

As a nation, we have a responsibility to *all* of our children and especially to those in our most vulnerable communities. That is why I have fought for high national standards and national tests to help our children reach their highest potential.

Since I called for national standards, I am proud to say that 15 major city school systems have stepped forward to accept my challenge. But we must not rest until *every* school system in the Nation commits to adopting high standards—and helping their students to meet them.

If we are going to go strong into the 21st century, we must continue to expand opportunity for all of our people, and when it comes to our children's education, that means continuing to expect and demand the very best from our schools, our teachers, and above all, from our students. That is why I have fought for excellence, competition, and accountability in our Nation's public schools, with more parental involvement, greater choice, better teaching, and an end to social promotion. We cannot afford to let our children down when they need us the most.

Remarks and a Question and Answer Session at a Democratic National Committee Dinner in New York City
January 8, 1998

The President. First of all, let me say to Alan and Susan, it is wonderful to be back here. I remember very well when I was here in 1992. I also remember an event that they were part of in 1992, about 10 days before the New Hampshire primary, when everybody said I was absolutely dead; I had no chance to win; I was dropping like a rock in the polls; and we showed up in New York City for a fundraiser. And there were 700 people in this room for a dead candidate. So I said, "I am not dead yet." [Laughter]

And that night was memorable for two reasons: One was that we had so many people there, thanks to a lot of you in this room, who didn't believe that it was over and who believed in what I was trying to do. The other was that I had a very—what is now a very famous encounter in the kitchen walking to the speech with a Greek immigrant waiter

who said that his 10-year-old son had asked him to vote for me because of what he heard me say, and he would do it if I would be more concerned about his son's safety. He said he lived across the street from a park, but his kid couldn't play in the park without his being there. He lived down the street from a school and that his child couldn't walk to the school. And he said that where he had lived he was much poorer, but he was free.

It was a very compelling portrait of why crime and physical safety is an important public issue. And he said, "So if I vote for you like my boy wants me to, I want you to make my boy free." And that man and his son became friends of ours and they've been to lots of things, and they even went to Ohio once to an anticrime event with us. So a lot has happened because of my friendship with Alan and Susan.

If he had said one more time that he wasn't a Democrat—I thought he was protesting too much. [Laughter] I'm a Baptist, I believe in deathbed conversions. It's not too late. [Laughter]

Let me say what I thought would be helpful. I do have to leave fairly soon, but before—because we've all been here and most of you have heard me give a zillion speeches, I'd like to just talk for 2 minutes and then give you time—if you have any questions or anything you want to talk about, I'd like to just hear from you.

Steve has already said what this investment is about. But let me back up a little bit. In 1992, I ran for President because I thought the country was divided and drifting, and I believed we were on the verge not just of a new century and a new millennium but a profoundly different time in human affairs. We now know that this whole process of globalization and the revolution in information in science and technology is dramatically changing the way we live and work and relate to each other and relate to the rest of the world in ways that are mostly good, but have some stiff challenges as well.

We also know that we are much more interdependent than ever before, both within our country and beyond our borders. Today, you know, as I met people today, it was amazing how freely the conversations went back and forth between issues that once would

have been thought of as foreign or domestic, but all were perceived as having a direct impact on the lives and welfare of the people with whom I was meeting today.

Now, we have tried basically to focus the country on making the changes necessary to create a 21st century America where there will be opportunity for everyone who's responsible enough to work for it; where, out of all of our diversity, we will build a community that is still one America, united and strong; and where our country will have enough support for our continuing involvement in the world, that we can keep leading the world toward greater peace and freedom and prosperity.

That has required a redefinition of the role of Government, basically, that the Republican Party tried for years with great success to simply discredit the whole enterprise of Government, and to say that Government was the problem, and to basically position individual freedom against Government. President Reagan was quite brilliant at it, and he did it very graphically and compellingly. But I think that the Democrats were not able to successfully counter, in part, because we seemed to be defending yesterday's Government. What we tried to do is to say that Government is the instrument of our personal freedom and our strong community, and there are some things that we can only do through our role as citizens. So I think the basic function of Government in the 21st century will be to establish the conditions and give people the tools to make the most of their own lives and build strong families and communities and make this country strong—not to do everything but not to sit on the sidelines. And I'm very mindful of that because of all the obvious challenges we're facing today at home and abroad.

