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Exchange With Reporters on Arrival at the White House

May 2, 1997

Budget Agreement

Q. Mr. President, have you got all the Democrats on board now?

The President. A lot of them. I feel good about it.

Q. Do you need to do a selling job to the American people? Do you think you need to sell this at all?

The President. Oh, sure. We need to talk about it. We will. It's a good agreement, a good thing for America.

Q. [*Inaudible*]

The President. We're having them over here for a while.

NOTE: The President spoke at 6:05 p.m. on the South Lawn at the White House. A tape was not available for verification of the content of this exchange. This item was not received in time for publication in the appropriate issue.

Statement on the Department of Justice Appeal of the District Court Tobacco Regulation Decision

May 2, 1997

Today the Department of Justice filed a notice in the Greensboro U.S. District Court appealing the part of Judge Osteen's order that invalidated the Food and Drug Administration's tobacco advertising restrictions. The Department is asking for an expedited appeal, because every day of delay matters to our children's health. Each day, 3,000 children and young people become regular smokers, and 1,000 of them will have their lives cut short as a result of their smoking. And this problem of youth tobacco use is getting worse. The percentage of 8th and 10th graders who smoke has risen for 4 consecutive years. The FDA's commonsense access and advertising restrictions would reverse this trend. We will continue to work to protect our children from tobacco, and we will not stop until we succeed.

NOTE: This item was not received in time for publication in the appropriate issue.

Message to the Congress Transmitting a Report on the Proliferation of Weapons of Mass Destruction

May 2, 1997

To the Congress of the United States:

The National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201), title XIV, section 1443 (Defense Against Weapons of Mass Destruction), requires the President to transmit a report to the Congress that describes the United States comprehensive readiness program for countering proliferation of weapons of mass destruction. In accordance with this provision, I enclose the attached report.

William J. Clinton

The White House,
May 2, 1997.

NOTE: This item was not received in time for publication in the appropriate issue.

The President's Radio Address and an Exchange With Reporters

May 3, 1997

The President. Good morning. Yesterday we took a dramatic step to prepare America for the 21st century, and we got the best evidence yet that the new economic policy we adopted in 1993 is working for our people. Yesterday morning, we learned the unemployment rate has dropped to 4.9 percent, the lowest in 24 years. And yesterday afternoon, I reached an historic agreement with the leaders of Congress to balance the budget by 2002, with a plan that ensures we will balance the budget, invest in our future, protect our values and our obligations to our children, our parents, and those in need.

Four years ago, when I took office, the economy was stagnating, job growth was sluggish, the budget deficit threatened to drown our economy. I believed it was time to change course with a new economic strategy: Invest and grow, cut the budget deficit, sell more products overseas through tough trade agreements, and invest in the skills of our people. In 1993, we put our economic plan in place. It wasn't easy; it required hard

choices. But now, the deficit has been cut for 4 years in a row, falling from $290 billion in 1992 to about $80 billion this year—more than two-thirds of the way home to our first balanced budget since the 1960's. All this has spurred lower interest rates, more investment, and stronger growth.

And the good news goes beyond low unemployment: Economic growth is at its highest in a decade; core inflation at its lowest in three decades; the largest decline in income inequality since the 1960's; and thanks to the hard work of the American people, 12 million new jobs. It is now clear that our economy is the strongest it's been in a generation.

Now we have to keep this economic growth going. We have a great opportunity to build a world for our children better than any America has ever known. But my fellow Americans, we must prepare. We have to give Americans the education and skills they need to compete in the global economy. We have to invest in science and technology. We have to continue to get and keep our economic house in order.

To keep our economy growing, we must stay on the path of fiscal responsibility. To make sure all our people can share in this prosperity, we must make sure that a balanced budget also invests in their future. Balancing the budget, investing in our people: we must do both these things. In 1993, many people doubted that it could be done. We have shown that it can be done. And with this budget agreement, a bipartisan budget agreement, we will prove that we can actually balance the budget and continue to invest in our future.

It took weeks of intense negotiations to lead to an agreement that protects our values. A balanced budget with unbalanced values and priorities would not have been enough. There were times when it seemed that we, perhaps, would never reach this agreement, times when it appeared that we could not secure a balanced budget true to the principles and priorities essential to our future and bringing Democrats and Republicans together across all their differences. But everyone understood that the stakes were too great and the cost of failure too severe to give up.

So, yesterday, we reached an agreement on just such a plan. It is a significant breakthrough for our country. And it proves that our political system can work when we put our partisan differences aside and put the American people and their future first.

This budget honors our duty to our parents and to those in need by securing Medicare and Medicaid and extending the life of the Medicare Trust Fund for a full decade. It honors our duty to our children, expanding health coverage to children who don't have it, up to 5 million more of them. It keeps my pledge to continue the job of welfare reform by providing tax incentives to businesses to move people from welfare to work and restoring some of the unwise and excessive cuts included in last year's welfare bill. It cleans up 500 toxic waste dumps and strengthens enforcement for a clean environment. It gives the American people tax relief for education, for help in raising their children, and to spur investment in our future.

