their efforts at children. And the second, and most important thing, was 3,000 kids a day start smoking and a thousand of them are going to die sooner because of it.

And if it saves a thousand kids a day, in the end who cares what the consequences are? In the 21st century that could make a huge difference to the children of America and to the kind of country we have and the kind of people we have and what we're attuned to.

Now, these are the things I want you to think about. And these are the things I want you to talk about. This election is about more than Bill Clinton and Al Gore. It's about more than the Democrats and the Republicans. This is an election about what kind of people we are and what we're going to do.

But I want you to be fundamentally optimistic. You just remember, this is a very great country. We are the oldest democracy in the world because most of the time when the chips are down, we do the right thing. Nearly 50 years ago, when I was born in Arkansas, the per capita income of my State was barely half the national average. I was raised by my grandparents until I was four. My grandfather had a 6th-grade education. Because of America, I became President, not because of my goodness or my ability or because I worked hard. There are people like me all over this world because this country stood for something and had the right values and gave people like me a chance.

And I am telling you, if we do the right thing now, the best days of this country are ahead of us, the best is yet to come. But it depends upon you and people like you.

So thank you for your contribution. But now go do your duty as citizens. The whole future of this country is riding on it.

God bless you. Thank you.

Note: The President spoke at 9:02 p.m. at the Marriott Center. In his remarks, he referred to Sunny Brownstein, member of the executive committee, Colorado Presidential Gala; Mayor Wellington Webb and his wife, Wilma; Governor Roy Romer and his wife, Bea; and Terry McAuliffe, national finance chair, and Laura Hardigan, national finance director, Clinton/Gore '96.

Memorandum on Assistance to Rwanda and Burundi

September 20, 1995

Presidential Determination No. 95-44

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to \$20,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs of refugees and victims of conflict from Rwanda and Burundi. These funds may be used as necessary to provide U.S. contributions in response to the appeals of international and nongovernmental organizations for funds to meet the urgent and unforeseen humanitarian needs of victims of conflict from Rwanda and Burundi.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and obligation of funds under this authority and to publish this memorandum in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on September 21.

Remarks in the Exploratorium in San Francisco, California*September 21, 1995*

Thank you very much. First of all, I'd like to thank Mr. Delacôte and all the people who hosted us here. To Mayor Jordan and your outstanding California Commissioner of Education, Delaine Eastin, and to all of the others who are gathered here today—thank you very much for being here with us. I want to say to all the students here that the Vice President and I are delighted to see you. Normally, we would not want to be responsible for taking you out of class, but today we think maybe we have a good reason, and we hope we have a chance to shake hands with a lot of you as soon as this brief ceremony is over. I want to say to all of the executives of the information companies that we just met with how very grateful I am to you, and I'll say a few words about them in a moment.

I came here to San Francisco today to issue a challenge to America to see to it that every classroom in our country—every classroom in our country is connected to the Information Superhighway. To demonstrate that this is possible, we are all here today to announce a giant step toward that future.

By the end of this school year, every school in California, 12,000 of them, will have access to the Internet and its vast world of knowledge. By the end of this school year, fully 20 percent of California's classrooms, 2,500 kindergartens, elementary, middle, and high schools, from one end of this State to the other, will be connected for computers. If that can be done in California, we can do it in the rest of America.

But the key is to have the kind of partnership that we are celebrating here. The job of connecting California schools will be undertaken by a wide alliance of private sector companies, among them, Sun Microsystems, Apple, Xerox Park, Oracle, 3Com, Silicon Graphics, Applied Materials, TCI, Cisco Systems, and others. Our administration has brought these companies together, we have set goals, but they are doing the rest. Just as the connecting of our classrooms is a model for the 21st century, so is the way we

are doing it here today, with Government as a catalyst, not a blank check.

So today, I challenge business and industry and local government throughout our country to make a commitment of time and resources so that by the year 2000, every classroom in America will be connected.

Tens of millions of parents all across our Nation have watched their children play every kind of video game from Mortal Kombat and Primal Rage to Killer Instinct and Super Streetfighter. But the really important new computer game in America is learning. And we are going to put it at the disposal of every child in this country by the end of the century.

Last month, I announced a broad initiative to stop our children from being addicted to tobacco, because it was bad for them. Today I hope to encourage a good habit, a lifelong commitment to learning. I want to get the children of America hooked on education through computers.

Our country was built on a simple value that we have an obligation to pass better lives and better opportunities on to the next generation. And we see them all here. Education is the way we make this promise real. Today, at the dawn of a new century, in the midst of an information and communications revolution, education depends upon computers. If we make an opportunity for every student a fact in the world of modems and megabytes, we can go a long way toward making the American dream a reality for every student, not virtual reality, reality for every student.

The facts speak for themselves. Children with access to computers learn faster and learn better. Scores on standardized tests for children taught with computers, according to "Apple Classrooms of Tomorrow," a 10-year report that is coming out in a few days, caused scores to go up by 10 to 15 percent. Children mastered basic skills in 30 percent less time than would normally have been the case. Also, they stayed in school. Absenteeism dropped from over 8 percent to under 5 percent.

I cannot emphasize how important this is at a time when we want people to stay in school and get as much education as they possibly can. Technology enriches education;

it teaches our children how to learn better, as the Vice President and I saw with the young people who walked in with us and their three different exhibitions of learning, and we thank them for that today.

We must make technological literacy a standard. Preparing our children for a lifetime of computer use is now just as essential as teaching them to read and write and do math. With this effort, we are also reinforcing the core convictions that have stood us so well for so long. Computers offer a world that lives up to our highest hopes of equal opportunity for all. And look what we need equal opportunity for all for.

Computers give us a world where people are judged not by the color of their skin or their gender or their family's income, but by their minds, how well they can express themselves on those screens. If we can teach our children these values, if they can learn to respect themselves and each other, then we can be certain we'll have stronger families, stronger communities, and a stronger America in the 21st century.

I could think of no better place for us to begin than here in California, the State that leads the world in technological innovation. Until now, this leadership too often has stopped at the schoolroom door, for California ranks 45th in the Nation in the ratio of students to computers. While suburban children often have access to computers in their homes, other children, in rural areas and inner cities, pass their school years without coming close to the Information Superhighway. The longer they're kept away, the less chance they have of building good lives in a global economy.

Well, thanks to the dedicated Americans gathered here today, all that is going to change. These companies who compete vigorously every day in the marketplace have come together in the classroom. We shared with them our vision, and they shared with us their ideas, their resources, and their know-how. Every company represented here today is making a different contribution, but they're all committed to the goal of connecting California because they know the future depends upon it.

Sun Microsystems is organizing a coalition of companies and volunteering for Net Day,

an effort to install networks in at least 2,000 schools. And the number is growing with each new company joining the effort. In the morning, volunteers will arrive at each school. By noon, they will have wired the library, the labs, the classrooms. By nightfall, those schools will have the technology they deserve.

Smart Valley, a coalition of Silicon Valley companies, has contributed \$15 million to putting technology in our schools. Smart Valley has agreed to develop 500 model technology schools over the next 2 years.

America Online has offered Internet services for a year. Even those phone companies that are always going after each other on TV have joined forces in this cause. AT&T will provide Internet access and voice mail to all California schools. Sprint will help to connect the schools. MCI will provide software for entry into the Internet and help to connect the schools. And Pacific Bell, which has led the way in linking California schools, is accelerating its efforts this school year by hooking them up to high-speed phone lines.

I want to thank them all, and I'd like to ask the leaders of these companies here to stand, and I hope the children will give them a hand, because they've done a great thing for your future. Please stand up, all of you who met with me earlier today. Thank you so much. [*Applause*]

This is an enormous effort. It will take the same spirit and tenacity that built our railroads and highways. It will take leadership and dedication of groups like the advisory council I have appointed on the Information Superhighway. So let us begin. Let today mark the start of our mission to connect every school in America by the year 2000. If we can connect 20 percent of the schools in the largest State in the Nation in less than a year, we can surely connect the rest of the country by the end of the decade.

In the coming days, I will announce the winners of our Technology Learning Challenge. And over the next several weeks, I will put forward a public-private partnership plan that lays out how we can move our entire nation toward the goal of technological literacy for every young person in America.

Here are its guiding principles: modern computers in every classroom, accessible to

every student from kindergarten through 12th grade; networks that connect students to other students, schools to other schools, and both to the world outside; educational software that is worthy of our children and their best aspirations; and finally, teachers with the training and the assistance they need to make the most of these new technologies.

Make no mistake: You can count on us for leadership, but the goal we have set cannot be set and cannot be achieved by Government alone. It can only be met the way these companies are doing it, with communities, businesses, governments, teachers, parents and students all joining together, a high-tech barn-raising.

What we are doing is the equivalent of going to a dusty adobe settlement in early 19th century California and giving every child a slate and a piece of chalk to write with. It's akin to walking into a rough-hewn classroom in the Sierras of the 1860's and wiring it for electricity for the first time. It's like going to the Central Valley in the 1930s to the canvas classrooms of the Dust Bowl refugees and giving every child a book. Chalk boards, electricity, accessible books, there was a time, believe it or not, when all these were rare. Now, every one is such a familiar part of our lives that we take them for granted.

If we stay on course, we'll soon reach a day when children and their parents and their teachers will walk into a classroom filled with computers and not even give it a second thought. Let's go to work. Our future depends upon it, and these children's lives will be better for it.

Thank you very much.

NOTE: The President spoke at 10:42 a.m. in the Rotunda. In his remarks, he referred to Goéry Delacôte, director, the Exploratorium, and Mayor Frank Jordan of San Francisco. A tape was not available for verification of the content of these remarks.

Remarks at a Fundraiser in San Francisco

September 21, 1995

Well, Mr. Vice President, you convinced me. [*Laughter*] I think I'll just play you a

tune on Clarence's saxophone and leave. [*Laughter*]

I want to thank you all so much for being here, for the support that you have given to me and to Al Gore and to our family and our administration. I wish that Hillary could be here today, but we've been gone all week, and she had to stay in Washington to receive an award a couple of days ago from the Save the Children Foundation. So we're sort of out here on our own, but—[*applause*]. I thank Dick Bloom and Walter Shorenstein and Ernest Gallo and Sean Lowe and my friend Susie Tompkins, all of you, for your leadership on this very outstanding event and all the rest of you who have done so much to help this administration to continue to do the work that we are about. I thank Reverend Cecil Williams for being here to pray over us and get us off to a good start. And I thank Clarence Clemons who, whenever I played saxophone with him, I loved it, because he was big enough and loud enough and good enough to cover all my sins. [*Laughter*] I loved that. And I thank the Glide Memorial Ensemble from—[*inaudible*—]for being here. You were wonderful today. Thank you so much. They put me in the proper frame of mind for what I want to say to you. You know, my first exposure to Reverend Williams and Glide Memorial was on Mother's Day in 1992 when I was running for office. And I got to talk about my mother. And at the time, I couldn't have known it, but I just had one more Mother's Day with her. And I never will forget the way I felt in that magnificent church with all those people coming together. They were all so different. Some were very wealthy, and some were living on the street. They were of all different backgrounds and all different dispositions toward life, but they were united there. That's what America is when we're at our best, when we're getting together and working together.

It is no secret to anyone who lives in California and who's been through all the tumultuous ups and downs of the last few years that we are living in a time of profound change. And we have to decide how we're going to respond to that change. The challenge that I issue is more complicated because it requires all of us to do something. The other prevailing vision just tells you the

Government's the problem, and if you get rid of it, everything will be all right.

I understand from long experience why that's more attractive. One of Clinton's laws of politics is that everybody's for change in general, but they're against in particular. [Laughter] And I have one famous story that comes out of my own political heritage in the South about Huey Long during the Depression when he was going around telling everyone in Louisiana they should share the wealth because 30 percent of the people were out of work and the rest of them were poor, and he could always get elected on his share-the-wealth platform in the Depression. And once he was out on a country crossroads, and he was giving his speech, and he identified a farmer in the crowd that he knew, who he thought was absolutely certain that he could make the point he wanted to make. And he said, "I see Farmer Jones out there." He said, "Now let me ask you something. If you had three Cadillacs, wouldn't you give us one of them to go around on all these country roads and gather up the children and take them to school during the week and take them to church on the weekends?" He said, "Of course I would." He said, "And if you had \$3 million, wouldn't you give us a million dollars so that we could put a roof over every family's head in this county and feed every family?" He said, "Of course I would." He said, "And if you had three hogs—" And the farmer said, "Now, wait a minute, Governor, I've got three hogs." [Laughter] So every one is for change in general, but when you get particular, then it's another thing altogether.

And what I want to say to you is, we have no choice. I believe when the history of this era is written, people will say that the period from about—well, the—sometime around the mid-1980's until the first decade or so of the next century was the period of greatest economic and social change, the biggest changes in the way we live and work that America has experienced in 100 years, since roughly 1895 to 1916 when we moved from being an agricultural and rural country to a more urbanized and more industrial nation.

That's the depth of the change that is going on. We're now moving into, as all of you know in California, an age dominated by information and technology, even in agri-

culture and industry. We're moving out of the cold war environment, where the world was largely organized among nation-states and two big camps into a global economy, where the world is often disorganized, and where all the forces are toward economic unity in global trade but political and social disintegration. In its sharpest sense, you see it manifested in racial and ethnic and religious hatred, whether it's a war in the Balkans or the horrible things in Rwanda and Burundi or a bus blowing up in Israel or sarin gas breaking open in the subway in Japan or the awful bombing of the Federal building in Oklahoma City.