Now, if you look at where we are compared to where we were 5 years ago, basically, we've changed the economic policy, the crime policy, the social policy, and the education policy of the National Government, I think, to good results. We have the lowest unemployment rate in 24 years, the lowest crime rate in 24 years, the biggest drop in the welfare rolls in history, a really serious attempt to deal with the conflicts of family and work that people face through things like

the family and medical leave law, and a serious attempt to prove that we can grow the economy while improving the environment.

In the last 5 years, while we've had 13 million new jobs, the air is cleaner, the water is cleaner, the food supply is safer. We have cleaned up more toxic waste dumps than at any comparable period in history and put more land in trust in one form or another than any administration in American history except the administrations of the two Roosevelts.

So I think that we would have to say the record about the philosophy has been pretty good. In addition to that, the United States has been a force for peace and freedom and expanded mutual trade agreements to reinforce prosperity.

Now, as you look ahead to the future, just very briefly, what will we be dealing with in '98, what still needs to be done before I leave office in 2000? On the economy, first we must do no harm. We have fought very hard. We're going to have very close to a balanced budget this year. When I took office, the estimate was that the deficit would be \$357 billion this year. The last thing we need to do is to explode the deficit again. So anybody who's got any kind of proposals, whether it's for spending or tax cuts or anything else, my view is, first, do no harm. We have fought too hard, and we see evidence all around the world that no country is big enough or strong enough to sustain its prosperity in the face of financial irresponsibility.

Second, we have got to do a better job of bringing the benefits of enterprise in the modern economy to poor areas. You heard Alan talk about how we once were interested in this. We see a real renaissance in some urban neighborhoods, but not in most urban neighborhoods. We must do better there.

On the environment, we have a number of challenges—I'll just mention one. I think this agreement we made at Kyoto will prove to be a very historic agreement. It wasn't perfect, it didn't have everything we wanted, but it's the first time that major nations of the world ever committed themselves to the proposition that they could grow the economy, cut greenhouse gas emissions, and do it primarily through market mechanisms. And I believe it's profoundly important, and

I intend to work very hard on implementing it this year.

We have an entitlement challenge in this country because the baby boomers are so numerous that we have to make some adjustments in both Social Security and Medicare if we expect to preserve them for the baby boom generation at a bearable cost for our own children. And I think you will see significant progress on that in the next 2 years.

In education, the fundamental problems it seems to me are—I'm very proud of the fact that in the balanced budget act we basically make community college free for people with the tax credits and open the doors of college—we did more for college access than anytime in 50 years, since the GI bill. It's a stunning piece of work that, for some reason, doesn't seem to have acquired a lot of notice in the press. But when I talk to ordinary people about it, they think it's the greatest thing since sliced bread. So that's a big deal.

But what we have to do now is make our schools work again. There's a report just today saying that urban schools basically are performing vastly below suburban schools on all national measures of testing. I've done my best to try to promote a set of structural reforms and high standards and rigorous testing with consequences. The report shows that in Virginia, where they have urban schools that have done much better than the national average, it's because they have specific, rigorous standards; they measure the standards, and there are consequences to the results they find. This is not rocket science. These children can learn. Most of the teachers are fully capable of doing what they need to do. The system is not adequate to meet what the children deserve and the country needs, and we intend to keep working on that.

Well, there are a lot of other issues I can—yesterday we announced the biggest child care program in the history of the country, that we will have to pay for. I think that's a good thing. But it must be paid for with the successful resolution of the tobacco issue, which I hope the Congress will resolve satisfactorily. On the international front, I hope we will approve the expansion of NATO. I'd still like to have more trade authority. And

I hope the Congress will pay our debts to the United Nations and we can resume our global role and I think that will help.

I do believe that we will give some gifts to the millennium. I think you'll see a significant increase in medical research and a number of other things that are of interest to a lot of you in this room. I think '98, even though it's a political year, will be a good year. Some of you asked me about political reform, I will do my best. We have a vote scheduled in the springtime—in March, I think—and both the leadership in both Houses has promised to vote on some kind of campaign finance reform. They've not promised to vote on the bill that I support, McCain-Feingold, but a vote on some kind of campaign finance reform.

And I have said this repeatedly—I'll say it again—I think the trick is if we're going to have limits on soft money, then the hard money contribution limits ought to be realistic in light of today's cost, number one. And, number two, we ought to have access to free or reduced air time for candidates who observe overall spending limits. The Supreme Court has made clear that you can't control how much money people spend on their own campaigns, because money is speech. I'm not sure I agree with the decision, but there it is, and it's been there for over 20 years.