And perhaps most important of all, this bipartisan agreement reflects our commitment to make education America's top priority on the edge of a new century. Here are our goals: every 8-year-old can read, every 12-year-old can log on to the Internet, every 18-year-old can go on to college, every adult can keep on learning for a lifetime.

This balanced budget is a breakthrough toward those goals. It's the best education budget in three decades. It will give families tax cuts to pay for college, and it will include our HOPE scholarship, a tax credit for tuition for the first 2 years of college to make those first 2 years as universal as a high school diploma is today. The budget also includes the biggest increase in Pell grant scholarships for deserving students in 30 years. It funds our America Reads challenge, which will mobilize a million volunteer reading tutors to make sure that all our 8-year-olds will be able to read independently. It will help to connect all our classrooms and libraries to the information superhighway. And it will support our move to develop genuine national standards in education and, by 1999, to test every fourth grader in reading and every eighth grader in math to make sure we can compete in the world of tomorrow.

This balanced budget plan is in balance with our values. It will help to prepare our people for a new century. It will help to propel our country into that century stronger than ever. I urge Members of Congress in both parties to pass it.

Yesterday morning, I had a chance to think about our country, its history, and its destiny, when I was privileged to join in the dedication of the new memorial to Franklin Delano Roosevelt here in Washington. It is a tribute to him, to Eleanor Roosevelt, and to the generation that changed America, conquering depression at home, defeating tyranny abroad. We've come a long way since then, and we can go much, much further if we work with the same faith, commitment, and confidence that FDR's generation showed as they met the challenges of their time.

In words from his last speech, which he wrote shortly before he died, President Roosevelt said, "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

My fellow Americans, the news on the economy, the balanced budget agreement, they should give us confidence; they should validate our faith; they should erase our doubts. Let us now reach across party lines and seize our chance to balance the budget and maintain that strong and active faith that will ensure that our best days as a nation lie still before us.

Thanks for listening.

[*At this point, the radio address ended, and the President took questions from reporters.*]

President's Visit to Mexico

Q. [*Inaudible*]—with our requests on drug enforcement, their policies with immigration and trade, as you know. And some are characterizing your trip as kind of a visit of reconciliation. How would you characterize it, and how is the cooperation, specifically on drugs?

The President. First of all, I don't see it as a visit of reconciliation. I see it as building on an ongoing partnership between two great nations that share a huge border and a common future, have some common problems, and inevitably some disagreements. We should look at this as a regular part of our building a common future. We will have some disagreements, but we've got an awful lot in common. But I think that the people of Mexico and the Government of Mexico know that the United States and that our administration wish them well and want to help them build a better future.

We also know we have some common problems. This drug problem is as big or bigger a problem for Mexico as it is for the United States. They will, in the end, not be able to maintain the fabric of an orderly, democratic, free society if the narcotraffickers come to dominate huge sections of their country. On the other hand, we have to understand the pressures that they are under, and we have to help them to beat back those pressures. And we'll work through it as well as we can.

On immigration, we will continue to have some tensions because what we have done as a country is to have a very broadminded view of legal immigration. I would remind you—all those that think that we somehow have a narrowminded view—we let in almost a million people legally into this country last year. But if we're going to have a broad attitude toward legal immigration, we have to increase our intolerance for illegal immigration. We can—if we have laws and people wait in line, sometimes for years, to come to this country, it is wrong not to try to be tough to stop those who seek to evade those laws and come in ahead of their ordinary time. That's not right. So we'll work through that. I think our policy is right, and I think it will be a productive trip.

Q. Mr. President, what's your reaction to the British election?

Budget Agreement

Q. It seems that the budget deals hinge on this $225 billion windfall from the new economic forecast. What if that doesn't pan out? What does that do to you?

The President. Well, first of all, let me remind you that—and I want to compliment both sides here—we have known for some time that—even before the last figures came in—that economic growth was at 5.6 percent in the last quarter, which is extraordinary, and that—then these new unemployment figures. We have known that the economy

was performing well enough that our outlays would be lower, because more people would—fewer people would depend on Government assistance, and our revenues would be higher. The CBO's preliminary estimates—they don't file their final report until August—was that over a 5-year period, that might generate about $226 billion in new revenues.

There were some problems in this budget; there still are some discipline problems in this budget. Keep in mind, we're still going to have to downsize the central Government. We're still going to have a lot of agencies that will grow at less than the rate of inflation. We are concentrating our new money in education, in science and technology and research, in environmental cleanup, in things that will build our future.

But what I want to compliment the budget negotiators on is, they didn't try to spend that money. They only spent about 11½ percent of the money that we're now pretty sure will come in. All the rest of the money will go to reducing the deficit. So, if they're wrong, even quite a bit wrong, this budget will still balance in 2002 because they spent just a little over 10 percent of the money. If they're right, it will balance before 2002 because of the work and the growth and the productivity of the American people.