It is, in short, a world that is full of possibility, the most exciting period the world has ever known and full of challenge. And it is clear that we have to bring to this new world a flexibility, an openness, a willingness to embrace new ideas and new approaches. It is also clear that we have to have a clear idea about where we want to go. My vision for this country in the 21st century is of a high opportunity nation, where we grow a lot of entrepreneurs every year and we expand our middle class and shrink our under class, where we empower individuals to make the most of their own lives and families and communities to solve their own problems, and where we define ourselves in terms of what we can do together, not how we can divide one another.

The Governor of Florida was with the Vice President and me a couple of days ago, and he said—in another fast-growing, multiethnic State—he said, "We have to decide whether we are going to be a community or a crowd. A crowd is the collection of people in the same place who swarm all over each other seeking their individual interests, and the fittest survive and the others don't do very well. A community is a collection of people that ban together and think they'll all do better if they all do well. And so they have obligations to one another which they recognize."

That's my vision. To get there, we've got to have a lot of new ideas, but we have to be faithful to our fundamental values, to supporting freedom and responsibility; to helping families raise their children; to helping all people make the most of their own lives; to holding people accountable for what

they do that is destructive of our common purposes; to standing up for America here at home and for our best values and our better selves around the world; to finding common ground instead of cheap, short-run, partisan gain; and to doing what is important for the long run, even if it's unpopular in the short run.

I say that because there are a lot of perplexing problems that require us to do this. And I'll just give you two. If I had told any of you the day I was inaugurated that within 30 months we would have, working with the American people, created conditions which would produce, 7½ million new jobs; 2½ million new homeowners; 2 million new small businesses with entrepreneurs growing in America; businesses at three-quarter of a million a year, a rate never before achieved; the largest number of new self-made millionaires in our history; a stock market at 4,700, that all of these things would occur, but the earnings of the guy in the middle would go down one percent, you'd have a hard time believing that, wouldn't you? But that's what's happened, because in the global economy, those in wealthy countries, not just in the United States, but in all wealthy countries, who are not plugged in to the growth and opportunity of the future will be punished, will be rendered more insecure. And within their family lives, their community lives, their aspirations for the future, their ability to impart the American dream to their children will be impaired.

So we have to figure out how to keep these good things going, but how to bring the rest of America on board. That's why this computer initiative being undertaken by these major California companies was so important. I looked at those school children that we had gathered today, from all their different backgrounds, from all walks of life; I saw the Asian children and the Hispanic children and the white children. And then I ran up to a little girl, and she said, "Mr. President, I was born in Stevens, Arkansas, and I'm living here in California with my grandmother." Stevens is a little country town full of people who go to church every Sunday and sing songs like you just heard. All this is a very different country. We've got to get everybody on board.

I'll give you another example. The Vice President talked about our crime bill. America is, believe it or not, is actually making progress in the war against crime and in the war to reassert social responsibility. In virtually every major area in this country, the crime rate is down. The murder rate is down. The welfare rolls are down as the economy improves. The food stamp rolls are down. Almost everywhere this is so. Drug use among people between the ages of 18 and 34 is down. That's the good news. Against this background, it is shocking that the rate of violent crimes committed by juveniles between 12 and 17 years of age is up. And casual drug use among people between the ages of 12 and 17 is up. This is a perplexing thing. Too many of these children are out there raising themselves. Too many of them get out of school too early with nothing else to do. Too many of them have problems that are treated only with the kind of harshness that may be appropriate for some but won't save anybody from getting in trouble in the first place.

And nobody has all the answers. So we have to be open to new ideas, rooted in old values, because we want this to be a strong country, but we've got to get these kids on board. We can't lose a whole generation of Americans. We can't have people think that life is only about power and money.

Did you see the story the other day that said two-thirds of kids between—who belong to gangs who are under 18 think it's okay to shoot somebody who disrespects them? And then about a week later you had a 16-year-old in New York kill a 12-year-old because he thought he'd been disrespected. It turned out the kid had a great sense of humor and was just—made fun of everybody. It cost him his life. What about counting to 10 before you do anything? What about, "Sticks and stones will break my bones?" Or the family, you know, that was subject to the hail of bullets because they lost their way in Los Angeles the other day? It's not just violence—we have come to see children as a class of people as something to be marketed. What I said yesterday in Denver—maybe I'm just getting old-fashioned, but I just came out of my shoes when I saw those teenagers depicted the way they were in those Calvin

Klein ads. I thought it was wrong. I thought it was wrong.

But the main point I want to make is, we've got to realize that we're making progress on these big problems, but we have these problems underneath. So we need to keep doing what we're doing, but we need to be humble about it and recognize that we've got to have new ideas rooted in old-fashioned values. That's what this budget debate is all about. It is not fundamentally about money. Fundamentally it's about whether we're going to be a community or crowd and what our obligations to each other are.

And I just want to mention one or two things. I favor balancing the budget. We never had a permanent deficit in our budget that was structural until 1981. We quadrupled the debt of this country in 12 years. It's so bad that the budget would be in balance today, and we'd have more money to give California for defense conversion, but the interest rate we pay on the debt run up between 1981 and the day I became President has thrown us into a deficit this year. That's the only thing putting us in deficit. And if we don't do something about it, next year interest payments on the debt will be bigger than the defense budget.

So no one has a stake in this kind of permanent spend-deficit spending. But the question is, how are we going to do it? We know how important education is to our future. And we know that we have programs that give young kids a chance to get off to a better start in life, that make for smaller classes and more computers and higher standards in our public schools; that give young people who don't go to 4-year schools the chance to get good training opportunities; that offer opportunities like AmeriCorps, to work and serve your community and earn money to go to college; that provide for more scholarships for poor children and provide for better loans at lower cost for other young people to go to school.

We know that if you raise the cost of a college education, you'll drive down the enrollment. Look at California: college enrollment down 10 percent in the last 2 years in the face of a bad economy. It should have been exploding in the face of a bad economy.

So I say to you, it is a violation of our solemn obligation to give people the chance to make the most of their own lives, to have a budget in the name of balance that takes children off Head Start, raises the cost of going to college, abolishes AmeriCorps, and takes the American dream away from millions of Americans. It is wrong. It is a violation of our basic values.

It is not necessary to balance the budget. We have given a balanced budget plan that increases our investment in education. You heard the Vice President talking about the environment. Hillary and Chelsea and I spent a wonderful summer vacation in Grand Teton, in Yellowstone National Park. I want you to know one thing, that any family in America that can get in an automobile can go in that national park for 10 bucks a car. That's an incredible thing. It's a priceless wonder.

There are people who think we ought to close a bunch of the parks or we ought to have a—no restrain on whether you can have a diamond mine next door—or who actually have the idea that it is oppressive for us to try to preserve clean air, clean water, and safe food; people who tried to stop us from implementing new regulations on food safety after all those people died from *E. coli*. And believe it or not, until we developed these new standards, when I became President, we were still inspecting meat the way dogs do. [Laughter] You laugh about it—we were looking at it, touching it, and smelling it. [Laughter] And we've finished with all that. We want to put in these new regulations. People are trying to stop us. It is funny, but you're really laughing to keep from crying. It's inconceivable that anybody would say don't do that. Cryptosporidium killed all those people in Milwaukee—do you remember that—polluting the water supply. We don't want it to happen to San Francisco. There were people who wanted to stop us from implementing them, who want to take away from the EPA the budget they need to enforce these things.

Now, we want to reduce Government regulation, but America needs clean air, clean water, safe food, and a devotion to our natural resources. That is a part of our moral obligation to our children and our future as well.

There are those who want us to take away our commitment to put 100,000 police on the street and just send a smaller check to local governments. We were in Jacksonville, Florida, the other day—a Republican county with an African-American Democratic sheriff. Why? Because out there where people live, crime and preventing it is a bipartisan issue. Out on the streets of America there's not much of a constituency for raising the crime rate. I'm having a hard time finding anybody for it. [Laughter] But back in Washington there are people who are perfectly prepared to do things that will lead to an increase in the crime rate, in the name of a balanced budget. But it is not necessary.

If you look at the Medicare and the Medicaid issues, we have to slow the rate of growth in these entitlement programs. They're growing faster than the rate of inflation. We have to do something about that. Our budget does it. Their budget says, "In order to get a \$250 billion tax cut and a 7-year balanced budget, we'll just take \$450 billion out of the health care system over the next 7 years." Well, how did you arrive at that number? Was there a study done? "No. It's how much we have to take out to have the \$250 billion and a balanced budget in 7 years." Well, what about a little smaller tax cut and take another year or two to balance the budget? "No, no, no. The most important thing is 7 years and \$250 billion."

Well, what about our obligation to elderly people? Three-quarters of them are living on less than \$25,000 a year. How much can they pay in Medicare premiums? "It doesn't matter; we've got to do this." Well, what about the fact that inner city hospitals here in San Francisco can't operate without Medicaid funding for poor children or poor elderly people? What are all these folks with HIV going to do if—[inaudible]—not for Medicaid, trying to keep them alive in some dignity so they can continue to work and be productive members of society but have some access to Medicaid? And then when they really get sick, how are they going to get the care they need without it? "It doesn't matter, we've got to have 7 years and a \$250 billion tax cut."

These are choices, folks. These are ethical choices. We can balance the budget in a credible way, in a short time. We can actually

have a modest tax cut directed to child-rearing and education and still fulfill our fundamental obligations to one another. But this is not fundamentally about money; it's about whether we're going to be a community or a crowd, whether we're going to have common ground or division.

I think I know where you stand. What I want to tell you is, I thank you for the contribution, but the contribution won't amount to much if we don't also have the contribution of your time, your effort, your passion, your willingness to engage your fellow citizens in saying that we have to have common ground, and we can have a balanced budget and we can have a good economy and we can have a good education system, we can have it all, but only if we proceed based on our rooted values that have taken America to this point in time. That's what I want you to do from now until November of 1996.

I want to close now with two brief points that I want you to think about. America has a lot of problems to face that require us to make difficult choices. And whether we make the right decision depends as much as anything else on our attitude and on whether we're willing to do the right thing for the long run. We have to find common ground. We need to reform the welfare system, but we need to do it because people on welfare will be better off if they can raise their children and get an education and be successful workers.

It's not a lot of the budget, but it's good for our values to do that. Therefore, when we reform welfare, we should do it in a way that lifts people up, not that divides people and tries to—[inaudible]—ethnic background. It's no longer necessary to make a conscious effort. I say to you, I'm against quotas. I'm against reverse discrimination. We've brought lawsuits against people for practicing reverse discrimination. But when Federal law enforcement officials, who happen to be African-American, get discriminated against in a restaurant that's part of a national chain, that is just one single example of the fact that we have not yet succeeded in creating an environment in this country where there is no more discrimination. So let's keep making the efforts and fix the pro-

gram without doing away with it. That's what I think we ought to do. I feel the same way.

Immigration—do we need to make some changes in immigration? Of course, we do. We have spent more money in California trying to stop illegal immigration and return illegal immigrants than any previous administration. Congresswoman Jordan—former Congresswoman Jordan from Texas, a very distinguished American—has made some strong recommendations on what the volume of immigration of the United States should have on an annual basis so that we can have a stable economy. But let's not forget one thing: Except for the Native American, all the rest of us came from somewhere else. We are a nation of immigrants. And we should be proud to be a nation of immigrants. Our gateway to the 21st century resides in the fact that we are the most diverse successful big country in the world, and we need to keep it that way and remain committed to it.

The last point is this: I'll bet you anything that I have done at least one thing and probably a half dozen things that everybody in this room has disagreed with in the last 2½ years. And that's because a lot of our decisions that come to me are hard ones and because we are always pushing the envelope of possible change. But what I want you to know is that at least every day I am trying to do what I think is right. And I know that a lot of times it will not be good in the short run politically. There's hardly anybody that thought we were in our right mind when I sent our forces to Haiti to restore President Aristide and to remove the military dictators. But I would remind you that those people, those dictators, came to our country and promised on our ground in front of our Statue of liberty that they would go and that democracy would be restored, that every country but one in all of Central and South America is—in the Caribbean—is a democracy. We had to do that. The United States—if people can't look to us to make sure people keep their word to us and to freedom, we would be in terrible shape. And it was the right thing to do.

I had all these people tell me that Hillary should not go to China. On both sides, they'd say, "Gosh, if she goes, it'll be like saying

everything that happens over there in human rights is all right," and others who said, "If she goes and she says what she ought to say, it will ruin our developing relationship with China." But I knew that she would be able to say what was in the heart of every American about what we believe ought to be the condition of women and young girls, not in China but in the United States, in India, in every other place in the world. And she did a great job. It was the right thing to do.

I had lots of people tell me—and they turned out to be right in the short run—that if we did what we ought to do and we passed the Brady bill and we passed the assault weapons ban and I became the first sitting President ever to publicly clash with and prevail against an organized effort by the National Rifle Association, that it would be a political disaster, because the people who disagreed with me about that would be against everybody who supported what I believed in. And the people who agreed with me would find some other reason to be against those people.

And I can tell you today that one of the reasons that my party lost the House of Representatives, perhaps the main reason, is that people in close race, after close race, after close race in rural areas were stampeded and scared into believing we were trying to take away their right to hunt and to own weapons and to protect themselves. It wasn't true, but they prevailed.

So they said, don't do it. But I kept thinking to myself, you know, sooner or later somebody's got to stand up and tell the truth. There are tens of thousands of people who could not get weapons since the Brady bill became law because of their criminal backgrounds. And if we can get a few more Uzis out of a few more high schools and off of a few more streets and stop a few more innocent kids from being shot down standing on the street corners, it is worth the consequences. We've got to stand up for what will be right 10 and 20 and 30 years from now. That's what I want to say to you. I want all of you to believe that.