What's driving the costs of campaigns is the cost of air time, the cost of communicating directly with the voters. If there were some standards for how that could be done, if you got the benefit of free or reduced air time, I think you might see a big turn-up in voter turnout because you could have more, if you will, interactive air time—longer programs, call-in programs, town hall meetings, questions and answers. The whole thing could be changed. But we're going to have to have some help on the expenditure side, as well as on the money raising side.

So I think it will be a good year. I'm excited about it. We've already got more than one foot in the 21st century, but we also have some really significant challenges. And when you think about all the medical research that's going on, on the one hand, and the dangers of chemical and biological warfare on the other; when you think about how we're getting along in America with a couple

of hundred racial and ethnic groups, on the one hand, and the fights that still go on from Africa to Northern Ireland to the Middle East to Bosnia on the other, you see the two sides of the 21st century. We have to make sure that interdependence and community triumph over anarchy and chaos. And I think we can do it if we stay on the course we're on.

Thank you. Anybody got a—I'll answer two questions. Anybody want to ask a question? Yes.

Federal Budget Surplus

Q. [Inaudible]

The President. Well, let me say first, we shouldn't spend it mindlessly because we have to realize that the surplus is produced in large measure because Social Security taxes are still higher than Social Security outlays on an annual basis. And we are now—we have under careful review what our various options are and—I'd like to be more candid, but I have to go through a consultative process with members of my party and others in Congress as well before I can announce a final position. But I've tried to make it as clear as I could that I favor being as prudent as possible with this money.

And I also think you've got to realize, we've got to think about, before we run off and spend all the money that is going to be generated, number one, it has not been generated yet. I mean, we hope that we can keep this economy going. We hope we can keep the growth going. We hope that—but this surplus everybody is talking about is a projected surplus. It's not a bird in the hand. So that's something you should know.

Number two, we have not yet decided as a country what we're going to do about Social Security and Medicare and how to handle the attendant changes and whether there will be costs to those changes, how they will be borne, and where the money will come from. So I'm taking a very cautious approach and I'm going to look at all the alternatives, but the number one thing is we've got to realize that this economy is humming along because we got the deficit down in large measure—not entirely—there's a lot of productivity in the American economy, millions of people make great decisions—but we got the deficit

down and people perceive that we know what we're doing and that we're going to proceed with discipline and prudence in a world that is full of some uncertainty.

And the one thing I can tell you is whatever I do, I'm not going to do anything that will make anybody think we have abandoned our commitment to discipline and prudence and long term growth and investment. You make room for domestic spending if you pay the debt down; because if you pay the debt down, you reduce the percentage of the budget going to debt service. So you have more money that way. There are all kinds of things, I mean, there are lots of ways to look at this. I've not reached a final decision. And even if I had, frankly, I couldn't discuss it in great detail because I haven't finished my consultations yet. But I'm going to do something I think is economically prudent, that's the most important thing.

And, secondly, I want to think about the long run. We have to think about our intergenerational responsibilities on this entitlement business.

Q. Mr. President, one thing that I think most people—[inaudible]—

The President. Thank you. Yes, in the back.

President's Race Initiative

Q. Mr. President, I'm very impressed with your initiative on race, but I'm concerned that you seem to be the only person in America who cares about this issue. And I wonder what you can do to have other members of your administration—Cabinet members and other prominent Democrats, Governors, whatever, speak out on it.

The President. Well, interestingly enough, first of all, my Cabinet—they've all been doing things. When I did my town hall meeting in Akron, my Cabinet that week, they were all doing different things around America. And Andrew Cuomo has, in particular, been very active in HUD in the last few months largely, I'm sad to say, because there is still a lot of housing discrimination in this country, a lot of old-fashioned discrimination in this country in housing. And he's done a lot on it.

We're trying to do more and more visible things. But let me say, we're trying to

achieve—let me tell you what we're trying to achieve with the race initiative. First, we're trying to make sure that there is an honest dialog in every community—community-based approach to this about how each community is going to deal with whatever their racial composition is and whatever the challenges of working together are. And the evidence is clear that the answer is to get people to work together, learn together, and serve together in the community.

The second thing we're trying to do is to catalog promising practices of really exhilarating things that are going on around this country now; put them on our home page and make them widely available. And we now have a lot of them at our Web site and we have huge numbers of people tapping into that and then getting in touch with others around the country to learn what they can do in their own community.

The third thing we're trying to do is to recruit leaders. I sent a letter to 25,000 student leaders and asked them to get involved in the race initiative and we've gotten literally hundreds of replies from young people telling us exactly what they're doing. Some of them are fascinating, including a young, white football player, star football player, who involved athletes in an interracial initiative in the Washington, DC, area.

