

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records
Subgroup/Office of Origin: Chief of Staff
Series/Staff Member: George Stephanopoulos
Subseries:

OA/ID Number: 6409
FolderID:

Folder Title:
Speeches/Drafts/Talking Points [1]

Stack:
S

Row:
22

Section:
2

Shelf:
5

Position:
2

**FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR THE UNIVERSITY OF NEW HAMPSHIRE
DURHAM, NEW HAMPSHIRE
DECEMBER 8, 1995**

[Acknowledgments: former Governor Peterson, now the interim President of the university; Liz Purdy, President of the Student Senate and College Democrats]

I am delighted to be here in New Hampshire, and to have this opportunity to join you on campus. Whether you are students, faculty, administrators, or members of the Durham community, you can take pride in knowing that this institution truly represents the full diversity and possibility of America. It is a place that takes seriously the education of young people and the future they represent. And that is why, I believe, all of you have so much at stake in the political debate now taking place in Washington and across our country.

This is an unusual time in the history of America. It is a time of great change and uncertainty, a time when our world is moving from the Industrial Age to the Information Age, from the polarization of the Cold War to the new relationships forming within the global village.

It is also a time of enormous potential, particularly for America and Americans. No other nation is so well-positioned to enable its people to fulfill their dreams and to lead the world to peace, prosperity and freedom.

The critical question we face as a nation is how to tap into the potential of the greatest resource we have -- our people -- as we cope with the challenges and changes that this new era brings.

I believe that we don't just do it by talking about family values. We do it by valuing families. By valuing children. By valuing the workers who are the backbone of our economy and our society. By valuing older Americans whose wisdom and experience have helped build and sustain our nation's greatness. By valuing the institutions that are the foundation of our democracy and our way of life.

We do it by putting our values into action.

More than three years ago, my husband came to this campus to sign his filing papers for the Democratic presidential primary. He said as he campaigned in New Hampshire that he would work to make the America Dream alive and well for every citizen; to value the potential

of every person to contribute to his or her own well-being as well as our nation's well-being; to make government smaller, leaner, and more efficient; to promote policies that have allowed our economy to gain steam over the last three years so that we could expand the middle class, shrink the underclass, and produce jobs and continued growth; to restore the old-fashioned American values of hard work and responsibility and to create an economic and social climate in which individuals, families, and communities could all flourish.

[Putting people first was what my husband pledged to do as President and putting people first is what he is doing today. That is why I am so proud to be here in New Hampshire today.

Tomorrow as President

I am proud because I know how hard this President has worked to better the lives of all Americans and how much his Administration has accomplished.

I remember during the last campaign going with my husband to factories in this state that were on the verge of closing. Now they are open, thanks to trade and economic policies that have expanded U.S. markets, strengthened our economy and created more than 7 million new jobs, including nearly 35,000 in New Hampshire alone, most of which are in the private sector.

I remember visiting families who were in danger of losing their houses because banks were foreclosing on their mortgages. Thanks to banking reforms put in place by the Clinton Administration, America's banks are safer than they have been in years and are making loans once again to homeowners and small businesspeople who deserve a chance to own a home.

I remember meeting older Americans who pleaded with my husband to do something about health care costs because they and others like them were in the unthinkable position of having to choose between paying for prescription drugs or food on their tables.

The President did not forget these people when he got to Washington, and that is why the gloomy picture that I remember from a few years ago is much brighter today in New Hampshire and across our country.

Not only has this President reduced the federal deficit for three years in a row and reduced the size of government -- something that no other President has done since Harry Truman was in office -- he kept his word on the economic strategy he offered and the policies he fought for have empowered workers, families and businesses and lifted the fortunes of entire communities.

In New Hampshire alone:

-- the unemployment rate has dropped from 7.6 percent to 3.9 percent since my husband became President;

-- 181,000 workers are protected by the Family and Medical Leave Act;

-- home sales have increased, bankruptcy filings have dropped and so have businesses failures.

-- and, perhaps most important to those of you here this morning, 109,700 students and former students around the state are able to benefit from student loan reforms that allow for lowers interest rates and more repayment options.

Here on this campus, and at every other public education institution in our country, we can tell a lot about our national priorities and about who and what we really value as a society.

Historically, our nation has regarded education as a collective responsibility. We have understood that education was a gateway to opportunity that could make an difference in the lives of all of our people. And yet, we see that opportunity under attack. Today, there are some among us who are willing to knock down the ladders of opportunity after they, themselves, have already reached the top rung.

They seem to forget that education is not just important for acquiring facts or knowledge. It is not only important for acquiring skills to prepare oneself for the workplace. It is also about learning how to meet the challenges of one's time -- how to solve problems and adapt to new circumstances. It is about building a broader understanding of our world, and building one's capacity for tolerance and compassion and responsible behavior. It is about defining one's place in society and creating one's personal identity against the back-drop of how others have lived throughout history.

And education is not, if it ever were, a one-shot deal. There are all kinds of people in our society who need to and want to learn. They range from the very young to the very old. Instead of limiting educational opportunities for our citizens, we should be expanding them, beginning in childhood and carrying on throughout life.

Tragically, we see an attempt to retreat on our commitment to education. It is a retreat marked by a rather unusual argument. Under the skewed logic we hear, slashing education funding is for the good of our children. Somehow, in some miraculous way, we are told, cutting back on education will provide more and better opportunities than we now enjoy.

It does not help our society to deny Head Start funding to 180,000 children; to deny more than one million children in our poorest communities the help they need to achieve both basic and advanced skills; to eliminate Goals 2000 and in so doing deny more than 8 million school children the opportunity to achieve high academic standards; to deny 380,000 deserving students grants they need to help pay for college; to cut off direct lending opportunities for 2.5 million students next year alone; to deny 155,000 workers who have lost jobs the help they need in becoming skilled for new jobs.

I learned earlier today that about 64 percent of the students at UNH receive some form of financial assistance. We should not make it harder for you to get an education; we should make it easier for you to fulfill your potential as human beings and as citizens.