The Vice President and I sat in meeting after meeting when they said, "Don't do this teenage smoking thing. Oh, everybody will tell you it's a great idea, but the tobacco com-

panies will gut you. They will terrify all those tobacco farmers that are good, fine, honest people. They will convince them that you're trying to bankrupt them. They will mobilize people against you, and everybody in America that agrees with you will find some other reason not to be for you. Don't do it. It's a terrible mistake." They said, "There's got to be some reason no other President ever did this." Every other President always made a deal, made an agreement, did all this. But you know what? After 14 months of study, they came back and said two things. These people have known for 30 years that what they were doing was addictive and dangerous. They are marketing to children. They are trying to sell to children. And every day 3,000 children start smoking, and 1,000 of them will die early because of it. And it just seems to me that if we can give 1,000 more kids a day a chance at a full, good American way of life, it is worth whatever the near-term political consequences are.

That is how we all have to begin to think about our future. That's the way I want you to think about our future. And I want you to go out of here just remembering with all of our difficulties, with all the problems California's been through, there's a reason we're still around here after 220 years now. This is a very great country. And when we remember our basic values and when we work together and when we look to the future, we always do all right.

So I just want you to remember that. You stay with us, stay with what you know is right, and the best is yet to come.

Thank you, and God bless you all.

Note: The President spoke at 12:27 p.m. in the Grand Ballroom at the Fairmont Hotel. In his remarks, he referred to dinner co-chairs Richard Blum, Walter H. Shorenstein, Ernest Gallo, Chang Lo, and Susie Tompkins. A tape was not available for verification of the content of these remarks.

Interview With Larry King in Culver City, California

September 21, 1995

President's Trip

Mr. King. Thank you for joining us. This is a campaign trip or a Presidential trip?

The President. Well, a little of both.

Mr. King. Why so early?

The President. Because we have to get out now and raise our funds. And if I can do it in a regular, disciplined way, then I can maintain as much time as possible for my job even next year when the election begins.

Mr. King. Is it hard to run a country and run for office?

The President. It is if you have to do it full-time. And I just determined that the best thing to do would be to try to handle the fundraising in a regular way this year and try to get it out of the way so I could spend as much time as possible being President next year and defer the campaign as long as possible.

Mr. King. Oh, so next year the campaign is going to come late to you.

The President. Well, it depends what happens. But what I'd like to do is to work as much as I can. Even on this trip we've done several official things. This morning I was up in San Francisco with 19 executives of major information firms announcing that we were going to provide computer hookups for all the schools in California over the next couple of years, and challenging the rest of the country to follow the lead. And over the next few weeks, I'll be trying to put together a national plan for this sort of thing. We know we can get computers in all of the schools, and if we can get the teachers trained, have good software, we're going to do very well, indeed.

Mr. King. Was Bill Gates there?

The President. He was not, although I know him quite well, and I expect that he will be very supportive of this.

Mr. King. Because he said recently on a show we did on television that he would be very supportive.

Mr. President. Yes, he—I know him quite well, and we've talked about this extensively. But he couldn't come today. We had lots and lots of other people there. There's a great feeling that California ought to lead the way because the State is now only 45th in students—computers per student—but they have the—they're the technological leader of the world. So I'm encouraged by it. It's a very exciting thing.

1996 Election

Mr. King. All right. This is the audience's show, but let's cover some bases right up front. When are you going to announce?

The President. Don't know.

Mr. King. This is just pro forma, right?

The President. It's a pro forma thing. Everyone knows I intend to run again. And again, I would like to put it off as long as possible. I——

Mr. King. Because?

The President. Because there is so much work that needs to be done. In the next 60 days in the working out of this budget we're going to define in some measure what our country is going to be like for the next several years. And I just want to continue to focus on the substance of the changes we ought to make and the values we ought to put up front in protecting families and individuals and trying to bring our country together and give people a chance to make the most of their own lives and try to write that into the budget. And I think the less politics, the less partisanship, we have, the better off we're going to be.

Mr. King. And Al Gore will run again, too?

The President. He will unless he decides not to. I think—you know, he's plainly the most influential and effective Vice President in the history of the country, what he's done with technology, what he's done with the environment, what he has done with reinventing the Government. We have done more than any previous administration, Republican or Democratic, to shrink the size of Government, reduce regulation, and basically make Government more entrepreneurial. And he's led that effort. And of course, he's been the

leading voice in what we've done in foreign policy as well. So I'm looking forward to running with him, and I like working with him.

Mr. King. A few areas. I don't even have to ask a question, I just say a name. Colin Powell—what do you make of it?

The President. Well, as you know, I've worked with him and I like him and I think he's got a very compelling life story and he's a very appealing man. And I think his book will do very well. I have no idea what he's going to do, and I can't—I don't really have any influence over it. So what I have to do is——

Mr. King. You have to think about it, though. I mean, the polls coming out that he's doing great and——

The President. Believe it or not—well, and you would expect that. I mean, he's a very impressive man, and he's gotten a lot of very favorable publicity, much of it very well deserved. And so that's just a part of it.

But I have no control over that. What I have to do is to do the job the people gave me. And I really believe, in the world we're living in, with so much change going on and people being bombarded from all sides with so much information, people like me who are in office should not worry so much about being popular. We ought to do what we think is right for the long run and then hope—believe the election can be our friend. Because only when the election starts do people really begin to focus on it.

Public's Mistrust of Government

Mr. King. Are you, though, concerned about this apparent feeling in the country—Powell said it the other night on my television show—a plague on both the Houses, the Democrats, the Republicans. Bill Bradley is a classic example—he leaves the Senate. What's going on? Both parties seem to be in disfavor.

The President. Well, I think they're in disfavor right now because the American people have seen them fighting in the Congress and they've seen few results since the last election and because in the previous election they didn't understand what results had actually occurred. But if you look at the

facts—first, I think there's a good chance that we will get a budget agreement that will both balance the budget, which both parties want, but which will preserve our fundamental obligations to our children in terms of education and technology in the future—

Mr. King. And that will change the feelings?

The President. —and to the elderly in terms of having—reducing the rate at which Medicare and Medicaid grow but still not really hurting a lot of the older people of the country. If we get a good balanced budget, if we can get a decent welfare reform bill, if the people see the system working, then I think they will not have such negative feelings about both parties.

But I also believe, in fairness, that the Democratic Party has done a lot of things that most Americans never thought they would. I mean, the Democrats took the lead alone in reducing the deficit from \$290 billion to \$160 billion a year. They passed a crime bill that increased the death penalty but also invested more in prevention, that had “three strikes and you're out” but also put 100,000 police on the street. The crime rate is going down in every State in the country. The murder rate is down. The only—

Mr. King. So why are we upset?

The President. Well, because we still have troubles and because it's an unsettling time. If you look at what's happened all over the world, you've got this global economy that's going from an information society to a technology and—I mean, it's going from an industrial society to a technology and informational economy—

Mr. King. Look at all this here tonight.

The President. Yes. And you—look at all this, yes. And you've got—people are going to be faxing us; they're going to be e-mailing us; they're going to be doing all this stuff on the Internet. You've got a—we don't have the cold war anymore, with nation states organized in roughly two different camps. We've got instead a global economy. And the good news is you've got economic integration. The bad news is there's all this pressure for unsettling people's lives, whether it's people being less secure in their jobs, or working harder for less or being subject to smaller fanatic groups who practice destruction like

the sarin gas attack in the Tokyo subway or the Oklahoma City bombing or a bus blowing up in Israel.

So it's a time of great ferment and upheaval where there are a lot of wonderful things going on and a lot of very troubling things going on. And the United States has—our job now, all of us in positions of authority and all of our citizens, is to embrace new ideas and change to try to create a new economy in which we can grow the middle class and shrink the under class, to try to create a social policy which rewards work and family and freedom and responsibility and to try to give us a different kind of Government that's more entrepreneurial and less bureaucratic but helps people solve their own problems.

Now, this has only happened—the last time this happened to this extent was 100 years ago. This is a 100-year change period we're going through. And it is not surprising in a period like this that people would be looking around at all their options because they think there are so many balls up in the air.

Mr. King. So, therefore, come independent candidates and disfavor and people leaving politics.

The President. Yes. And not only that, if you've got—look, if you go home at night and you've got 40 channels on television, and they say, which would you rather have, three parties or two, you'd say three. And if you ask five or four, they might say five.

But I think that if this system that we have, which has made us the oldest democracy in human history, the longest lasting one, if it produces a balanced budget with a commitment to our children and our future and being decent to the seniors on Medicare and Medicaid, if it produces welfare reform that promotes work and responsibility without hurting innocent children, if it shows that it can come to grips with the fundamental challenges of the time, then it will generate more support. If it doesn't solve the problems, then it won't. It's pretty simple.

1996 Election

Mr. King. Would you welcome an independent candidate? Is that good for the mix?

The President. I think it—

Mr. King. You ran against it last time.

The President. I did. And I think it all depends. I think it depends on who the candidate is, what the person says, what the issues are. But the main—

Mr. King. What Powell would be for?

The President. Yes.

Mr. King. Could we elect a black President? Are we ready?

The President. Oh, I think the American people—I would hope the American people would judge any candidate based on his or her merits, without regard to race or gender. That's what I hope, and that's the America I've worked for all my life. If you look at my appointments, if you look at the policies I've pursued, that's the America I've worked for.

But I think—again, I will say it takes almost all the concentration I can muster every day to do the job I was hired to do. And that's what I'm going to work on.

Mr. King. But you love it.

The President. I love it. I love working every day.

Mr. King. You told me once, "My bad days are good days."

The President. Yes, because of—it is an incredible gift, with all the difficulties, to be given the opportunity to meet these challenges. And as I said, I honestly believe, when the history of this era is written people will say this was the period of the biggest change in the way we work and live in 100 years. So who could not be grateful to do that for a day, a week, a month, 4 years? If I get 8 years, that's so much the better. I'm working hard at it.

Welfare Reform

Mr. King. We're going to turn it over to the public. Are you going to sign off on this welfare bill?

The President. It depends on what it looks like. The Senate bill—I still have a few problems with the Senate bill. But it basically is much, much better. They took a lot of the extreme, kind of right-wing ideological things out of it. They've put in a bonus for moving people to work. They require people to sign personal responsibility contracts. They've put in a lot more funds for child care so people can go to work and still be good parents.

These are all ideas that I have been pressing a long time. So I like it.

It really would end welfare as we know it. And I think we can make it—if we can make it a little better in conference, I'll be happy to sign it. If they make it a lot worse, they could kill it. I think it wouldn't even get back to the Senate again.

Mr. King. Right now you're leaning toward yes?

The President. Well, right now I like a lot of—the changes in the Senate bill that were made in the last 2 weeks were very good. If that's the direction the Congress is going in, we're going to have a great welfare reform proposal. But it still could get off the track. I just hope they'll keep going in that direction.

Mr. King. This is Westwood One. You're listening to Larry King with President Bill Clinton.

[At this point, the stations took a commercial break.]

Mr. King. Our guest is President Bill Clinton. Granada Hills, California. Hello.

Q. Hello?

Mr. King. Yes. Go right ahead.

The Environment

[A participant asked what the administration has done to help the environment.]

Mr. King. Did you hear that clear?

The President. Yes. What have we done in the last 4 years to help the environment?

Mr. King. We don't hear a lot about Clinton and environment?

The President. We have, first of all, faithfully advanced the cause of the Clean Air Act and the Clean Water Act. Secondly, we have done a great deal to try to promote public health in dealing with problems like the cryptosporidium problem that—that was the thing that got into the water in Milwaukee that killed all the people. We're trying to deal with that.

Mr. King. Only you would know the actual name.

The President. We've also tried to improve public health through improving the food testing, like dealing with the problems with *E. coli* that caused the deaths from eating the meat.

Mr. King. Would you say you've kept your promises?

The President. Oh, absolutely. I have pushed through the California Desert Protection Act here, which was the biggest single land protection act and that kind of legislation in history. We worked very hard to solve the problems of the old-growth forests in the Pacific Northwest—which the Congress has kind of messed up now—to get that out of court to protect the old-growth forests and to try at the same time to permit responsible logging. We reached an accord between the environmentalists and the farmers here in this so-called “Bay Delta Accord,” in the farming area of California. We have worked to try to reduce the global warming and hazardous emissions through working on the clean car project with Detroit. We've supported the development of electric cars and natural gas-burning cars and other things to promote clean air.

Those are just some of the many things we've done in the environment. And in addition to that, I'm obviously carrying on a vigorous fight now to prevent this Congress from using the budget process to undermine our ability to stick up for clean air, clean water, and the other basic environmental protections of the country.

Mr. King. Sacramento with President Clinton on Westwood One. Hello?

Q. Hello. Can you hear me?

Mr. King. Yes, sure.

[A participant asked about focusing on a stronger education system to provide opportunity and prevent crime, instead of spending money on building prisons.]

Mr. King. Are we too much one way?

The President. Well, I think it is a terrible mistake to neglect education funding in favor of building prisons. On the other hand, you still have to have strong criminal justice laws. The crime rate is going down in almost every State in the country—

Mr. King. Prison's the answer?

The President. The murder rate is going down. It's not the only answer, but some people need to be sent to prison. Now, when we passed the crime bill last year, in addition to providing for “three strikes and you're out” and more funds to help States build

prisons, we also gave the States and the communities of our country a good deal of money to promote prevention through education, through community activities and recreation, to give our young people something to say yes to.

And in addition to that, our administration has worked very hard to give the States and the schools of this country and the young people of this country more educational opportunities, everything from getting kids off to a better start in school, to giving the school districts money for smaller classes, more computers, higher standards, to more scholarships and national service opportunities to pay for college education, to many, many more low-cost, easier repayment college loans.