And the fourth thing we're trying to do is to identify specific Governmental policies that will help to not only address race problems that disproportionately affect minorities, but will do it in a way that will bring people together, like the initiative we had to give scholarships to people who go teach in inner city schools.

So we'll keep trying to turn it up. But I think it's been quite a productive thing, and I think the American people are actually quite interested in it. You know, people know—they pick up the paper every day. They see that there are tribal warfares in Africa. They know that we're still having trouble resettling the Croatians and the Muslims and the Serbs in Bosnia. They know that the Irish just had another round of killings, right on the verge of breaking through the Irish peace process. They know that there's still trouble in the Middle East. And they know there's still trouble in America. In the Wash-

ington papers we've been living through the efforts of a Muslim school that wants to expand trying to find a location in a community that feels comfortable accepting it. And a Muslim symbol was defaced on the Capitol during the Christmas season and Jewish leaders came out and condemned it—interesting.

So we're trying to work through this stuff. I think being explicit and open about it is helping us to get it right. In some ways the most important thing—if we can prove that along with all of our economic strength and our native political system that we can figure out how to be bound together and still celebrate our differences, but say what unites us is more important, that may be the most important meal ticket to the 21st century we have.

Asian Economies

Q. Mr. President, how bad do you see the situation in Asia right now? What are your nightmare concerns—

The President. Well, I hope you will understand that because of the fact that what is going on in Asia is the function of markets and they operate on perceptions, that I should be very careful about what I say about that.

Let me tell you what I think. I think that the United States has an interest in a stable and successful Asia. I think there's an enormous amount of productive capacity in those countries. And I think if we can get the policies right, we'll get through this. And I'm working as hard as I can to try to get it right. And there are some encouraging signs and some troubling signs and it's a complex thing; we have to work it hard. I can say this, I think we've been very well served to have Bob Rubin and Larry Summers and the other people we've got at the Treasury Department working on this. I think they're making about the best stab at it anybody could. And we have worked very long hours for some extended period of time now on it, and we're just going to keep at it and try to make it come out okay.

Middle East Peace Process and Iraq

Q. [Inaudible]

The President. Well, on the Middle East peace process, I'm going to see Mr.

Netanyahu and Mr. Arafat in the next few days and try to move the thing forward a little bit. And I think it really depends upon whether the recent change in Israel, political change, is seen as a spur to action or a break on action, and whether we can find a way to keep this thing going forward.

The real problem with the Middle East peace process is it's like a living organism that gets sick if it doesn't move, you know. It's got to move. You've got to just keep something happening, even if it's not ideal—you've got to keep something happening. So we're working very hard on that and I'm very hopeful about it.

With Iraq, keep in mind what happened. We've already achieved a not insignificant portion of our objective. Saddam Hussein's goal was to say, "I'm going to throw all these inspectors out and leave them out until you drop some or all of the sanctions." And we said, "You don't understand. We'll leave the sanctions on until hell freezes over unless you let the inspections go forward."

Now, I have not ruled out or in any further action of any kind because there are still all kinds of unresolved questions about the integrity of the inspection process, and we're working on that. But keep in mind, Iraq's capacity to do damage to its neighbors has been dramatically eroded because of the sanctions process. There are a lot of countries that would like to relax it because they would benefit from that relaxation. But we have an obligation to try to limit the vulnerability not only of Americans but of the rest of the world to chemical and biological warfare.

This is not about refighting the Gulf war. It's not about Kuwait or anybody else. It's about—there's a reason those U.N. resolutions passed and a reason the world is rightfully concerned about trying to contain the damage of chemical and biological warfare.

So we're going to stay firm and I'm not ruling in or out anything, but we're being vigilant. But keep in mind, what he tried to do didn't work. What he wanted was a relaxation of the sanctions in return for just going back to business as usual, and that strategy failed. And therefore, his capacity to do more harm is not materializing.

Federal Funding for Medical Research

Q. [Inaudible]

The President. Well, let me basically say, I think you will see a significant increase in medical research coming out of this Congress. It's one thing we have bipartisan agreement on. It is something we know we have to do to try to offset the cutbacks to our health institutions that have come, not only from the HMOs but from our attempts to save money in the Medicare and Medicaid programs which indirectly, at least, funded a lot of the teaching and research hospitals of the country. And I think you will see a big step forward there.