Let's extend a helping hand, not hold up a stop sign, to the children of working families who want to better themselves and build a better future for our country.

I also find it particularly ironic that those who say they are worried about the loss of civility and character in our society are on a crusade to cut back federal support for education and obliterate the national service program known as AmeriCorps. The program has been a success across the country, including here in New Hampshire, and I would like to thank the students who participate for their commitment to working on behalf of the less fortunate in their communities.

National service is an idea that the President turned into a program. It is built on very old-fashioned values of hard work, discipline, sacrifice and service to others. It is about rewarding people for being good citizens. But now we are telling these young men and women, who are so eager to help others, that their mission of service and caring about the larger community isn't valued much in our society.

I think it's time we stand up and say that education and service do matter. Investing in our young people and in their futures matters. My husband has shown that we can get our economic house in order without sweeping compassion and common sense out the door.

In the months ahead, as the debate over our nation's priorities reaches higher and higher pitch, I hope you will consider whether the decisions we are making as a national family are the decisions we would make within our own families.

Would we ever deny our own son or daughter the chance to learn in a nurturing out-of-school environment? Would we ever want to make it harder for our own child to get or pay back a college loan? Would we ever try to limit the kind of job training available to a spouse or sibling who has been put out of work through no fault of their own?

Of course we wouldn't. But too often, when it is time to make political decisions, those good family instincts retreat. We are willing to sacrifice the very values and opportunities we claim to embrace.

Your education is one of the soundest investments your families can make. It is also one of the soundest investments our nation can make. Let's not reverse course when we have so much opportunity to move forward.

Thank you very much.

ON MAKING THE 1996 ELECTION A REFERENDUM ON THE DIRECTION THAT VOTERS WANT TO TAKE THE COUNTRY

Democrats are now undertaking a good faith effort to reach a budget agreement that balances the federal budget in seven years and that protects Democratic priorities. Without a major shift by the Congressional Budget Office in its economic projections, many Democrats feel that the gap between the Republican plan and Democratic priorities is likely to be too wide to close. We face the very real prospect, therefore, that an acceptable balanced budget agreement is Mission Impossible, if Republicans refuse to compromise on their seven-year timetable and Democrats refuse to compromise on their priorities.

It might make sense, if such an impasse develops, to seek a one year agreement that keeps the government running at compromise funding levels, while agreeing to disagree on the longer term priorities. The goal of such an interim agreement would be to allow both sides to take their case to the country in the 1996 election, and let the people decide the priorities that the nation should follow. In effect, the 1996 election would become a referendum on the direction that America should take.

We would describe this new outcome as follows: We have agreed on a Budget for 1996 only. What path the country takes beyond that is still not agreed. The two parties would take us in very different directions and there are profound differences between those directions. The right way to decide the nation's direction and priorities is by treating the November 1996 election as a referendum on the very different approaches of the two parties. We believe the American people support our Democratic priorities. We are letting the government run smoothly while the people decide which version of the future they want to pursue.

This outcome puts this fundamental decision in the hands of the people, where it belongs. It would be a tribute to the sovereignty of the voters. It would be premature to kill basic safety-net programs and entitlements without an explicit decision by the people on whether they want this result. The 1994 election was not a mandate for that outcome and the 1996 elections offer the most reasonable hope for settling the profound divisions we face.

This result also enables the President to keep the very popular issues of Medicare, Medicaid, education, and the environment alive throughout the year. It enables the President to stand firm for these basic and successful programs. It enables the election to be fought on clearly defined issues that Democrats are proud to defend.

At this time there is still hope for a seven year agreement that protects Democratic priorities, but surely a bad agreement from our standpoint is much worse than the "interim agreement plus national referendum" described.

Several formulations of a one year interim agreement are possible. For example:

- Agreement could be reached on the remaining unsigned appropriations bills and on the first year of the Budget Reconciliation Bill.

- A Continuing Resolution for the entire year could be negotiated.

- Or, in a major concession we might agree to split the difference with the Republicans for fiscal year 1996 only.

Welfare Talking Point
-Rahm

FINAL

**THE TENTATIVE CONFERENCE AGREEMENT:
IT SURE ISN'T WELFARE REFORM**

The President has been clear about what he wants in a welfare reform bill: provisions to encourage work, demand responsibility, and protect children. So far the Republican leadership in Congress has insisted on provisions that hurt children and reward welfare instead of work. It may be a back room way to cut the budget, but it sure isn't welfare reform.

Here's why:

It reverses course on day care. The conference agreement cuts back on the child care that women need to move from welfare to work. Like the House bill, the conference agreement cuts child care funding to levels below current law, slicing \$1.2 billion from the Senate agreement. That means more mothers will stay on welfare instead of going to work. By eliminating an option allowing mothers of young children to work part-time, the conference agreement increases states' costs, makes it harder for women to go to work, and makes it more difficult for states to meet work requirements. And by repealing important health and safety protections, it endangers all children in day care centers.

It reduces assistance to disabled children. Rather than designing a policy to ensure that benefits will only go to truly disabled children, the conference report is designed solely to reduce spending. Overall, the proposal would reduce or deny assistance to more than a million disabled children each year when fully implemented.

It guts the school lunch program. When the American people talk about welfare reform, they mean fixing what's broken -- not tampering with successful programs like school lunch that have nothing to do with moving people from welfare to work. Cutting child nutrition isn't welfare reform.

It puts abused and neglected kids at increased risk. A time of dramatic change in the welfare system is not the time for radical experiments with our child protection system. The conference report would put hundreds of thousands of vulnerable children at risk by cutting \$4.6 billion in foster care, adoption assistance, and child abuse prevention programs. While the Senate decided on a bipartisan basis to keep those programs intact, the conference agreement would reduce the funds available for activities like recruiting foster parents and investigating abuse by 20 percent.