Mr. King. So it doesn't have to be either/or?

The President. It's not either/or. We have to be tough on crime, but we have to be smart about prevention and we have to continue to invest in education. You know, we've got 7½ million new jobs in this country and an economic explosion by conventional measures, but half the people are still working harder for no raise. And the reason is education. We have got to increase the skill level. So I agree with the questioner.

You know, in California the cost of education has been increased so much and the funding decreased, that enrollment here has gone down in colleges by 10 percent at a time when it ought to be exploding. So I do want to reverse that, and I do think one of my fundamental obligations as President is to help our young people make the most of their own lives by getting a good education. And we can't sacrifice that; that is the most important thing we can invest in for the future.

1996 Election

Mr. King. Based on that, are you surprised that Governor Wilson got into the Presidential primaries?

The President. No. I have no opinion about that. Let the Republicans pick their nominees. All I'm saying is, my obligation is to try to make sure that people like that caller can make the most of their own lives, and

education is perhaps the critical element of that.

Mr. King. We have an e-mail question. By the way, do you expect it to be Bob Dole? Is that logical?

The President. I don't know. One of the things I learned is that you can't predict, just as nobody predicted that much that I would be nominated and elected.

Mr. King. Correct.

The President. It's very difficult to predict. I'm going to be President, work on being President, and let them make their own decision.

NAFTA

Mr. King. E-mail question. With Mexico in an economic and social tailspin, is NAFTA dead or jeopardized?

The President. No, it's not dead. And because I think Mexico is beginning to come back, I think it is not jeopardized. I still believe it was the right thing to do.

Mr. King. Wouldn't change it?

The President. Yes. And let me tell you why. NAFTA gives us a chance to have more access to Mexican markets and not to have a permanent trade deficit with Mexico just because their wages are lower than ours. In the first year of NAFTA's existence, we had a huge surplus with Mexico and generated many thousands of jobs.

The truth is that the Mexicans expanded too quickly, borrowed too much money, and got in trouble. But now, under President Zedillo, they're slowly working their way back into a stable situation.

Over the long run, NAFTA means more opportunities for Americans to sell products that bring higher wages to our workers, it means more stability in Mexico, it means less illegal immigration, it means better partnerships in Mexico and in Canada and then throughout Latin America for the long run.

We have to make these decisions in this period of change not just on what might be good next month but on what will be good for America 10 or 20 or 30 years from now, and I'm convinced that NAFTA and the GATT world trade agreement will be very good for America over the long run.

Bosnia

Mr. King. A report just in Mr. President, from Reuters, that both—all the factions in Bosnia are going to meet in New York this week. What can you tell us?

The President. We just released that information, I think, from our plane. Ambassador Holbrooke, who is handling those negotiations for me, has been working very hard. I believe that a combination of factors, including the firm resolve of our NATO allies in the United Nations in stopping the siege of Sarajevo with the air campaign, some changes on the ground there in Bosnia, and the willingness of parties to work with Mr. Holbrooke and with our partners in Europe in Russia to get a negotiated settlement, give us some hope.

Now, I want to caution everybody, this is Bosnia, and it's tough.

Mr. King. Why New York?

The President. But I feel better than I have in a long time.

Mr. King. Better getting them on turf here?

The President. Yes. Well, they're coming to New York, as I understand it, in part for the United Nations.

Mr. King. And since they're here, why not?

The President. So it is convenient for them, and it is good for us. So we'll be working—we talked for a long time today. I talked with the Secretary of State and my National Security Adviser, and Mr. Holbrooke, we had an extended talk and we agreed on what the agenda was going to be, and I feel good about the process. But I want to caution the American people, this is Bosnia, we've got a long way to go.

Mr. King. Are you hands-on in this?

The President. Yes, I've been very involved in it, and I feel that we're doing the right thing and we have a chance to put an end to the misery and to limit once and for all the possibility that this could spread into a wider war that can involve our people.

Mr. King. This is the Larry King special on Westwood One, if you've just joined us, with the President of the United States.

Spokane, Washington. Hello.

Balanced Budget

[A participant asked if the President could make across-the-board cuts in Government spending to balance the budget.]

Mr. King. Let's knock everything off.

The President. Well, let me first of all say that we have been doing a version of that. When we took the deficit from \$290 billion down to \$160 billion in the first three budgets that I was involved with, the first time since President Truman was office that we had a three-year-in-a-row reduction of the deficit, we eliminated hundreds of programs, we cut others, and we cut domestic discretionary spending and defense spending in the aggregate and then tried to make our priorities within them.

Now what we're trying to do is to agree on a timetable for going to zero, and instead of—we're cutting categories, if you will, as you suggest. But within those categories, I still believe we ought to preserve our commitment to education, to technology, to research and development, to the things that will generate the jobs and the opportunities of the future for Americans, because that's an important value. But we are doing, in general terms, what you suggest. The reason you can't take the politics out of it is because there is so much difference between the various Members of Congress and the administration on what should and shouldn't be funded. But I do believe that what we need is an automatic mechanism to say that if in any year we miss our deficit reduction targets, then there will be some sort of across-the-board cut.

Now, that's what we did when I was a Governor, and it worked very well. So I'd like to see us make our priority decisions now over the next 60 days, and then say if, in these years, these out-years we miss it and we have a bigger deficit than we thought, then there ought to be some sort of across-the-board shaving so that we can keep faith with the American people and take that process out of politics.

Mr. King. Someone by fax wants to know where you draw the line in sand? What would you definitely veto that's a Republican proposal?

The President. Well, I have issued a lot of those things. The veto threats, if you will, or veto notices, I do not want this balanced budget process to be a pretext for destroying our ability to protect clean air and clean water. I do not want the balanced budget process to lead to massive cuts in our efforts to give our young people a chance to make the most of their own lives through education investments.

And I don't want the balanced budget to be a pretext for really hurting the elderly, the disabled, and the poorest children in this country with excessive reductions in Medicare and Medicaid just to meet the 7-year target and mostly to meet this very large tax cut that includes—benefits the upper income people like you and me who really haven't asked for it.

Now, I think we can have a tax cut targeted to the child-rearing and to education and still balance the budget in a timely fashion. But we shouldn't just jerk the rug out from under the health care of the most vulnerable people in this country.

Line-Item Veto

Mr. King. Have you asked Mr. Dole and Mr. Gingrich about the conference committee on the line-item veto?

The President. Oh, repeatedly.

Mr. King. And what do they say? We have less than a minute because I've got to get an on-time break here.

The President. They basically said that—they said they were for the line-item veto, but once I became President and they had the Congress so they were in charge of the spending, they didn't want to give me the line-item veto.

Mr. King. So you think there's no doubt it's just deliberate because of Bill Clinton? If it were a Republican President, they'd have had it done?

The President. Well, I don't even know if they'd do that. They've got the Congress, and so now they like the spending. When they were in the minority, they liked the line-item veto. I have been consistent on this. I have always believed in the line-item veto. It imposes some discipline on the process. It's not a cure-all, but it gives you much more discipline.

Mr. King. This is Larry King. We have more to come. We're going to take a break, and then when we come back, more from President Clinton, more e-mail, more faxes overseas, in the United States, phone calls, et cetera, in this kind of historic town meeting. This in Westwood One, and you're listening to Larry King with President Bill Clinton.

[The stations took a commercial break.]

American Legal System

Mr. King. From the—I guess this is from America Online—this is a question from the United Kingdom: Due to the Fiasco surrounding the O.J. Simpson trial, what's its effect on the American justice system? How do you see that trial—they're going into the jury next week?

The President. Well, I think it depends in part on things that still have to happen. But I would hope neither the American people nor our friends in the United Kingdom would judge the American justice system entirely on this trial, because the facts are so unusual.

First of all, the trial was televised, which I think contributed to the circus-like atmosphere and some of the developments.

Mr. King. You're opposed to televising?

The President. Well, I just think that you run a serious risk when you do it in a high-profile trial.

Secondly, you had a very excellent defense, and you've had a lot of—in terms of—and they're famous, they're well-known, and they're able. And then you had all these extraneous elements coming in that don't normally come in a murder trial.

So I would just say, we should be hesitant to recommend sweeping changes in the American justice system based on this trial, which is unlike any one in my experience.

Mr. King. As an Attorney General in—which you were in Arkansas—

The President. In Arkansas, yes.

Mr. King. Did you ever have a televised trial?

The President. Never. And I just think—on balance—I think all criminal trials can be heavily covered in the press and then reported on by television. But I think on balance, you run the risk of having more

derailments and distractions if you have televised trials.

Mr. King. To Tucson, Arizona, for President Clinton. Hello.

Japan-U.S. Trade Relations

[A participant asked about the recent rape of a 12-year-old girl in Japan by U.S. military personnel and what effect that will have on Japan-U.S. relations.]

Mr. King. Yes, we've got problems there, don't we?

The President. Well, the case obviously has been very traumatic, as you would imagine. And it's a much more rare occurrence in Japan, unfortunately, than it is here—

Mr. King. Yes.

The President. —unfortunately for us.

But I would say to you that we will first of all make it clear that the United States deeply regrets the incident, that we do not condone any misconduct or any abuse of the Japanese people. We think that anybody who violates any laws should be treated accordingly.

But we have been a good partner with Japan. And even though we've had some differences over trade matters—for example, when we had to have a real conflict over the treatment of automobiles and the auto parts, the Japanese are a great democracy and a strong ally for us, and our forces have been there now for quite a long time in genuine partnership.

So if they think there's any kind of procedures we ought to take to improve things, we obviously are open to that. But I think as long as they know that we are not turning a blind eye to this, that we are outraged, that our heart goes out to them, they know that we have been a good partner and we respect them and we'll continue to be.

Mr. King. Is Vice President Mondale doing a good job of being up front with the Japanese?

The President. Yes, he's been a terrific Ambassador. I think it's fair to say that he has exceeded the expectations even of his biggest fans in both showing the Japanese that he—that we are deeply committed to our friendship and partnership with them and that we respect them in every way, but that there must be some changes in our trad-

ing relationship. He has been very tough and very strong and, at the same time, very supportive of them. He's struck just the right balance.

Hillary Clinton's Trip to China

Mr. King. Hillary's decision to go to Beijing—her own?

The President. Well, it was a decision that we made together. I strongly felt that she ought to go. Everybody said that it was bad politics—the people who said that if she went it would be condoning their human rights record and then if she went and said it was strong, that she would upset our developing relationship with the Chinese.

But I felt that she has invested so much of her life in the welfare of women and children in our country and then around the world and I thought that she could speak for our American values and about conditions that exist not only in China but in other countries, even here in the United States, that are bad for the future of women and little girls, that it would be a good thing.

And I think now everyone sees that it was a wonderful thing for our country and for the cause of freedom and human rights around the world.

Equal Access to Technology

Mr. King. From America Online: I'm sitting in an office in the middle of our farmyard in the middle of North Dakota. The information highway is open to us, but the long distance charges are much too heavy. Can we expect equal access for rural America in the future?

The President. Great question. That is one of the things that we have worked very hard on. The Vice President and I strongly feel that we've got to have equal and affordable access, whether people are isolated in rural areas or whether they are low-income people in inner-cities or whether they're small business people or people in schools and hospitals and libraries.

And so one of the things that we're looking for, for example, in this telecommunications bill is a bill that will guarantee genuine competition to bring prices down and the quality and variety of services up. Because making—rural America actually is in a position perhaps

to benefit more than any other part of America by putting America into the information superhighway because you can bring all—everything to the smallest rural hamlet in North Dakota or in North Arkansas. But equal access is a big issue. It's going to be a big issue in the telecommunications bill, and it will continue to be a big issue for us.

And I do believe the answer to your question is, I think this will be like all technology. I think the more of it there is, and the more competition there is, the lower your prices will be.

Media Ownership Restrictions

Mr. King. In that regard, this legislation might remove all ownership restrictions for radio and television, meaning we could own anything in any amount. Do you favor it?

The President. No. Now there are restrictions now on how many—what percentage of the national television stations you can own—it's at 35 percent, I think—but the present bill has no restrictions in local markets. For example, in any—

Mr. King. You could own five stations.

The President. Well, no, you could own two television stations, the radio stations, and the town newspaper.

Mr. King. You're against that.

The President. I'm against that. You might say, well, look at Los Angeles, we have so many television stations, but most places have three television stations, a handful of radio stations, and one newspaper. And I just think that's too much. So I think the local concentration provisions ought to be changed before they send the bill to me.

Media Responsibility

Mr. King. You got into criticizing Calvin Klein. Any change of heart in that regard?

The President. No. I want to emphasize this: I have no judgment about whether whatever they did violated the law. That's not the question.

The point I was trying to make—Calvin Klein are not the only people who do this—but let me just say, here's the situation in America: The crime rate's coming down, and the murder rate's coming down. Drug use by people 18 to 34 is coming down. But violent crime among people between the ages

of 12 and 17 is going up, casual drug use between—about people between 12 and 17 is going up.

And these young people, in their most vulnerable years, trying to come to grips with their physical developments, with their intellectual challenges, where the world may seem bewildering to them, I just don't think they ought to be used as commercial objects. I don't think you ought to put teenagers out there selling jeans where you show their underwear. And basically, you send a message to all these kids out there that are struggling to try to come to grips with the world that what's really important is how they look in jeans and whether you can—they can show their underwear and whether they can basically be sex objects when they're teenagers. I just think it's wrong.

And it was an emotional, visceral reaction on my part. It has nothing to do with the law. I just think it's wrong. And I think the American people are going to have to reassert some things are important—more important than commerce, and the welfare of children is one of them.