So the real story here is not that they've spent $26 billion to stop what could have been a terrible problem in the Medicaid program for States with high disability costs or large numbers of poor people and poor children especially; or that they want to invest a little more money in infrastructure, which is good for our long-term economic growth; or that we're going to alleviate some of the extreme cuts in the food stamp program last year—that's not the real story. The real story is, they looked at this pot of money that appeared before them and said, "We're going to leave nearly 90 percent of it there for deficit reduction and try to balance the budget even quicker." And to me, that is the real story. And they deserve a lot of credit for that.

And that's the way I look at this. Yes, we took a little of the money. It gets us a few more votes for the plan. But it's also good things to do. We also put a little money back into the last year of defense, especially in the authorizing funds, simply so we could plan, because the Defense Department has to be able to plan long-term for the continuing restructuring of the military but increase reliance again on research, development, new technologies, and new weapons.

So that small amount of a big pie shows, in fact, that we probably will balance the budget even sooner. But we don't intend to spend money that hasn't been realized yet.

Elections in the United Kingdom

Q. Mr. President, what's your reaction to the British election?

The President. Well, I think it's obviously a big vote for change. I think it's a validation of the themes that Mr. Blair struck. I think it once again proves that the people do not want political parties and political leadership tied to the rhetoric of the past. If you go back to the section of President Roosevelt's speech to the Commonwealth Club that I quoted—in 1932—yesterday, he said that if you have new times, you have to have new policies. You don't have new values, but you do have new directions. And so I thought it was a case where the people made that decision.

I must also tell you though that this is my first chance to comment on this, and I'm looking forward to serving with Prime Minister Blair. He's a very exciting man, a very able man. I like him very much. But I also think that the people of the United States and the people of Great Britain should know that John Major represented that nation very well in the world. I have obviously no experience and no judgment about what happened domestically, because I wasn't there and I'm not a British citizen, but in all of our dealings over these last 4 years and several months, I was profoundly impressed by his patriotism, by his willingness to take tough decisions, especially in Bosnia where they were with us all the way. And so the British people can be proud of this stewardship.

And the Conservatives had a good, long run. Nothing lasts forever, and they were in for a very long time. But I hope that Prime Minister Major and I hope the British people will always feel a great deal of pride in what they did in the way they related to the rest

of the world in his stewardship because I was very impressed by it. And I also was impressed by the fact that he had the courage to start the peace process in Northern Ireland. And I hope and pray, now that the British election is over, that Prime Minister Blair will take up the torch, that the IRA will declare a cease-fire, and that we can get back on the road to resolving that problem. It is high time, and I can tell you, that's what the people of Northern Ireland want.

Thank you.

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

Remarks on Departure for Mexico and an Exchange With Reporters

May 5, 1997

The President. Good afternoon. As you all know, I'm about to leave on a weeklong visit to our closest southern neighbors, Mexico, Central America, and the Caribbean. It's the first of three trips I'll take in our hemisphere over the next year. I'd like to say a few words about what I hope to accomplish and why the Americas are so important for our own security and prosperity in the 21st century.

Little more than a decade ago, our neighbors were plagued by civil wars and guerrilla insurgencies, coups and dictators, closed economies and hopeless poverty. Now we face a far different moment, a moment of truly remarkable possibility. Every nation in our hemisphere but one has embraced both free elections and open markets. The region's growing economies have become our largest trading partners. Already we export twice as much to the Americas as to Europe and nearly half again as much as to Asia.

A partnership is emerging between the United States and the Americas based not only on history, geography, and culture but increasingly on shared interest and values and a shared commitment to a common future. More than ever before, we are working with our neighbors on the basis of mutual respect to make a difference on issues that matter most to people in their daily lives, creating good new jobs by opening markets and spurring growth, improving education to prepare our people to succeed in the global economy, making our water clean and the air clean for our children, facing up to problems we cannot defeat alone like drugs, crime, and corruption.

But while the trend in the Americas is positive, clearly the transition is not complete. If we want citizens to make a lasting commitment to democracy, peace, and open markets, we must support them in gaining confidence that they have made the right choice.

Three years ago, at our historic Summit of the Americas in Miami, the leaders of this hemisphere mapped out a concrete plan to lock in the democratic gains the Americas have made and to see that they work for all of the people. This week we will continue to advance that plan. Together, we can strengthen the institutions of democracy and promote respect for human rights. We can broaden the benefits of open and fair trade. We can shore up the stability of nations that have renounced war. We can combat the drugs and crime and environmental degradation that threaten all our futures. And we can open the doors of education to more so that they can have the skills they need to make the most of their own lives.

It is fitting that this trip should begin in Mexico. We share one of the broadest and deepest relations of any two nations on Earth. Beyond the 2,000-mile border that joins us, beyond the strong bonds of trade that benefit both our people, we must cooperate as never before to find common solutions to common problems.

Our partnerships with Mexico and with the other nations should be the foundation of our own freedom, stability, and prosperity in the 21st century, an engine for economic growth and jobs, a sword in the fight against transnational threats that respect no borders, an example to the world that democracy and open markets actually deliver for those who embrace them. If we continue to shape the future of our hemisphere, the Americas will prosper and so will America.

Thank you.