It puts American families at risk in hard times. The conference agreement reduces federal funds that would otherwise be available for benefits, child care, education and training by \$81 billion, and raises taxes on working families by cutting an additional \$32 billion from the Earned Income Tax Credit. In particular, the Republican plan includes \$37 billion in Food Stamp cuts, which would require benefit reductions for families with children, low-income workers, senior citizens, and the disabled. Among those hardest hit would be 14 million needy kids.

It deletes a key provision to move people from welfare to work. On a bipartisan basis, the Senate adopted the Clinton proposal for performance bonuses, designed to reward states that succeed in moving people from welfare to work. The conference agreement deleted this key provision for bonus payments, opting instead to reward states by letting them reduce their own spending -- thus weakening the "maintenance of effort" provision adopted unanimously in the Senate.

REMARKS BY PRESIDENT WILLIAM JEFFERSON CLINTON
THE WHITE HOUSE CONFERENCE ON HIV AND AIDS
THE WHITE HOUSE
DECEMBER 6, 1995

[Acknowledgements: Patsy Fleming; Secretary Shalala; Secretary Cisneros; Drug Czar Lee Brown; Atlanta Mayor Bill Campbell; Baltimore Mayor Kurt Schmoke; Scott Hitt; distinguished guests.]

Let me first welcome each of you to this historic, first-ever White House Conference on HIV and AIDS. I welcome you and I thank you, not only for your participation here today but for the work you do every day to improve the lives of the people of our nation and around the world.

I'd also like to thank Dr. Hitt and the members of the President's Advisory Council on HIV and AIDS for their work on this critical issue and for suggesting that we convene this meeting.

And I want to express my appreciation to the two extraordinary Americans who have just shared the stories of their lives with all of us. It is the passion, the commitment, and, yes, the anger of people like Sean Sasser and Eileen Mitzman that remind us all of the extraordinary courage it takes to hold on to hope as we continue to even the odds in this struggle.

We can and we will conquer this disease. In my own lifetime, we have eliminated smallpox from our planet. We have eliminated polio from our hemisphere. And we are within striking distance of controlling measles. Now, we must -- we must -- find a way to rid our planet of the threat of HIV.

My daughter and her friends are growing up in the shadow of something we could never have imagined. They are coming of age in a world in which AIDS is a very sobering reality.

That reality has already changed the lives of all of us in this room and millions of people around the world. It has taken from us too many friends and too many loved ones much too soon. It has shaken our faith in the future. But it has also brought us together and inspired a community spirit that strengthens our values as a nation.

It is our responsibility to rise to this challenge and change the future for ourselves, for our children, and for their children. We can do this. In fact, we must do this.

I want to share with you the story of just one of the people who is here today. It's the story of a young man who grew up in a typical American suburb as part of a typical American family. He attended college and became politically active. His quick mind

and active spirit marked him as a "rising star," and after graduating he joined the Corporation for National Service to help start AmeriCorps. It was while he was working for AmeriCorps that he found out he was HIV-positive. He was 23 years old.

Demetri Moshoyannis took that news as a challenge. A challenge to use his communication skills, his organizational skills, and his leadership skills to educate and support his peers and help them escape the threat of this deadly epidemic.

It's that combination of heartbreak and hope that makes this epidemic so unique. And it is what challenges all of us to channel our energy and our talent into the fight to make AIDS a thing of the past.

Twelve days ago, the Centers for Disease Control and Prevention reported that our nation has reached another sad milestone in the AIDS epidemic. Half a million Americans have now been diagnosed with AIDS and more than 300,000 men, women, and children have already died of AIDS.

As we meet, on this day, 120 more Americans will lose their lives to AIDS, another 160 people will be diagnosed with the disease and nearly 140 people in this country will become infected with HIV. And that will happen again tomorrow and the day after that and the day after that. It will continue to happen until we succeed in our efforts to defeat this epidemic.

That is why this meeting is so important. It is an opportunity for us to refocus and reenergize our national commitment to ending this epidemic. It is a time to rally our troops for the fight ahead and arm them with the weapons they need to win this battle. You and I have some important work to do.

We have a common goal -- a cure for all those who are living with HIV and a vaccine to protect all of us from this deadly virus. Let's be very clear on that. A cure and a vaccine are our number one priority.

When I ran for President I promised a Manhattan Project on AIDS. I said that I would do everything in my power to pull together the necessary resources, coordination and leadership to win this battle. By every measure, we have kept our promise.

We have increased funding for AIDS research by more than 20 percent. We have dramatically strengthened the Office of AIDS Research. For the first time since the beginning of the epidemic there is one person in charge of the nation's entire AIDS research program -- Dr. William Paul. Let me clear: We must protect the Office of AIDS Research. I will oppose any effort to dismantle or weaken this vital command center.

This investment in science has already paid tremendous dividends. Today, people with AIDS live twice as long as they did just ten years ago, especially those who seek early treatment. AIDS-related conditions that often meant a quick and many times painful death for people living with HIV can now be treated and even prevented.

And we have reason to believe that there will more progress in the near future. New classes of AIDS drugs are being approved in record time for use by the FDA that will help to restore the damaged immune systems of people with HIV. Combination drug therapies are showing great promise as a means for controlling the virus in the human body.

And just last year we were able to show that the use of drug therapy could actually block HIV transmission from mother to child. Our scientists tell me that it is within our grasp to virtually eliminate pediatric AIDS by the end of this decade. This is neither science fiction nor a distant dream. It can be accomplished by offering all pregnant women HIV counseling and testing and guaranteeing that they have access to the treatment they need to protect their unborn children. If we do this, we can have a generation of Americans born without HIV. We can do this -- and we will.

These advances have resulted in longer and fuller lives for people living with HIV, but are they enough? Absolutely not! We must do more.

That's why today, I am announcing three steps that I believe will move the search for a cure forward at a faster pace.

First, I am asking the Vice President to convene a meeting of scientists and leaders of the pharmaceutical industry to identify ways to accelerate the development of vaccines, therapeutics, and microbicides that can protect people from HIV and the infections it causes. There are no guarantees in science, but the collective will of government and industry can overcome huge obstacles.