Mr. King. And speaking of nothing to do with the law, was Senator Dole also right in his criticism of what some of the things Hollywood turns out? And I know you're supported here very well—tonight there's going to be a gala with a lot of those people there.

The President. Yes, but I think that the general comments he made were correct; the specific ones I don't have a judgment about. That is, the general thrust of saying that we need more sensitivity on the part of everybody in our culture—all the cultural influences in society, not just movies and not just records but all cultural influences in terms of the welfare of our children and their future, I think that is accurate.

Now, having said that, let me remind you that this was an issue that I raised before when I was Governor, in the 1992 campaign. In '93, instead of attacking Hollywood, I came to Hollywood and challenged the people here—and in television, which I think is a bigger problem just because kids watch more of it—to join with me in trying to deal with this issue. And one of the things that came out of that meeting—and I want to compliment the networks on this—I think

the major networks and I believe Fox was involved with this—commissioned UCLA to do an annual study of the violent content of television programs. And UCLA recently issued their first report. So that's something positive that the networks are doing. Now we'll have to see—will they act on those reports.

Mr. King. But again, you don't want laws.

The President. No, I'm not interested in censorship. What I'm interested in is asking all of us in American society to be accountable for what we do. You can't say the first amendment makes you unaccountable. The more freedom you have, the more responsibility you have to exercise, in any area of life.

And I think these things should become open for public debate, not because we want to gag people with laws, not because we want to be unrealistic but because our children, large numbers of our children are in deep trouble, and we all ought to be trying to rescue as many of them as we can and give them a good start in life.

Mr. King. This is Westwood One. You're listening to Larry King with President Bill Clinton.

[The stations took a commercial break.]

Q. Hello, Mr. President. My name is Brandon Kaplan, and I'm 6 years old. And I want to know how I can become President.

Mr. King. Okay. All right. Thanks for calling, kid.

The President. Brandon, I'd say you're off to a good start just the way you handled the question. I want to compliment you for calling in and—

Mr. King. By the way, it's appropriate because the President planned on being President when he was six.

The President. That's not so.

Mr. King. —directly to him.

The President. It's not so, but it's not too soon for you to think about it. I think you should—I would give you just a little simple advice. Number one, I think you should devote yourself to learning as much as you can in school. Study hard. Learn as much as you can in school. Develop your mind.

Number two, I think you should try to make friends with and understand all dif-

ferent kinds of people because in a democracy like America, many different kinds of people make up our country and get to vote.

And number three, when you're old enough, I think you should start to work for people you believe in in elections and learn how the election system works. So I would do those things.

If you like people and you understand them, if you learn a lot in school and you develop your mind, and then you understand how the political system works, you might grow up to be President.

Mr. King. Caller from Scotland, hello.

Native Americans

[A participant asked what the U.S. Government is doing to redress the grievances of Native Americans.]

Mr. King. Have we redressed that grievance?

The President. Well, it's interesting that you would ask that because I have—our administration has spent a great deal of time with the Native American tribes. And we now recognize in our country a government-to-government relationship with the American Indian tribes. We are trying to do things that recognize their integrity, that recognize their right to exist, their right to make many autonomous decisions, and that give them more support in trying to become more independent and to overcome some of the economic and other problems they have.

As a matter of fact, I invited the heads of all the American Indian tribes to the White House, and I was the first President since James Monroe in the 1820's to do that. So we are working on having the right kind of relationship with the Native Americans, and I think we're making some good progress. And I hope we won't see that progress reversed in this Congress.

[The stations took a commercial break.]

Medicare

Mr. King. Before we take the next call, if we can capsulize it, what's happening today with Medicare? It seems to change daily.

The President. Well, essentially, here's what's happened. I presented a balanced budget that balanced the budget in 10 years

and had a smaller but still sizeable tax cut than the Republican congressional cut. Mine was basically targeted to middle income people to help them raise their kids and to deduct the cost of education after high school.

They presented a 7 year balanced budget with a \$250 billion tax cut and then basically made an arbitrary decision that they had to cut Medicare and Medicaid. Together, they had to reduce that spending by \$450 billion over the next 7 years.

With regard to Medicare, the problem with that is if you try to reduce it that much you either have to take so much out of the hospitals and doctors and other Medicare providers that you run the risk that they won't stay in the program or can't stay afloat, or you have to excessively increase premiums and co-pays and other costs for seniors. And keep in mind, three-quarters of our seniors live on less than \$24,000 a year.

So what I am trying to do is to find some common ground with the Republicans to say we have to bail out the Medicare Trust Fund and lengthen its life. We have to slow the rate of medical inflation, but your cuts are simply too big and will cost too much hardship for the seniors of this country or to the health care system.

Mr. King. Are they going to change them?

The President. Well, we're trying to find a way to work through to an agreement. There are lots of possibilities, and you know, the details are probably too complicated to go into here now. But that's basically the difference between us. And I'm working hard to—because Medicare is a program that has integrity, it works, but it needs to be preserved for the future.

Mr. King. May I ask if you are confident that we're going to see a compromised Medicare bill?

The President. I believe the chances are 50/50 or slightly better that we will ultimately reach a good faith agreement which balances the budget, preserves the integrity of Medicare and Medicaid, increases our investment in our children's future, and protects our environment. I think that—because those are all American values we need to all advance.

President's Trip

[A participant asked if the President's current trip to nine cities was a Presidential trip or a campaign trip.]

Mr. King. In other words, what is this?

The President. Oh, well, it's not hidden. I mean, at night I've been doing—

Mr. King. Campaigning. Or raising money.

The President. Yes, I've been doing fundraisers, and I've made addresses. But even the speeches I've given at my fundraisers have been reasonably non-political, and then I'm mostly trying to explain to the American people what I think we are going through right now and how I think we need to embrace new ideas based on old-fashioned American values and try to come together. I am really doing my best to see the American people go beyond partisanship to reach some common ground.

Mr. King. Does the party pay, then, for part of this trip?

The President. Well, my campaign pays for all—if I do anything political, my campaign pays 100 percent of it. The taxpayers can't pay for it. They don't pay for it.

Mr. King. So even if you work 5 hours and you do politics 6 hours, politics pays?

The President. That's correct. Unless I take a separate and distinct trip that is solely for the purpose of dealing with an issue before my job. Like the other day, for example, I flew to Colorado to do a fundraiser. My campaign paid for that. I left and went to another small town that was completely an educational event, and that was a public part of my job.

[The stations took a commercial break.]

President's Leadership Abilities

[A participant asked what the President has learned about leadership since he has been elected.]

Mr. King. What have you learned? Good question.

The President. Well, I think the most significant thing I have learned is that the President—being President and being an effective President and a good leader for our country is about more than actually what you accom-

plish. It's about more than the bills you pass in Congress or the executive actions you take. It's also about the words that you say and how you say them.

And I have learned that, for example, the President has to be much more careful, much more clear, much more unambiguous than, for example, a Governor can in discussing an issue. And I am much more, I think, sensitive to the impact of my words and the way the decisions are made and the way they are communicated to the American people since Washington is so far from Boulder, Colorado, and all the other places that have called in today. And I think that giving the American people the understanding that we're making the decisions based on my convictions about American values, even though I know some of my decisions, whether it's to go into Haiti or to take on the NRA over the assault weapons ban or to take on the cigarette companies on teen smoking, may be wildly unpopular in the short run—I am trying to do things that are good for the long run.

And I think I have to communicate to the American people clearly what the basic values are that animate my decisions and why I'm doing this even though it may be unpopular because I think it will be good for the country over the long run. And that's a real lesson I had to learn, because when you're Governor, being Governor is more about whether you accomplish things and what you actually do in terms of the day-to-day work. Now, that's very important for a President, but very often it's almost impossible for people even to keep up with that until the election starts. So I've learned that. And if I were to win another term, I would try constantly, because I believe we're in a period of historic change, as I said earlier, to bring the American people together around shared values and a willingness to take bold steps and embrace new ideas even if they seem to be unpopular in the moment.

1996 Election

Mr. King. By the way, you will be participating in many debates in this campaign? We can count on it.

The President. Oh, yes, you know, I— you can. I believe the President should be accountable, and I think debates are a good

way to do it. So I've always been willing to do that.

Proposed Special Education Cuts

[A mother of two special-needs children voiced her concern over proposed cuts in special education.]

The President. Basically I would be opposed to those changes. Our education budget preserves the commitment to special-needs children. My Domestic Policy Adviser, Carol Rasco, has a child who is almost—about grown now. But he had cerebral palsy. I've known him since he was five. And I watched him come up through our public schools and develop and flower and get to the point where he could live in his own apartment. My college roommate for 4 years adopted a special-needs child. And I watched that child grow and flower. And I think the commitment of our Nation to let every child live up to the fullest of his or her own ability is something that we should not abandon. And we do not have to abandon it to balance the budget.

Tobacco Industry

Q. Hello. How are you?

Mr. King. Fine.

The President. Fine.

[The participant asked about the influence of the tobacco industry on future legislation.]

The President. Well, as you know, I believe the tobacco industry has made two great mistakes in the last several years. First of all, it is now clear that at least a couple of the big companies have been aware for years that tobacco was both addictive and harmful and that it was concealed. And secondly, it is clear that many of the tobacco companies definitely market to teenagers to get more customers because they lose customers every year even though it's illegal to sell cigarettes to teenagers, I think, in every State in the country.

So I would like to see a firm effort against teen smoking. I don't really care, as I made it clear, whether the FDA does it or whether the Congress does it by law. But if the Congress does it by law, I expect them to adopt all the restrictions in substance that we have recommended.

Now, many Congressmen are very loath to take on the tobacco companies because they are very wealthy, they have massive informational capacity to communicate to smokers, they have the ability to incite, inflame, and terrify the tobacco farmers who are really good, old-fashioned American hard-working people but who can be frightened by the tobacco companies. And so they do have a lot of influence, and frankly, all my political advisers told me that it was bad politics to take on the tobacco companies and there was a reason why no other living President had ever done it and that it was dangerous.

But we had evidence that for 30 years companies had known that tobacco was addictive and dangerous and that 3,000 kids start smoking a day and 1,000 kids will have their lives ended sooner because of it. So if we can save 1,000 kids a day, that's worth a lot of political damage to me. I think it's the right thing to do, and I hope they won't have so much influence in Congress that they will try to undermine this important effort.

Mr. King. Should it come under the FDA?

The President. It should come under the FDA unless Congress is willing to write these requirements into law. Now, the FDA itself, Dr. Kessler said he didn't care about regulating tobacco. If Congress would take the things we want to do and put it into law, the FDA would lose jurisdiction. They wouldn't be able to do it on an ongoing basis, but the benefit we would get is then the move against teen smoking would begin right away whereas tobacco companies can tie us up in court for a while otherwise.

So the FDA head, Dr. Kessler, has said that he will do it either way. But he would gladly give up jurisdiction to the Congress if, but only if, the Congress would take the same tough stand that we have recommended.

Agriculture

[A participant asked how agreements such as NAFTA or GATT would affect American agriculture.]

Mr. King. Well, we're all over the board today.

The President. I believe on balance that both NAFTA and GATT will be a major boon

to American agriculture. I was just out in California meeting with a lot of farmers there. And virtually all of them talked about how much stronger agriculture was as a result of it.

With regard to NAFTA and Mexico, some of our livestock people have been concerned about how NAFTA would play and whether it would hurt them. With the GATT agreement, which is a worldwide trade agreement, there's no question that our farmers will be better off because other countries subsidize their farmers more than we subsidize ours. So if everybody has to reduce subsidies to an equal basis, American farmers will come out way ahead because we have the best, most competitive, most productive farmers in the world.

If we can get a decent farm bill out of the Congress, that is, one that continues to reduce the cost of the farm programs but doesn't take us out of global competition and doesn't really wreck the family farm, then I think the future of agriculture is bright. In fact, I think we may have seen a bottoming out of the number of farmers. We may see the same or even a larger number of farms in the years ahead because global population would probably outstrip the ability of other countries to produce food.

So farming should do very well in America for the next 20 or 30 years if we have a good farm bill and if these trade agreements are faithfully followed by all the countries.

Unabomber

[A participant questioned the decision to publish the Unabomber's tract in newspapers.]

Mr. King. What did you think of what the Post and Times did?

The President. Well, first of all—

Mr. King. I might add, the FBI praised them today.

The President. Yes. Just for the reason that the caller said, I thought it took a lot of real courage on the part of the Post and Times to do what they did because our country has basically taken a very hard line in not cooperating with terrorists of any kind, not being blackmailed and not being subject to blackmail.

The FBI recommended to the Attorney General, and she recommended to the Post and Times, after careful consideration, that they publish this for two reasons. One is they really felt, based on the best psychological profile they had of the Unabomber, that he would honor his commitment and stop killing people, stop trying to kill people. And secondly, they felt that the publication of the document, if it could be widely read, might actually help Federal authorities who have been looking for this person for nearly 20 years now, to identify a range of potential suspects.

And they thought that this was not like, you know, like asking for a million dollars or asking to swap hostages or anything like that. There were no people involved. So it was for that reason, with great reluctance, that the FBI recommended, that the Attorney General recommended, and that the Times and the Post did it.

Mr. King. And you agree with it?

The President. I do agree with it under these circumstances. It is a tough call. I sympathize with the comments of the gentleman that just called in. Our basic policy is strictly to not cooperate with terrorists of any kind. But under these circumstances, this narrow case, I think the Post and the Times did the right thing. And I appreciate the risks that they took with their journalistic integrity and with their principles to try to save lives and help us to finish this case.

Colin Powell

Mr. King. One other quick fax in a closing question. Do you plan to read Colin Powell's book? You're an avid reader.

The President. You know, I was kind of hoping he'd send me an autographed copy. I haven't gotten one yet, but I was kind of hoping he would.