Support for the Arts

Q. [Inaudible]

The President. She asked if we saw any future in national support for the arts. I think that we have defeated the effort coming from the Republican right to destroy the National Endowment for the Arts and the National Endowment for the Humanities. I don't think that will be revived; I don't think it will. I think the real question is, since in some cases it's life or death, in other cases it's largely symbolic support. It says that we think this is important, an important national purpose.

What I have looked at is whether or not there was some way we could institutionalize and make permanent more of a genuine endowment on the arts—and we're battling that around and asking for ideas around the country—in a way that would take it out of the annual political debate, which would be helpful to some of our Republican friends who really do want to help, want to be supportive. I personally think it's very important, and I think that there will not be the onslaught there has been in the past to kill it. The question is whether we can institutionalize it maybe even at a higher level and make it permanent.

Go ahead.

Cuba-U.S. Relations

Q. [Inaudible]

The President. Well, I hope so. But that's up to Cuba. You know, we were making real progress in our relations with Cuba, and even in the Cuban-American community there

was ample evidence of changing attitudes and an attempt to change within Cuba, reciprocated by change in the United States. That was the concept of the Cuba Democracy Act, which passed before I became President. The Democratic Congress passed it; President Bush signed it; I supported it strongly, and I used it.

And it was a series of carrots and sticks designed to say, as Cuba opens we will open to Cuba, like two flowers coming to bloom at the same time. And then they murdered those people. They shot those people out of the sky in international waters. And it would not have been legal for them to shoot them down if they had been in the territorial waters of Cuba or flying right over Havana, for that reason, under the Chicago Convention to which Cuba was a signatory.

So innocent people were killed. That put a deep chill on our relationship. It led to a new and more rigorous act being passed, which would prevent me from lifting the embargo without the support of Congress, among other things.

But my position, however, is the same as it has always been: I think there ought to be a reciprocal relationship here where as Cuba shows more support for human rights and democracy, we should open up. We should try some reciprocal effort. But it has to be reciprocal. We can't—I don't think, after what happened to those people, I don't think that—I don't have any confidence that a unilateral gesture would have any success.

Now, I would be interested to see how the Pope's visit goes and what happens there. I'm very encouraged that he's going. I was encouraged that the Cuban people were permitted to observe Christmas. And we'll just see what happens. I've got—the Pope is a very persuasive fellow and he, after all, is the voice of God to those of us who believe that. And we hope that he does well.

I've got to run, I'm sorry. Thank you.

NOTE: The President spoke at 8:18 p.m. at a private residence. In his remarks, he referred to dinner hosts Alan and Susan Patricof; Greek immigrant Dimitrius Theofanis and his son, Nick; Prime Minister Binyamin Netanyahu of Israel; Chairman Yasser Arafat of the Palestinian Authority; President Saddam Hussein of Iraq; and Pope John Paul II.

Remarks at Mission High School in Mission, Texas

January 9, 1998

Thank you. Good morning. Well, first of all, weren't you proud of Elizabeth? Did she do a great job or what? [Applause] And she looked so tall standing here. [Laughter] Thank you, Elizabeth.

You know, there's been a lot of exciting things in Mission in the last couple of weeks. The valley got its first snowfall in 40 years, and, you know, all these limousines and cars descending on the area—to get an unexpected visit from Koy Detmer.

Ladies and gentlemen, I am delighted to be here. I have so many people to thank, but I want to start with Congressman Hinojosa, who has been a great friend of yours, a great Representative, and a great ally of mine to expand economic opportunity and trade and to improve education and to reduce the dropout rate especially among young Hispanic students. He represents you very, very well, and I thank him for helping me to come here today.

I'd like to thank Congressman Solomon Ortiz and Congressman Cyril Rodriguez and a native of Mission, Mission High School class of 1946, the former chairman of the Agriculture Committee in the House of Representatives, Congressman Kika de la Garza, and his wife, Mrs. de la Garza. Thank you for being here.

I'd like to thank the education commissioner, Mike Moses; the land commissioner, Garry Mauro; members of my administration who are here, including White House aides Mickey Ibarra, Janet Murgia, Cynthia Jasso-Rottunno; and the head of the Overseas Private Investment Corporation, George Munoz. All of them came down here today to meet with community leaders before I came out here to talk about the economic future of the valley and what we could do to help to accelerate the growth of your area.

I want to thank the legislators and the mayors who are here—Senator Carlos Truan, Representative Ismael Flores, Representative Miguel Wise, Representative Roberto Gutierrez, Mayor Ricardo Perez of Mission, the McAllen mayor, Leo Montalvo, the Edinburg mayor, Joe Ochoa. I thank the chairman