Second, I am asking Patsy Fleming to convene an interdepartmental working group, chaired by Dr. William Paul, to develop a coordinated plan for AIDS research, including a coordinated research budget. I will expect their report within 90 days.

Third, I want to make clear my personal commitment to make every feasible effort to find a cure and an effective vaccine. We can't afford to miss any new opportunities. We can't afford any unnecessary delays. No President can promise success in such an effort but I can promise that I will do everything I can to remove any obstacles that prevent the scientists from accomplishing this goal.

In addition to our work in research, we must continue to do everything we can to assure that those who are living with HIV and AIDS get the care they need.

For people with AIDS, the current discussions over a balanced federal budget are not some distant political firefight. Let me talk for a few minutes about a subject that is very important to me -- the future of Medicaid.

For people with AIDS, Medicaid is a lifeline of support. Medicaid provides health care for nearly half of the 190,000 Americans who are living with AIDS including 90 percent of the children. It provides access to doctors, hospitals, prescription drugs, and home care that allows people with HIV and AIDS to live their lives more fully. Medicaid pays for the drugs that keep HIV under control for longer and longer periods of time and it pays for the drugs that prevent the infections that often end the lives of those with AIDS. Medicaid pays for the care that allows families to stay together.

Yet today, Medicaid is under attack by the Republican leaders in Congress who want to slash its spending and eliminate the thirty-year common ground commitment we have made to the poor, the elderly, and those with disabilities. We cannot, we must not, and I will not allow us to destroy this vital lifeline.

Medicaid cannot do the job alone. That's why we created the Ryan White CARE Act to plug the holes in our health care system that left many people with HIV and AIDS out in the cold. More than 360,000 Americans have received care under the Ryan White Act.

In the three budgets I have submitted to Congress, funding for the CARE Act has increased by 108 percent. The number of cities receiving funds has more than doubled and every state in the country receives critically needed assistance.

The CARE Act must be extended for another five years. Both houses of Congress have approved legislation to accomplish this but final legislation remains stalled. That's why on last Friday, World AIDS Day, I sent a letter to the Speaker of the House and the Senate Majority Leader, asking them to make every effort to get me a final bill by the end of this month so that I can sign it and we can get on with the work ahead.

I am also fighting for the FY '96 funding increases that I have requested for the CARE Act as well as housing programs for people with AIDS and our AIDS prevention programs at CDC.

I am concerned by the continued rate of new infections in this country. In the 1980s, we made important progress in reducing the number of new infections by nearly 50 percent. But for the last five years, the estimated number of infections has hovered

between 40,000 and 60,000 per year. We also know that one quarter of those infections occur among people under the age of 22. Any new infection is an unnecessary infection. AIDS prevention must be a high priority. Let us set a goal today of reducing the number of new infections in the United States each and every year until there are no new infections.

We must start by taking personal responsibility to inform ourselves and protect ourselves against HIV infection.

Until we have a cure and a vaccine, education and prevention are our best hope. For prevention to work it must be targeted and it must be sustained. We saw that at work in the gay community in the 1980s, when activists overcame the inertia of their government to protect their lives.

We must pay particular attention to two populations who are at the center of this epidemic -- young people and those who abuse drugs. I was pleased to see the new public service announcements released last week by Secretary Shalala. They point young people toward the tools they need to protect themselves.

We also need to recognize that substance abuse treatment is a form of HIV prevention. We must ensure that those who are receiving drug treatment also receive AIDS prevention services at the same time. We have increased the amount of federal resources dedicated to drug treatment in this country and I am working to convince the Congress to approve our requests for money to bring that total even higher.

I have also asked the CDC to convene a meeting of state and local health officials and their counterparts on substance abuse to develop an action plan to assure the integration of HIV prevention and substance abuse prevention.

We also cannot forget the basic human rights of people living with HIV and AIDS. The stories of AIDS related discrimination break the hearts of all Americans of conscience.

Five years ago, our nation took a huge step forward toward a more just society when we enacted the Americans with Disabilities Act. It offers more than 40 million Americans who are living with physical or mental disabilities -- including those who are living with HIV and AIDS -- protection against discrimination.

The Justice Department, the Equal Employment Opportunities Commission, and the Department of Health and Human Services have been vigorously enforcing the A.D.A. And we are about to launch a new effort to ensure that health care facilities are providing equal access to people with HIV or AIDS.

We must continue to examine our societal attitudes toward racial and ethnic minorities, gays and lesbians, and others for whom fear of AIDS becomes a convenient excuse for discrimination. We cannot let our fear outweigh our common sense or our compassion. If we do, all of us will lose.

As I have said before, the thing we have to remember is that people with AIDS and those who are living with HIV are part of our American family. Whether they are gay or lesbian or straight, black, white, Native American, Latino or Asian American, they are our sons and daughters; our brothers and sisters; our aunts and uncles; our mothers and fathers; our grandmothers and grandfathers. They are Americans one and all. They need our compassion. They deserve our respect.

Finally, let me say that the fight against AIDS is international in scope. HIV knows no geographic boundaries. It is found on every continent and virtually every country. The World Health Organization estimates that more than 18 million men, women, and children are living with HIV around the world. The United States is and will remain a full partner in the international effort to fight the pandemic.

As a world leader, we have a moral and a national responsibility to help developing nations with prevention programs, medical care, and other vital services. We also have much to learn from them. And when we do find the cure and the vaccine that we seek, it will not only be a victory for America, it will be a victory for the world.

When this country was in the throes of another sickness that threatened to tear us apart -- the sickness of slavery -- Frederick Douglas, the great American abolitionist, wrote:

"It is not light that is needed, but fire. It is not the gentle shower, but thunder. We need the storm, the whirlwind, and the earthquake. The feeling of the nation must be quickened. The conscience of the nation must be roused. The propriety of the nation must be startled."

Each of you have been the thunder and the lightening. Each of you is helping to awaken the conscience of our nation. Our challenge is to draw more of our citizens into our circle of hope. Together, I am certain, we can change our future for the better.