Mr. King. He's autographed every other one in America. He might as well send one to you. By the way, would you—I know this happened once with Mr. Gingrich in New Hampshire. Would you sit down with Colin Powell and Ross Perot and others who are critical and semi-critical—

The President. Yes.

Mr. King. I know you like—discussions in the White House.

The President. Everything, as you—Mr. McLarty, my special counselor, pointed out at Ross Perot's convention, we have done almost everything he said ought to be done in the '92 campaign. And all of the comments that General Powell has made so far with regard to the issues of the day, including our efforts to deal with assault weapons and the Brady bill, have been supportive of our position.

Mr. King. Do you think he's a Democrat at heart?

The President. Well, I think at heart he's kind of a new Democrat. I think he probably is trying—would like to see the country take generally the direction that I've tried to advocate. But I don't know that because we've never discussed anything about domestic policy other than what he said. I've talked to him a lot about foreign policy matters—

Mr. King. —him to be Vice President? Or was that one of many?

The President. No, no, that's true. It was one of many, but we did. He was one of the people that I thought that should be considered based on what I knew about him. And there were many that we thought about, and I thought he should be.

Mr. King. Any closing comments on this kind of thing we did here today? Could do more of it?

The President. I'd really like to do more of it. I want to thank all of the people who called, all the people who sent their faxes, all the people that used America Online, and the e-mail and everything. I thought it was great.

Mr. King. It was great having you with us.

The President. Thank you.

NOTE: The interview began at 3:30 p.m. at Westwood One Radio Studio. In his remarks, he referred to Bill Gates, chairman of the board, Microsoft Corp.

Remarks at a Fundraiser in Los Angeles, California September 21, 1995

Thank you very much. Thank you. Well, Mr. Vice President, you sure convinced me.

[Laughter] One down, 110 million to go. [Laughter]

I want to thank all of you so much for being here. Thank you, Tom Hanks, for introducing Al Gore. Thank you for not introducing me. [Laughter] Somebody's talked to Al Gore about playing Tom Hanks in an autobiography. [Laughter] I want to thank young Ashley Ballard. She looked so beautiful up here, and she sang so well. I wish her well. I thank the chairs and the vice chairs and the executive committee and the host committee, everybody who is responsible for this, this very wonderful night. I thank you all for being here. A lot of you come to a lot of these things, I know, and they may get old to you. But you know it's important.

But I want to say something rather unconventional tonight about this dinner. We're doing our best to finance our campaign early and in a disciplined way so that I can spend the maximum possible time doing the job the American people elected me to do in 1992, being President. And it's very important. But the most important thing you can do is to take the little article and the summary of the record and leave here and make up your mind that between now and November of 1996, you're going to take every opportunity you can to talk to the people you come in contact with about what's really at stake in this election.

And I was trying to think if there was some simple and halfway hilarious characterization I could give you about what's really at stake here. I think it's fair to say that everybody has figured out this is a time of great change and the people who would like to see someone else be elected President have an enormous and psychological advantage because they're telling you all you have to do to change this country is to destroy the Federal Government; it's all their fault. You know, it's just their fault. Nothing wrong with the rest of us, it's just them, those slugs in Washington. It's interesting, because nearly all of them have been in Washington a lot longer than I have. I still have a hard time finding my way in from Andrews Air Force Base when I—[laughter]. But you know, it's just them. And they're taking all of your money, and they're squandering it on welfare and immigration and they're just throwing it away

and just get rid of them. But you don't have to do anything.

I have a harder burden because I think we all have to do things. I think we all have to change if we're going to make this country what it ought to be, and that's a very big burden to carry.

And I was making this little speech to my senior Senator, Dale Bumpers, a couple of months ago, who is one of the funniest people I ever heard. And he said, "Now, don't you forget about that story I told you about years ago before you go out and try to convince people we've all got to change." I said, "What's that?" He said, "You remember, the one about Huey Long in the Depression." Those of you who are old enough to remember this know that when Huey Long was the Governor of Louisiana and later Senator and a thorn in Franklin Roosevelt's side, his whole theory was, share the wealth, that if we could just share the wealth, we wouldn't have 25 percent unemployed, we wouldn't have people poor as church mice, everything would be fine. But we'd have to share the wealth. And he was giving a speech one day in a country crossroads and trying to find someone to illustrate his point. And he saw a farmer in overalls out there and he recognized him, and he said, "For example," he said, "Farmer Jones, if you had three Cadillacs, wouldn't you give up one of them so we could go around here on these country roads and take all these kids to school every day, take them to church on Sunday?" He said, "Sure I would, Governor." He said, "And if you had \$3 million, wouldn't you give up \$1 million just so we could put a roof over every kid's head and feed them three good meals a day?" He said, "You bet I would." He said, "And if you had three hogs—" And he said, "Now, wait a minute, Governor, I've got three hogs." [Laughter]

So you get the point. The problem is that in this case the hard side of the argument is the right one. I mean, I believe, I believe much more than when I became President, that when the history of this era is written, people will look back on this period and they will say this was the most profound period of change in the way Americans live and work that we had experienced in 100 years. That not since the late 1800's, in the early 1900's,

when we moved from being a rural agricultural society to being a more urbanized industrial society, when we moved from being a country in splendid isolation, the one that had to assume the burdens of world leadership in World War I, not since then has there been such a change in the way Americans live and work; as we move from our industrial age into a post-industrial, information-technology-based society of which many of you are the world's most glittering embodiment; as we move from a cold war period when the world is more or less organized around functioning nation-states that are divided into two opposing camps but all more or less capable of delivering basic services and sustenance to their people, into a global economy characterized by free markets and openness and rapid movement of money and management and people and technology, where there are all kinds of pressures to have global integration and a lot of pressures of economic disintegration on individual workers and families and communities throughout the world, of a world in which we think we're moving toward peace but we still see madness everywhere. In other words, there's a lot of good and a lot that's troubling.

And we need a vision for what we want America to look like, because all the good things and all the troubling things are occurring in this great diverse cauldron we call the United States, every day. And my vision is that we ought to build an America for the 21st century that's a high-opportunity place where hard-working entrepreneurs can live out their dreams, where we grow the middle class and shrink the under class, where we do what is necessary to help individuals make the most of their own lives and help families and communities to solve their own problems and where we come together across all these lines that divide us, these income and racial and regional and religious and other lines that divide us so that the 21st century can still be an American century, so that we can be the world's force for freedom and peace and human rights and prosperity. That's my vision.

And I think to get there we have to have a lot of new ideas, but I really believe they have to be rooted in old-fashioned American values, things that sound corny like freedom

and responsibility and work and family and community, seeking the common good instead of the short-term wedge issue that divides us politically and being willing to do things that are unpopular in the moment because you know that when your children are grown and look back, they'll look like the right decisions. That's what I think we have to do.

And just let me give you a couple of illustrations why. The Vice President talked about the economy, and I'm very proud of our economic record. We've had a very serious strategy, the first time the United States has had one in a long time. We wanted to reduce the deficit while increasing investment in defense conversion to help California and other places, in new technologies, and in education and training. We wanted a vast increase in trade. We wanted to be for free but also for fair trade. And we thought we could do some good economically.

But if I had told you on the day I was inaugurated President that after 30 months the following things would happen, would you have believed it? That we would have 7½ million new jobs, 2½ million new homeowners, 2 million new small businesses, a record number of self-made millionaires, the stock market would be at 4,700, but the guy in the middle had an income that dropped. It has never happened before in the history of the Republic. More than half the people are working harder for the same or lower wages. Why? Because that's the way the global economy affects us today.

And if we want a future where we grow the middle class and shrink the under class, we have to figure out how to deal with that. Or look at our social problems. You heard the Vice President say it's true. In every State in the country, the crime rate is down, the murder rate is down, believe it or not, notwithstanding the rhetoric in Washington, because the economy is better, the welfare rolls are down, and the food stamp rolls are down.

People are actually trying to hang together more; the divorce rate is down. Drug use among people between the ages of 18 and 34 is down. Sounds great. But underneath it, just like on the economy, in spite of falling crime rate, the rate of random violence and crime by people between the ages of 12 and

17 is up, and the rate of casual drug use by children between the ages of 12 and 17 is up. So we've got to figure out what to do about that. We've got a lot of heart-wrenching publicity, and everybody was moved by that terrible encounter in which the child lost his life here just a few days ago. But we've become inured to all the children that lose their lives every day in these violence-ridden places in America.

The other day we had a study come out of the Justice Department that said that two-thirds of the gang members in America felt justified in shooting someone just because they treated them with disrespect. And within a week, blaring headlines in the East of a 16-year-old boy who shot a 12-year-old, then ran over and stood over him and emptied his gun into him because he thought the 12-year-old treated him with disrespect. It turned out the 12-year-old was the neighborhood wit who made fun of everybody and lost his life for it.

Whatever happened to count to 10 before you say, much less do, something? Whatever happened to, "Sticks and stones can break my bones, but words can never hurt me?" I joked to somebody in the White House the other day that if I took that approach, everybody treated me with disrespect, there would be no ammunition left in America. [*Laughter*]

It's funny, but it's not. It isn't funny. You've got a whole generation of kids out there raising themselves, getting out of school an hour or two earlier than any of us ever got out of school, no place to go, nothing to do. We have to figure out what we're going to do to help them, too, because I believe we are a community. And I think we're going up or down together. So I'm proud of the fact that the crime rate is going down. But I'm really worried about these kids because when they all get grown, if enough of them do this and the next generation of 12 to 17-year-olds keep doing what they're doing, then the strategies we have for driving the crime rate down won't work anymore. It will go up again.

In foreign policy, the Vice President litanized all the things we'd done. I'm proud of the fact there are no Russian missiles pointed at our kids for the first time since

the dawn of the nuclear age. I'm proud of what we were able to do in the Middle East and Northern Ireland and Southern Africa. I'm proud of the fact that in Bosnia we may be on the verge of a breakthrough because good people now in all those factions, the Muslims, the Croatians, and the Serbs, I think, have seen it is time to make a decent peace and quit killing each other. I'm proud of that.

But don't you forget: The real threat to the world today is that in an open world where you have to have free movement of people and technology, where the Internet is full of wonderful things that we celebrated today, we all are more vulnerable to the forces of organized evil. And there are people that are preying on hatred and paranoia, rooted in religious or ethnic or racial bigotry. And they can still do bad things. They can blow up buses full of kids in Israel. They can break open vials of sarin gas in subways in Tokyo. And yes, they can find out on the Internet how to make a simple bomb that will blow up a Federal building in Oklahoma City.

So until we have a way of dealing with that, we have to celebrate our progress, but we have to realize that there have to be some changes in the way we look at ourselves and our responsibilities to get to where we want to go. I believe with all my heart that the best days of the United States are ahead of us if, but only if, we face these changes and if we do it with new ideas rooted in old-fashioned values.

Now, the big news in Washington today is the fight about the budget. The budget is more about values than it is about money. Both parties now agree we ought to balance the budget. I say, high time. We never had a structural deficit in the United States of America until 1981. Never. We quadrupled the debt of the country in the 12 years before I showed up. It's so bad that the budget would be in balance today but for the interest we pay on the debt run up in the 12 years before I became President.

We've got to quit this. Next year interest on the debt will be bigger than the defense budget. If we weren't paying so much interest on the debt, we could invest more money in California to help you overcome the big

defense downsizing and what has traumatized your economy so.

So we should balance the budget. The question is how? And are we interested in balancing the budget consistent with our values? I told you what my values are. Their argument is, the people who disagree with us, is that you don't have to believe in all that, you don't have to change anything, all you've got to do is get rid of the Government. Therefore, the differences.

We ought to balance the budget, but we don't have to cut education to balance the budget. You want to know what will happen if we stop giving little kids a chance to get off to a good start in school; if the Federal Government walks away from its responsibility to help with smaller class sizes, more computers, and higher standards; if the National Government walks away from its responsibility to give kids the opportunity to serve in national service programs, the AmeriCorps program, to earn their way to college, or get more Pell grants if they're poor or have better access to lower cost college loans like we've done? Look at California. You raised the costs of higher education. You made it less accessible. And in the teeth of a bad economy, enrollment in higher education went down here when it should have gone up. We cannot let that happen to the United States. It is not necessary to balance the budget, and it would be wrong. It would be wrong.

There ought not to be a constituency in this country for ignorance and building a second-rate economy and building a two-tiered society. And that's exactly what walking away from our responsibilities in education is.

You look at this debate over the environment—under the guise of balancing the budget, gutting the ability of the EPA to enforce the clean air law, putting on the budget all these riders, these limitations on our ability to protect our natural resources. You know, Hillary and Chelsea and I went to the West, to Wyoming, and we went to the Grand Tetons and Yellowstone National Parks this summer. We got lucky, we got to do one or two things that most people couldn't do, we got to feed the wolves in Yellowstone because we happened to be there at feeding time. But basically, everything we

did there, any American family could do, they could drive a car up there and fork over 10 bucks. And all across America we have this network of parks preserving our natural heritage.

Some of these people say that in order to balance the budget we need to close half the parks or that it's okay to put a big mine right next to Yellowstone, even if we don't know how we're going to protect the water quality, or it's okay, now that we created a California Desert Protection Act, just not to fund it and hope it will go away and die.