Thank you and God bless you all.

MEMORANDUM FOR CIRCULATION

FROM: MICHAEL WALDMAN
SUBJECT: RADIO ADDRESS DRAFT

Attached is a draft of the radio address, written in perfect ignorance of newsbreaking developments, good, bad or otherwise.

We will be in at 7:30AM Saturday to rewrite. Comments ASAP to us in DON BAER's office x62640.

**PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS ON BUDGET
OVAL OFFICE
November 18 1995**

Good morning.

As you know, for the past five days, the federal government has been partially shut down. This has disrupted the lives of millions of citizens. Let me explain why this has happened.

For all the noise in Washington, something very serious is going on. We are engaged in a profound debate about the direction of our country as we enter the next century. This debate is not about whether to balance the budget -- both political parties want to do that.

Since I took office, we have cut the budget deficit in half. It is now the smallest of any major economy in the world. We have cut 200,000 people from the federal payroll. The federal government -- as a percentage of the civilian workforce -- is now the smallest it has been since 1933, before the New Deal. Now everyone agrees we should finish the job and eliminate the deficit altogether.

No, this debate is not about whether to balance the budget -- but how. And in this budget debate, we are offering the American people two very different visions for the nation's challenges and future.

I have proposed a balanced budget that is rooted in our fundamental values: providing opportunity, respecting our obligations to our parents and our children, preserving families and strengthening America. It cuts hundreds of wasteful programs. It secures Medicare into the future. It increases investment in education. It ensures protection of the environment. And it gives working families a tax cut -- one targeted at education and childrearing.

That's the right way to balance the budget -- one that recognizes that government cannot do everything, that there can't be a program for every problem, but one that gives our people the tools they need to make the most of their own lives. One that recognizes that we are all Americans -- and we rise or fall together.

The Republicans in Congress offer a very different vision. Their budget reflects the views of a narrow segment of their Congressional majority. It would make it impossible for the government to advance our common interests. It would make us a more divided, winner-take-all society; a community with fewer connections and less common purpose.

Yesterday, the Republicans in Congress passed a budget bill that would mark an extreme departure from our common values. It would deeply cut education, the environment, Medicare and Medicaid. It would even raise taxes on millions of our hardest pressed working families. And none of this is necessary to balance the budget.

Last April, the Speaker of the House made clear his political strategy: accept our extreme budget or we will shut down the government and throw the country into default for the first time in our history. I don't know if this was a smart political strategy. But I do know it is wrong to hold this country hostage. And I know that their budget is wrong for America.

If you cut our country's research budget, while Japan is doubling theirs, as Congress' budget does . . . that's wrong for America. If you deprive 180,000 children of preschool, when all these poor little kids are out there raising themselves . . . that's wrong for America. If you eliminate 200,000 college scholarships for deserving students, just when college is becoming more expensive . . . that's wrong for America. If you curtail the ability of the government to provide clean air, clean water, safe food . . . that's wrong for America. If you cut off home care for disabled children . . . that's wrong for America. And if you put Medicare in a position where it's going to "wither on the vine" for the oldest, poorest senior citizens ... that's wrong for America. And America won't have it.

For the past week, the Republicans in the Congress have refused to enact legislation to keep the government open, unless I accept their rigid views and their budget priorities. They demanded that we raise Medicare premiums by 25% and commit to their budget numbers. I have refused. And their power play has failed. But not without real cost to taxpayers, federal employees, and the American people.

Let me be clear: I want to balance the budget. I am determined that we balance the budget. But we cannot do it in a way that violates our values or hurts our people. This Republican budget is bad for America. I will not sign it; I will veto it. When this bill lands on my desk, it will be dead on arrival.

The effort to make the American people swallow a budget that will hurt our country is now over. Now we should all get to work, together, to find a way to balance the budget without unbalancing our values.

To the Republicans in Congress, I say this: Listen to the American people. Let's all say yes to a balanced budget ... and no to extreme cuts in health care, education, and the environment.

If we do that, the America will be strong and true to its values and vision as we enter the 21st Century. Let's get the job done.

Thank you for listening.

PRESIDENT WILLIAM J. CLINTON
REMARKS TO THE DEMOCRATIC CAUCUS
NOVEMBER 20, 1995

95 NOV 20 P4:39

Thank you. I wanted to come talk to you to thank you for fighting the good fight over the past week. Standing together, we stood firm -- and we achieved an agreement that reopened the government without sacrificing our principles. Just as important, over the past week the American people got a good look at what's at stake, and they're rallying to our side.

This budget fight is a great debate about the direction of the country. We offer two different visions for the country. We believe in a government that is lean and flexible but that gives people the tools to make the most of their lives. We believe that the national government can take the lead in solving national problems. The GOP truly believes that, other than the military, the government is a relic -- there's nothing the government should do for ordinary people.

Our principles are clear. I support a balanced budget -- we cannot pass on a burden of debt to our children. I am proud that the Democrats cut the deficit in half, so that it's now the smallest of any major economy in the world. The issue is not whether to balance the budget, but how. Above all else, we must be consistent with our values. And we know that the Republican budget that passed this weekend would violate those values.

- the Speaker said he wanted Medicare to "wither on the vine"; their plan would end Medicare as we know it. It would create two systems, one for the rich, one for the poor. And it would risk pushing 1 million seniors out of Medicare altogether.
- education - deny 360K students scholarships, direct lending, 180K denied Head Start
- it would weaken the environment
- it would raise taxes on working families

Democrats are united against this plan. And I have made clear -- I will veto it.

This agreement allows the government to open and reflects our principles. Last night we were united in our determination to open the government without closing down opportunity for our people.

- Yesterday's agreement opens the way to a fair debate and discussion of how best to balance the budget. Now the negotiations can begin in earnest.
- It puts our principles -- no crippling cuts in Medicare, Medicaid, education, environment, taxes on working people -- on an equal footing with theirs.
- It makes clear that nothing is decided on until everything is decided on.
- There will be no agreement to balance the budget in 7 years unless all our principles are met -- no devastating cuts in Medicare, Medicaid, education, environment, taxes on working people.