Now, I know that sometimes we make mistakes with the Nation's environmental laws. I thought it was kind of crazy to see that guy indicted for killing a kangaroo right on his farm. But that stuff happened for a long time before we showed up. And under Al Gore's leadership, we've actually reduced the burden of crazy regulation. But I'm telling you something, the world is not free of environmental problems. The world is not free of public health problems. People died just a couple years ago in Milwaukee because their water supply was poison. Children died just a couple of years ago in the Pacific Northwest from poison meat from *E. coli*, partly because the Government still inspects meat, as I said yesterday, believe it or not, the way dogs do. That's how your Government inspects meat. They touch it, they look at it, and they smell it. But we wanted to put in new regulations using high-technology equipment to stop *E. coli*, and there were people that actually voted not once but twice in the House of Representatives under the guise of cutting Government spending to stop us from doing that.

So, yes, let's balance the budget, but don't tell me that we should sacrifice the clean air, clean water, and natural heritage of the United States. It is the rightful, rightful legacy of every American to do it. It's wrong.

Look at the crime bill. The Vice President talked about the crime bill. We did some important things in the crime bill because people in law enforcement told us to do it. They said, "Don't spend all your money on prisons; spend some money to keep these kids out of trouble. Spend some money to give kids something to say yes to, something to believe in. And put 100,000 police out there on the

street so they can help prevent crime as well as catch criminals."

I started the week in Jacksonville, Florida, on Tuesday morning with an African-American Democrat who was elected sheriff in an overwhelmingly white Republican county. Then he got elected sheriff because people thought he'd be a good sheriff and because there was no partisan constituency for crime.

Out here in the country, I can't find anybody for raising the crime rate. It's only in Washington that people say, "Well, that's what the Democrats put in the crime bill; we've got to gut the prevention money and we've got to kill the 100,000 cops. And we'll just give the cities and the counties and the States a little less money and we'll give it to them in a block grant, and we don't care how they spend it. Now, we know what lowers the crime rate, but we're going to stop doing it anyway."

Well, I'm sorry, we ought to balance the budget, but there is no constituency and no conscience in doing things that you know will interrupt the fight to lower the crime rate. That's one of the great triumphs of the last 5 years; America proved we could lower the crime rate. Before, people didn't think we could do it. Let's stop trying to undo it, stick with what works, and balance the budget and still do our justice to the streets of Los Angeles and the other places in the United States. It's the right thing to do.

I could give you a lot of other examples, but let me just mention one. There's a lot of talk about Medicare and Medicaid and you've heard all this, and the numbers are so confusing it probably makes your head hurt. Let me tell you what the basic facts are. Medicare is a program that provides health care to people over 65. Part A of Medicare is hospital care; it's funded by a payroll tax. Part B is all of the other things you get on Medicare, and it's funded by general tax money and what elderly people pay out of their own pocket. Medicaid is a program that takes care of old people on low incomes and disabled people who need nursing home care or get care in their homes, and it provides medical care for all these poor children and their parents. You know, it's not fashionable to stick up for the poor anymore, but those kids are going to grow up and be part of our

country. Why do you think the Los Angeles health care system's in trouble? Because they've got a lot of poor kids to care for.

Now, we need to slow the growth of both those programs. They've been growing too fast, and they're crowding out our ability to invest in education and technology and the future. Everybody knows it. And we need to make sure that the so-called Medicare Trust Fund that guarantees hospital care for the elderly is secure. And everybody knows that. But that's not what's going on. The congressional majority has made a decision that in order to balance the budget in 7 years and get \$250 billion in tax cuts, they have to take \$450 billion out of the health care system over the next 7 years that we thought they were going to have to spend.

Now, we should take some money out. But I'm telling you, we cannot take that much money out without charging elderly people more than they can afford—and keep in mind, three-quarters of the people in this country over 65 live on less than \$24,000 a year—we cannot do that without risking closing rural hospitals and urban hospitals, and we can't do it without hurting all those poor kids. We can't do it.

So I say, of course, let's slow the growth in medical inflation. But don't say, "The most important thing is my 7-year target, my economic assumption, my \$250 billion tax cut. I do not care what happens to the health care system, this is how much I am going to jerk out." That is inconsistent with our values. This is not about money. This is about our values.

Yesterday in Denver I was with the Little Sisters of the Poor, an order of Roman Catholic nuns who spend their whole life serving in ways that most of us could never even dream of doing. And they run a home there for elderly people that you could eat breakfast off of any morning. You'd be proud to have any member of your family there. And they are giving their whole lives to do this. But with all of their sacrifice, they cannot do it unless the rest of us chip in a little money through Medicaid to keep those folks there. And I don't know about you, but I'm glad they do it. And if we can balance the budget without gutting them, we ought to.

And we can and we will, if I have anything to say about it.

I just want to make two more points because California is on the forefront of both these issues. The first is that our meal ticket to the future is our diversity. If we can learn to live together and work together and respect each other, that is our meal ticket to the future. In a global economy, who is better positioned than the United States to take advantage of the blizzard of interconnections that will be the best of tomorrow? Nobody.

So I say to you, when we have issues that are troubling, we need to solve them in ways that bring us together, not use them as wedges used to drive us apart. I'll just give you three: Welfare reform. I led the fight to reform welfare. While the Congress has been fighting for 3 years, we've given 70 percent of the States permission to get rid of Federal rules to figure out how to move people from welfare to work. I did it not because it's costing you a lot of money. The welfare budget is a tiny part of the Federal budget. I did it because it's inconsistent with American values for people to be trapped in dependency when they want to be free, because most parents in this country have to work and people on welfare should be able to work, but they ought to be able to be good parents as well. So I want to change the welfare system and I don't mind being very tough on requiring people to work. But you have to give them education and training and you have to give them child care, and we ought to collect the child support enforcement that people owe them as well. That's what I believe.

So we should do this together. We shouldn't look for some way to put people down; we should look for ways to lift people up. You look at the affirmative action issue, this affirmative action issue. There are problems with affirmative action. We have to fix some. We've already fixed some. But let me tell you, I have hired hundreds of people in my life. I have worked with all kinds of people, I've been in all kinds of different circumstances. And I believe with all my heart we have not yet reached the point in our country when we are totally oblivious to our gender and racial differences. And as long as we are not, as long as we see troubling

reminders of what may lurk in the hearts of people that they never say, I think it is appropriate not for Government to practice reverse discrimination, not for Government to have quotas, not for Government to guarantee anything to somebody who is unqualified to receive it but for the Government to say you should be conscious, you should be aware when you make decisions of the abilities and the potential of all the people in the community without regard to their race or gender. So I say fix affirmative action, but don't throw it away for a short-term political gain until we have solved this problem.

And I feel the same way, as all of you know, because of what I said 2 years ago about immigration. I knew we had immigration problems, and I had never dealt with them before 2½ years ago, so I asked former Congresswoman Barbara Jordan to set up a commission to deal with immigration in a forthright, humane, hard-headed way to just try to talk sense and not to use it for political benefits. And we have done more than any previous administration to try to close the borders and send illegal immigrants back. We have recommended a disciplined reduction in the annual quota of immigration until we get our own low-skill workers back in the work force and until we can manage our own economy better. But let's not forget something: Except for the Native Americans that are here tonight—and I thank them for being here—everybody else here came from somewhere else, and we should never, ever forget that.

The last thing I want to tell you is this: I'll bet you everybody here has disagreed with five or six things I've done in the last 2½ years. But one thing I have learned is that when things are really changing fast, you can absolutely not calculate what is the popular thing to do because what's popular today may look terrible 6 days from now. And what I try to do is figure out what this is going to look like when my daughter's my age. What's the 21st century going to be like for the United States? And so I do a lot of things that aren't popular. But when we do things like that, if you agree that we should keep leading, then you have to step into the breach as well and be heard.

All the political advice I got was, "Don't you be the first President in American history to take on the NRA over the Brady bill and assault weapons, don't do it. Because what will happen is they will gut you, and they will gut your Congressmen who stand with you. And all the people who agree with you will find some other reason to vote against them." And sure enough, last fall in '94, that's what happened.

I can tell you today that the Democrats would still be in the majority in the House of Representatives if they had not fought to ban assault weapons and for the Brady bill. I don't care what anybody else said. I've looked at those votes district by district, and I know what I'm talking about. That's why they lost. There were other reasons for the gain, the promise of the tax cut and all that; the Christian Coalition's great outpouring, they had a lot to do with it. But in the close races, the NRA took them down, the people that stood up for taking Uzis off the street and Uzis out of the schools, for making people check to see if they had a criminal or a mental health background. And there are thousands and thousands of people who now have not gotten guns because the Brady bill passed. There are people who are alive. There are children who are going to live because of the assault weapons ban. It was the right thing to do. And you ought to stand up for those people who did it. It was the right thing to do.

Same thing happened with Haiti. People said, "You've got to be out of your mind." Al Gore and I were 50 percent of all the people in Washington, DC, that thought it was a good idea to send our forces to Haiti. [Laughter] They said, "You'll never be able to explain this to the American people; everybody knows our national security is not at stake." You know what we said? Those military dictators came to the United States, to New York City, stood in the shadow of the Statue of Liberty, and promised to leave and let President Aristide come back.

If the United States can be lied to on its own soil in the shadow of the Statue of Liberty when we say we want every country in our hemisphere to be a democracy, how can we turn away the hordes of people who are risking their lives and dying in the seas from

Haiti. How can we ever say we are the force for freedom and democracy? And so we did it. And we did it without firing a shot. And we were right. But it wasn't popular.

When Hillary was trying to decide about going to China, everybody said, "This is a really dumb idea. If you go, the people who are against their human rights practices will say you have legitimized them just by going. And then if you say what you need to do, the people that want to have stronger trade relationship will say you are wrecking our relationship." But you know what we decided? All over the world the kind of future we have depends in large measure on how we treat women and their little children, especially their little female children. Do you know—[applause]—just for an example, in all of Asia today, there are now 77 million more boys than there are girls, because little girl children are still being killed because they're not supposed to be worth anything?

I can give you a lot of other examples. And so we decided that she ought to go because she could stick up for the women and the children and especially the girl children of this world, and she could talk not only about China and not singling China out but about what's happening in other countries including our own country that isn't right. And now it looks like a great decision. But the reason it was is because it was the right thing to do, not because it was the political thing to do.

I could give you a lot of others, but I'll give you one more, because the Vice President had a lot to do with this. We were trying to decide whether to go forward with our campaign to try to stamp out or at least dramatically discourage illegal smoking by teenagers. And all the political advice was, "Wait til the next election is over. These tobacco companies never lose in court; they never lose anywhere; they got a double ton of money, and they will gut you, not because they will get on television and run ads saying we think kids ought to smoke but because they have mailing lists, they can write people, they can inflame people. There are all these wonderful, wonderful Americans who grow tobacco like their families have been growing it for 100 and 200 years. But they can terrify them, and they will give them all kinds of

propaganda about how you're going to drive them into the dirt and those people will become a political force against you. And all the Americans who agree with you, they'll find some other reason to be against you. That's why people don't ever take on organized interests. So don't you be—you've already been the first President to take on the NRA; for goodness sakes, don't take on the tobacco companies, everybody else gave that one a pass."

But we knew two things after 14 months of study. We knew, number one, that for 30 years some of these companies have known that tobacco was addictive and dangerous and that they were consciously marketing it to children. And the second thing we knew was that 3,000 kids a day begin to smoke, and 1,000 of them will end their lives early.

So finally, we decided, how in God's name can we walk away from this? A thousand kids a day living a better, fuller, longer life is worth any amount of political sacrifice. It is the right thing to do.

There's so many other things like this that I could tell you about, but you get the idea. This is a great country. I do not want you to be upset about what you think is going on in Washington; I want you to be determined to do what you think is best for America, consistent with our values.

This debate was inevitable, as inevitable as the sun coming up in the morning, because of the depth of the changes that are going on. Because we're changing the way we work, we're changing the way we live, we have to change the way we do government. This was inevitable.

Don't you forget—we've been around for nearly 220 years now because most of the time when the chips are down, the American people do the right thing. And we come out pretty good.

I was born nearly 50 years ago to a widowed mother in a State where the per capita income was barely half the national average. My granddaddy raised me til I was 4. He had a sixth grade education. And I got to be President, not because I was so smart or so good or because I worked like crazy—because there are hundreds of people like me in this country and hundreds of people all over the world. America made that possible.

America said, no matter who you are, here's a chance at an education. No matter who you are, here's a chance at a job. No matter who you are, you can run for office. No matter who you are, you can go anywhere and stand up for what you believe in. This is a very great country, and every one of you should be happy and proud that you happen to be alive at this period of profound change. If we do our job, the best is yet to come.

Thank you, and God bless you all.

NOTE: The President spoke at 8:32 p.m. at the Century Plaza Hotel. In his remarks, he referred to actor Tom Hanks, and Ashley Ballard, who sang the national anthem.

Proclamation 6826—Gold Star Mother's Day, 1995

September 21, 1995

By the President of the United States of America

A Proclamation

Countless Americans have traveled to Washington, D.C., to visit the new Korean War Veterans Memorial and to pay their respects at the many other monuments honoring the members of our Armed Forces. These sites are places for reflection, pride, and patriotism, not only for the men and women who served and those who lost loved ones, but also for every citizen who values the sacrifices to which these monuments bear witness.

As we look upon America's public memorials, we also remember the unseen tributes that dwell in homes and hearts across the country—the personal mementos and memories treasured by mothers who have lost a child in military service. Our Gold Star Mothers reflect the legacy of their sons' and daughters' bravery and ensure that their children will never be forgotten—that their courage will inspire new generations.

Watching a beloved child go off to war is one of the hardest things a parent can endure. America's Gold Star Mothers proudly stood this test and suffered the terrible anxiety of waiting for word of their loved ones. Each of these heroic women was also called upon to bear the greatest hardship of all—

the cruel truth that her son or daughter would never return.