This has been a good fight -- the American people are on our side -- but let's remember this is about principles, not politics. The American people are rallying to our cause. But let's be clear: I said the same thing about the Republican budget when it was first introduced, as I have when our polls are up. If we stick to our principles, we will win.

**PRESIDENT WILLIAM J. CLINTON
REMARKS TO THE DEMOCRATIC CAUCUS
NOVEMBER 20, 1995**

Thank you. I wanted to come talk to you to thank you for fighting the good fight over the past week. Standing together, we stood firm -- and we achieved an agreement that reopened the government without sacrificing our principles. Just as important, over the past week the American people got a good look at what's at stake, and they're rallying to our side.

This budget fight is a great debate about the direction of the country. We offer two different visions for the country. We believe in a government that is lean and flexible but that gives people the tools to make the most of their lives. We believe that the national government can take the lead in solving national problems. The GOP truly believes that, other than the military, the government is a relic -- there's nothing the government should do for ordinary people.

Our principles are clear. I support a balanced budget -- we cannot pass on a burden of debt to our children. I am proud that the Democrats cut the deficit in half, so that it's now the smallest of any major economy in the world. The issue is not whether to balance the budget, but how. Above all else, we must be consistent with our values. And we know that the Republican budget that passed this weekend would violate those values.

- the Speaker said he wanted Medicare to "wither on the vine"; their plan would end Medicare as we know it. It would create two systems, one for the rich, one for the poor. And it would risk pushing 1 million seniors out of Medicare altogether.
- education - deny 360K students scholarships, direct lending, 180K denied Head Start
- it would weaken the environment
- it would raise taxes on working families

Democrats are united against this plan. And I have made clear -- I will veto it.

This agreement allows the government to open and reflects our principles. Last night we were united in our determination to open the government without closing down opportunity for our people.

- Yesterday's agreement opens the way to a fair debate and discussion of how best to balance the budget. Now the negotiations can begin in earnest.
- It puts our principles -- no crippling cuts in Medicare, Medicaid, education, environment, taxes on working people -- on an equal footing with theirs.
- It makes clear that nothing is decided on until everything is decided on.
- There will be no agreement to balance the budget in 7 years unless all our principles are met -- no devastating cuts in Medicare, Medicaid, education, environment, taxes on working people.

This has been a good fight -- the American people are on our side -- but let's remember this is about principles, not politics. The American people are rallying to our cause. But let's be clear: I said the same thing about the Republican budget when it was first introduced, as I have when our polls are up. If we stick to our principles, we will win.

11/28/95 5:30pm

**PRESIDENT WILLIAM JEFFERSON CLINTON
DEPARTURE STATEMENT ON NORTHERN IRELAND
THE WHITE HOUSE
NOVEMBER 28, 1995 28 P 5 : 43**

I have just come from a meeting with the Congressional leadership, where we discussed the importance of continued American leadership to help secure the peace agreement in Bosnia. I emphasized to them, as I did to the American people last night, that our mission will be clear, limited, and achievable -- and that the risks to our troops will be minimized. Bosnia is a case where our leadership can make the difference between peace and war. America must choose peace.

Now I am departing for Europe, where British Prime Minister Major and Irish Prime Minister Bruton have just announced the launch of a promising new "twin track" initiative to advance the peace process in Northern Ireland. I want to salute both these leaders for their vision, their courage, and their leadership for peace.

The "twin track" initiative will establish an international body to address the question of decommissioning weapons, while at the same time organizing preliminary political talks in which all parties will be invited to participate. The goal is to bring all the parties together for political talks on the future of Northern Ireland. This is an opportunity to begin a dialogue in which all views are represented and all voices can be heard.

In just a few days, I will become the first American President to visit Northern Ireland. Last year's cease-fire and the process of negotiations have sparked a remarkable transformation in that land. For the first time in 25 years, children can walk to school without fear. Bomb-shattered shopfronts have been replaced by new businesses. People can visit their relatives and friends without the burden of check-points or barricades. And crossing the border between North and South is now as simple as crossing a speed bump.

The "twin track" initiative builds on those achievements. It brings the people of Northern Ireland one step closer to a day when the only barriers their children will face are the limits of their dreams.

Today's announcement also brings hope and strength to all who struggle for peace around the world. It demonstrates that the will for peace is more powerful than bullets or bombs. And it reminds us once again that with courage and resolve, bitter legacies of conflict can be overcome. The United States is proud to support the peacemakers -- in Northern Ireland, the Middle East, Bosnia, and throughout the world. Those who stand up for peace will never stand alone.

11/27/95 9:30 a.m.

**PRESIDENT WILLIAM JEFFERSON CLINTON
ADDRESS TO THE NATION ON BOSNIA
THE WHITE HOUSE
NOVEMBER 27, 1995**

Good evening.

Tonight, I want to speak with you about our responsibility as Americans.

From its birth, America has always stood for the powerful idea that people have the right to live in peace and freedom -- to control their own lives and pursue their dreams. For two centuries, that American idea has been a source of inspiration and hope to people around the world

In this century especially, America has done more than simply stand for these ideals -- we have acted on them... and sacrificed for them. Our people fought two world wars so that freedom could triumph over tyranny. Then, we made the commitments that kept the peace... that helped spread democracy... that brought us unparalleled prosperity... and that won the Cold War. Today, because of our dedication, America's ideals -- liberty, democracy and peace -- are, more and more, the ideals of humanity.

Throughout what we now call "the American Century," the American people have disagreed on specific policies -- profoundly, even passionately. But we have always agreed on America's purpose: to lead the great human struggle for peace, freedom and tolerance.

When the Cold War ended, some people questioned that purpose. They believed that America could step back from -- instead of stepping up to -- our responsibility to lead. We should all be

proud that we have kept faith with America's special mission in the world. From Iraq to Haiti, from South Africa to Korea, from the Middle East to Northern Ireland, we have stood up for peace and freedom because that is in America's interest.

As the Cold War gives way to the global village, the challenges and opportunities of a new era demand our leadership more than ever. We are all vulnerable to the organized forces of intolerance and destruction: ethnic and religious rivalries... the spread of weapons of mass destruction... drug trafficking, organized crime and terrorism. Just as surely as fascism and communism, these forces would spread chaos over community. They too demand American leadership -- and the strength and values we wield as our weapons -- to fight and defeat them.

My duty as President is to match these demands for American leadership to our strategic interests. America cannot and must not be the world's policeman. We cannot stop all the killing... we cannot end all the suffering. But there are times and places where our leadership can mean the difference between peace and war... where we can save lives... and where we can defend our fundamental values as a people and serve our most basic strategic interests. My fellow Americans, in this new era of peace and hope, there are times when America -- and America alone -- can make a difference.

The terrible war in Bosnia is such a case. Nowhere is the assault on America's fundamental values and basic interests more clear -- or the need for American leadership more immediate -- than in Bosnia.

For nearly four years, a terrible war that began when Serbian nationalism forced the break-up of Yugoslavia has torn Bosnia apart. This war has wasted thousands of lives and destroyed countless futures. ~~Images~~ ^{Horror} that we prayed had been banished from Europe forever have been seared into our minds: skeletal prisoners caged behind barbed wire fences... defenseless men and boys shot down into mass graves... endless lines of refugees marching toward a future of despair.

Some urged immediate intervention. I decided that the United States could not force peace on Bosnia's warring ethnic groups -- the Serbs, Croats and Muslims -- and that American ground troops should not fight a war in Bosnia. Instead, America has supported our European allies in searching for peace... to stop the war from spreading... and to ease the suffering of the Bosnian people.

But as months of a terrible conflict have turned into years, it became clear that Europe alone could not end the war. This summer, Bosnian Serb shelling once again turned Bosnia's playgrounds and marketplaces into killing fields. The United States led NATO's heavy and continuous air strikes -- many of them flown by skilled American pilots. ^{After the bombing,} They convinced the Serbs to start thinking about making peace. ^{the}

At the same time, intensive diplomacy by America's negotiating team forged a Bosnia-wide cease fire. Three dedicated American diplomats -- Bob Frasure, Joe Kruzel and Nelson Drew -- lost their lives in that effort. Tonight, we remember their sacrifice. Finally, the Muslims, Croats and Serbs came to Dayton, Ohio -- in America's heartland -- to negotiate a settlement. There, exhausted by war, they made a commitment to peace. They agreed to put down their guns... to

preserve Bosnia as a single state... to protect the human rights of its citizens... and to try to build a peaceful, democratic future.

America has a responsibility to answer the Bosnian parties' specific request to help turn this moment of hope into an enduring reality. To do that, troops from our country and around the world would go into Bosnia to give them the confidence they need to implement their peace plan.

~~While I refused to send American troops to fight a war in Bosnia, I am convinced they should~~
help Bosnia secure its peace. *believe must*

real, but.

In Bosnia the risks are manageable. Our troops are ready. The goal of peace is achievable. But no deployment of American troops is risk free. This one may well involve casualties. As

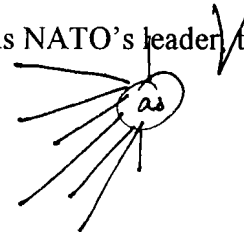
President, my most ^{responsibility} difficult decision is to put the men and ^{values} women who volunteer to serve our nation in harm's way -- and I assume full responsibility for any harm that may come to them. *when America's interests demand it*

the lives of some Americans are going to be put at risk, all Americans have the right to know what is at stake -- and why we must carry out our responsibility to secure peace in Bosnia.

Securing peace in Bosnia can end the terrible suffering of the Bosnian people -- the mass executions... the ethnic cleansing... the campaigns of rape and terror. Let us never forget: one quarter of a million men, women and children have been shelled, shot and tortured to death. Two million people -- half of Bosnia's population -- were forced from their homes and into a miserable life as refugees. [Anecdote from Zlata Diary?]. Now, American leadership has created the chance to secure the peace -- and stop the suffering.

Securing peace in Bosnia will also help build a stable Europe -- which has been one of America's most important interests for nearly a century. Bosnia lies at the very heart of Europe -- next door to many of its fragile new democracies and some of America's closest allies. Generations of Americans have understood that Europe's stability is vital to our own national security. That's why we fought two world wars in Europe. That's why we defended its hard won peace and freedom with NATO and the Marshall Plan. That's why we must help the nations of Europe end their worst nightmare since World War II -- now.

The only force capable of getting the job done is NATO -- the powerful military alliance of democracies that has guaranteed our security for half a century. As NATO's leader, the United States must be an essential part of its mission.



If we're not there, NATO will not be there. The peace will collapse. The war will re-ignite. The slaughter of innocents will begin again. A conflict that already has claimed so many victims could spread like poison throughout the region, eat away at Europe's stability, and undermine our ability to confront, together, common problems like nuclear proliferation, terrorism, crime and drugs. And America's commitment to leadership -- in NATO and around the world -- will be called into question. [If America does not lead, no one will lead. If America does not act, no one will act. That is one of the great lessons of this century -- and we must not forget it in Bosnia.]

V
now,

As I speak to you, NATO is completing its planning for an implementation force of about 60,000 troops -- to be known as IFOR. Already, more than 20 nations -- including our major NATO allies -- have pledged to take part. They will contribute about 40,000 of the implementation force's troops. The United States would contribute the rest -- about 20,000 soldiers.

Later this week, the final NATO plan will be submitted to me for review and approval. Let me make clear what I expect it to include -- and what it must include for me to approve the participation of our armed forces:

First, the mission ^{will} ~~must~~ be precisely defined -- with clear, realistic goals that can be achieved in a finite period of time. Our troops will make sure each side withdraws its forces behind the front lines -- and keeps them there. They will maintain the cease fire to prevent the war from accidentally starting again. They will create a secure environment in Bosnia so that its people can return to their homes and begin to rebuild their lives. (JCS: Shali
S S) Our military commanders have concluded that this mission should and will take no more than one year.