These mothers gave their most cherished gift so that our Nation could live in liberty and so that people around the globe could be freed from tyranny and oppression. And Gold Star Mothers continue a proud tradition of service, helping veterans with disabilities through voluntary service in VA medical facilities. Bringing comfort to those who suffered for our country, Gold Star Mothers exemplify the gratitude and honor each citizen owes to America's veterans.

This year, the 50th anniversary of the end of World War II, evokes many powerful emotions—pride in victory, sorrow in loss, and hope for a future of world peace. At times such as these, we join with Gold Star Mothers in remembering their children's dedication to duty and their ultimate sacrifice. We pray that these mothers can find solace in knowing that their sons and daughters helped to keep the beacon of peace and freedom burning, lighting the way to a better world.

In recognition of the outstanding courage of our Gold Star Mothers, the Congress, by Senate Joint Resolution 115 of June 23, 1936 (49 Stat. 1895), has designated the last Sunday in September as "Gold Star Mother's Day" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim September 24, 1995, as Gold Star Mother's Day. I call upon the American people to observe this day with appropriate programs, ceremonies, and activities that honor our Gold Star Mothers.

In Witness Whereof, I have hereunto set my hand this twenty-first day of September, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and twentieth.

William J. Clinton

[Filed with the Office of the Federal Register, 10:41 a.m., September 22, 1995]

NOTE: This proclamation was published in the *Federal Register* on September 25.

**Message to the Congress
Transmitting Transportation
Department Reports**

September 21, 1995

To the Congress of the United States:

I transmit herewith the 1994 calendar year reports as prepared by the Department of Transportation on activities under the Highway Safety Act, the National Traffic and Motor Vehicle Safety Act of 1966, and the Motor Vehicle Information and Cost Savings Act of 1972, as amended.

William J. Clinton

The White House,
September 21, 1995.

**Proclamation 6827—National
Historically Black Colleges and
Universities Week, 1995**

September 21, 1995

*By the President of the United States
of America*

A Proclamation

Just after the turn of the century, George Washington Carver, teacher, scientist, and intellectual leader at Tuskegee Institute, wrote, "Education is the key to unlock the golden door of freedom." His words ring true for all Americans, but especially so for the students of our Nation's historically black colleges and universities. These institutions are a beacon of hope, a path to advancement, and a source of pride for African Americans and for everyone who values higher learning.

Founded on a commitment to equal opportunity and academic excellence, historically black colleges and universities have enabled countless members of our society to receive a quality education and to pursue their goals and careers. In every sector of our diverse and vibrant country—business, law, academia, medicine, science, the arts, and the military—graduates of these schools have made outstanding contributions to our Nation's progress.

These distinguished institutions have long provided a bridge to the American Dream for their alumni—many of whom are the first

in their families to graduate from college. And while nearly all of America's 103 historically black colleges and universities are located in the South, our entire Nation has benefited from their legacy. Indeed, 27 percent of all baccalaureate degrees awarded to African Americans are granted by these schools, which represent only 3 percent of America's institutions of higher education.

It is their commitment to academic rigor and their dedication to empowering the minority community that have enabled historically black colleges and universities to build a proud tradition of excellence in this country. As centers of independent thought, black colleges hold out a promise to the young leaders of tomorrow—a promise that our Nation will continue to grow in wisdom, that the future will hold increased opportunity, and that education will open new doors to hope and prosperity.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim September 24 through September 30, 1995, as National Historically Black Colleges and Universities Week. I call upon the people of the United States, including government officials, educators, and administrators, to observe this week with appropriate programs, ceremonies, and activities honoring America's black colleges and their graduates, and I encourage all Americans to rededicate themselves to the principles of justice and equality set forth in our Constitution.

In Witness Whereof, I have hereunto set my hand this twenty-first day of September, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and twentieth.

William J. Clinton

[Filed with the Office of the Federal Register, 1:54 p.m., September 22, 1995]

NOTE: This proclamation was released by the Office of the Press Secretary on September 22, and it will be published in the *Federal Register* on September 26.

**Remarks Prior to Departure From
Santa Monica, California, and an
Exchange With Reporters**

September 22, 1995

The President. If I might, just listening to the county supervisors talk, it occurred to me that, for the benefit of the people in this county and this State who are interested in this problem, I ought to make two general points. First of all, this is an example of the kind of teamwork we need to solve the transitional problems, the many kinds of transitional problems that are plaguing the United States today as we move into a different kind of economy and a different kind of world.

They don't necessarily have a partisan tinge. They really require people to be creative, to be willing to embrace new ideas, to remember what the fundamental mission is, and to achieve that mission. And I want to applaud the people here who have spoken today for the way they work together across party lines. We need to do more of that in Washington right now in this budget process.

The second thing I want to emphasize to the people of this county—and this is true, by the way, to a greater or lesser extent in every State in this country and in very rural areas as well as more urbanized areas—you heard one of the commissioners say that one in three people in this county is uninsured. Well, one in three people in this county is not unemployed. Most uninsured people today are working people. And the reason the Medicaid program is so important is that it provides places like Los Angeles County with that extra amount of assistance, even though it's targeted to the poor, that helps them to keep their public health clinics and public hospitals open to deal with what is an increasingly difficult problem in America, which is working families without health insurance.

I tried to fix that last year, and my proposed solution didn't find favor. But if we're not going to have a comprehensive solution to it, then the only other alternative, if you believe as I do that you can't simply turn working families away when their children are sick or when the breadwinners are sick, the only alternative is to place greater emphasis on public health clinics and hospitals

that can help with primary and preventive care, as well as with people when they get very ill.

So this is a very important model, this restructuring that will take place over the next few years. And it won't be easy for them. But what they're trying to do is absolutely critical, given the fact that another million Americans every year who are in working families are without insurance. It would have been criminal to permit all of these clinics to close and all of this crisis to develop, not just because of the very poorest people in this county, but because of the working families on very limited incomes who don't have insurance.

And that's a national issue, it's not a Los Angeles County issue. And if it can be solved here with the restructuring, a lot of people all over America will be learning a lot from what you're doing, and the working families of our country will be better served by it.

Thank you very much.

Debt Limit Legislation

Q. Mr. President, what does that say about the spirit of cooperation and problem solving: Speaker Gingrich says that he won't bring a debt limit bill to the floor of the House unless you agree to the Republican budget tax cuts.

The President. Well, a lot of things have been said, you know. All I can say is that it's important for me to try to keep the rhetoric down and to keep calm. But I will say this: The United States has never failed to recognize its obligations to pay its debts. And the failure to raise the debt limit has nothing to do with holding the deficit down or balancing the budget. It is basically saying you're going to be a piker and welsh on your debts, and the United States has never done that. And it would be irresponsible to do that.

And let me emphasize that if the United States were to refuse to raise its debt limit, the real consequence to the Speaker and to the Republican majority in Congress would be to dramatically raise the risk that their own budget plan would fail because what would happen immediately is people would start to charge us more interest on our debt.

And most of the leaders in the Congress were around in the 12 years that we quad-

rupted the national debt. I wasn't there. But I can tell you today that our budget would be balanced but for the debts run up in the 12 years before I showed up in Washington. And if we don't—if we didn't raise the debt limit, the only practical impact would be, since we eventually would have to pay our debts, is that interest rates would go up, more and more of our budget would go to interest on the debt. It could raise our interest rates for a decade, and it could wreck their own budget plan.

So I just don't believe in the end that they will do that. There's going to be a lot of verbal back-and-forth between now and then, but it would be so irresponsible and it would undermine their own objectives, that I can't believe that it would happen.

The United States is a good citizen. We don't waltz on our debts, and we're not about to start doing it now.

Thank you.

NOTE: The President spoke at 9:20 a.m. at the Santa Monica Airport. A tape was not available for verification of the content of these remarks.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

September 16

The President declared a major disaster in the U.S. Virgin Islands and ordered Federal aid to supplement recovery efforts in areas struck by Hurricane Marilyn beginning on September 15.

The President declared a major disaster in the Commonwealth of Puerto Rico and ordered Federal aid to supplement Commonwealth and local recovery efforts in the areas struck by Hurricane Marilyn beginning on September 15.

September 18

In the afternoon, the President traveled to Philadelphia, PA. While en route on Air

Force One, he had a telephone conversation with NATO Secretary General Willy Claes to congratulate him on NATO's success in Bosnia. Following his arrival, he met with ministers and community leaders in the Mount Carmel Baptist Church.

In the evening, the President traveled to Jacksonville, FL.

The President announced his intention to nominate James C. Riley to be a Commissioner of the Federal Mine Safety and Health Review Commission.

September 19

In the evening, the President traveled to Denver, CO.

The President announced his intention to appoint M. Sharon Cassidy, Teresa Ghilarducci, and Joseph S. Perkins to be members of the Advisory Committee of the Pension Benefit Guaranty Corporation.

September 20

In the evening, the President attended a Clinton/Gore fundraiser at the Marriott City Center. He then traveled to San Francisco, CA.

The White House announced the President named Stephanie S. Streett and Anne L. Walley as Deputy Assistants to the President and Directors of Scheduling.

The White House announced the President has appointed Jack Quinn as Assistant to the President and White House Counsel to replace Abner Mikva, who will retire November 1.

September 21

In the morning, the President met with a group of CEO's from the information industry to discuss goals for education technology.

In the afternoon, the President went to Culver City, CA.

In the evening, the President attended a Saxophone Club fundraiser at the House of Blues.

The President announced his intention to nominate Anthony Cecil Eden Quainton to be Director General of the Foreign Service.

The President announced his intention to nominate Eric James Boswell as Assistant Secretary of State for Diplomatic Security.

The President announced his intention to appoint Cecille Pulitzer to the Library of Congress Trust Fund Board.

The President announced his intention to name Ira L. Hobbs to the Committee for Purchase From People Who Are Blind or Severely Disabled.

September 22

In the morning, the President went to Santa Ana, CA, where he addressed the community at the Boys and Girls Club of Santa Ana.

In the afternoon, the President went to San Diego, CA, where he addressed students at O'Farrell Community School.

In the evening, the President returned to Washington, DC, arriving early in the morning.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted September 18

Jane Bobbitt,
of West Virginia, to be an Assistant Secretary of Commerce, vice Loretta L. Dunn, resigned.

Donna Dearman Smith,
of Alabama, to be a member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring March 3, 1998, vice Howard W. Cannon, term expired.

Hazel Rollins O'Leary,
of Minnesota, to be Representative of the United States of America to the Thirty-ninth Session of the General Conference of the International Atomic Energy Agency.

Shirley Ann Jackson,
of New Jersey, to be an Alternate Representative of the United States of America to the

Administration of William J. Clinton, 1995

Thirty-ninth Session of the General Conference of the International Atomic Energy Agency.

Nelson F. Sievering, Jr.,
of Maryland, to be an Alternate Representative of the United States of America to the Thirty-ninth Session of the General Conference of the International Atomic Energy Agency.

John B. Ritch III,
of the District of Columbia, to be an Alternate Representative of the United States of America to the Thirty-ninth Session of the General Conference of the International Atomic Energy Agency.

Withdrawn September 18

Howard W. Cannon,
of Nevada, to be a member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring March 3, 1998 (reappointment), which was sent to the Senate on January 5, 1995.

Submitted September 20

James William Blagg,
of Texas, to be U.S. Attorney for the Western District of Texas for the term of 4 years, vice Ronald F. Ederer, resigned.

Susan Robinson King,
of the District of Columbia, to be an Assistant Secretary of Labor, vice Doug Ross, resigned.

Submitted September 22

Eric James Boswell,
of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be an Assistant Secretary of State, vice Anthony Cecil Eden Quainton.

Anthony Cecil Eden Quainton,
of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Director General of the Foreign Service, vice Genta Hawkins Holmes.

**Checklist
of White House Press Releases**

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released September 18

Transcript of a press briefing by Deputy Chief of Staff Harold Ickes on the President's trip to Pennsylvania, Florida, Colorado, and California

Statement by Chief of Staff Leon Panetta on lobby reform legislation

Announcement of the nomination of U.S. Marshal for the District of New Jersey

Released September 19

Statement by Press Secretary Mike McCurry announcing the President's letter to the Chair of the Federal Communications Commission on the Children's Television Act of 1990

Announcement of the nomination for U.S. Attorney for the Western District of Texas

Released September 20

Statement by Press Secretary Mike McCurry on the appointment of Stephanie Streett and Anne L. Walley as Deputy Assistants to the President and Directors of Scheduling

Statement by Press Secretary Mike McCurry on the Westinghouse commitment to increase CBS's educational and informational programs for children

Statement by Press Secretary Mike McCurry announcing the retirement of White House Counsel Abner Mikva and the appointment of Jack Quinn

Released September 21

Transcript of a press briefing by Chief of Staff Leon Panetta on his letter to Speaker Newt Gingrich and Majority Leader Robert Dole on the proposal for a continuing resolution

Transcript of a press briefing by Assistant Secretary of Commerce Johnathan Sallet on the technological initiative in California schools

Statement by Press Secretary Mike McCurry announcing Chief of Staff Leon Panetta's letter to Speaker Newt Gingrich and Majority Leader Robert Dole on the proposal for a continuing resolution

Statement by Press Secretary Mike McCurry on the results of the meeting between the Principals Committee and U.S. negotiating team

Statement by Press Secretary Mike McCurry announcing Director of the Office of Management and Budget Alice Rivlin's letter to Senator Frank Murkowski on attempts to open the Arctic National Wildlife Refuge to oil drilling

Released September 22

Transcript of a press briefing by Vice President Albert Gore and Interior Secretary Bruce Babbitt on the Interior Department appropriations bill

Statement by Vice President Albert Gore on the Interior Department appropriations bill

**Acts Approved
by the President**

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.