Second, the risks to our troops must be minimized. American troops will only take their orders from the American general who commands NATO -- and no one else. They will be heavily armed and thoroughly trained. By making an overwhelming show of force, they will lessen the need to use force. But they will have the authority to respond immediately -- and the training and equipment to respond with overwhelming force -- to any threat to their safety or any violation of the peace agreement. Anyone who takes on our troops will suffer the consequences. America protects its own.

If the NATO plan meets with my approval, I will immediately send it to Congress and request its support. I will also authorize the participation of a small number of American troops in a NATO advance mission that will lay the groundwork for IFOR, starting in [TK] weeks. They will repair the roads, build the runways and set up the sophisticated communications systems that must be in

place before NATO can send its troops, tanks and trucks into Bosnia. The implementation force itself would begin deploying in Bosnia by [TK TK].

The climate of security NATO creates in Bosnia will allow the international to oversee the removal of heavy weapons so that future hostilities are much less likely -- while the United States and others make sure the Bosnian Federation has the means to defend itself once IFOR withdraws. Civilian agencies from around the world will begin a separate program of humanitarian relief and reconstruction. This effort is absolutely essential to making peace endure. It will bring the people of Bosnia the food, shelter, clothing and medicine so many have been denied for so long. It will help them rebuild their roads and their schools... their power plants and hospitals... their factories and their shops. It will reunite children with their parents and families with their homes. It will allow the Bosnians freely to choose leaders devoted to reconciliation. It will give all the people of Bosnia a much greater stake in peace than in war -- so that peace takes on a life and logic of its own.



After so much bloodshed and loss... after so many outrageous acts of inhuman brutality... it will take time -- and an extraordinary effort of will -- for the people of Bosnia to pull themselves from the past and start building the future. There is no guarantee that Muslims, Serbs and Croats will come together again -- and stay together -- as citizens of a shared state with a common destiny.

But thanks to our leadership, and the commitment of our allies, the people of Bosnia have the chance to decide their future peacefully -- and in peace. They have a chance to remind the world that, just a few years ago, the mosques, minarets and churches of Sarajevo were a shining symbol

of multi-ethnic tolerance -- that Bosnia once found unity in its diversity. We must not turn our backs on them now. In the choice between peace and war, America must choose peace.

My fellow Americans, I ask you to think for a moment about the century that is drawing to a close -- and the new one that will soon begin.

The 20th century has been marked by so much progress... and too much bloodshed. It has been witness to humanity's capacity for the best... and its weakness for the worst. Through two world wars and a Cold War, America has stood for freedom and tolerance... and with all those who cherish peace and liberty. We have done so because a world in which nations enjoy peace and people live free will be a much better world for our own children to make the most of their God-given potential. And we have done so because it is the right thing to do.

Because previous generations of Americans stood up for freedom -- and because we continue to do so -- the American people are ^{now} secure and ^{now} prosperous. And more people than ever before live in peace. More people than ever before are treated with dignity. More people than ever before can hope to build a better life than their parents had -- and expect to pass on an even better one to their children.

These are the blessings of freedom -- and America has always been freedom's greatest champion. If we continue to do everything we can to share these blessings with people around the world -- if we continue to be leaders for peace -- then the sacrifices that the American people have made this century will be ^{re-mixed} redeemed. And the next century can be the greatest our nation has yet known.

A few weeks ago, I was privileged to spend time with His Holiness Pope John Paul II when he came to America. At the end of our meeting, the Pope said: "I have lived through most of this century. I remember that it began with a war in Sarajevo. Mr. President, you must not let it end with a war in Sarajevo."

In Bosnia, a terrible war has challenged our interests and troubled our souls. Our interests are plain. The cause is right. Our mission will be clear, limited and achievable. The people of Bosnia, our NATO allies and people around the world are looking to America for leadership. Let us lead. That is our responsibility as Americans.

Goodnight. And God bless America.

draft 11/10/95pm

(comments to Waldman/Baer @ Baer's office
Saturday AM)

**PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS ON THE BUDGET
ROOSEVELT ROOM
November 11, 1995**

Good morning.

At midnight this Monday night, unless Congress passes legislation to keep the government running, the federal government is required by law to begin shutting down.

This extraordinary step will be the result of a blackmail attempt by the Republican Congress. For months, the Republicans have made a consistent threat if I do not sign legislation cutting Medicare, education and the environment, [they will plunge the government into default and force it to close its doors.] I reject those threats.

I will not sign unacceptable cuts in ~~Medicare, education and the environment~~ ^{Medicare, education and the environment}, simply as a non-negotiable precondition for keeping the government open. And I call on the Republicans in Congress to call off their threats and act responsibly in the public interest.

The America people deserve a serious debate over the competing approaches to balancing the budget. But we cannot have that serious debate under the threat of a government default or shutdown. [The measures being sent to my desk by Congress do not simply keep the government running. Instead, they are a grab-bag of extreme proposals.]

impose an immediate X% increase on Medicare
The Republicans could not wait to hike Medicare premiums -- these bills increase premiums long before any supposed "reform" plan is put in place. These bills deeply cut education, and overturn three decades of protection for clean water and safe food. And they would put the country on the fast-track to default. For the first time in our history, the government would not be able to pay its bills and honor its obligations. As President, I have no choice but to fight these threats to our national well-being.

And on this Veterans Day, the Republican Congress has a strange way of honoring veterans. A government shutdown would stop veterans from applying for benefits.

It might even cut off benefits to veterans who were already signed up. I do not think those brave men and women sacrificed for a society that would dishonor the elderly or deny opportunity to our children. I certainly think we owe them more respect than to callously cut off the benefits they are owed.

Several times in recent weeks, the Republican leaders in Congress have asked me to negotiate with them about their budget cuts. Most recently, they have demanded that I haggle over their tactic of tying budget cuts to the legislation that would keep the government functioning.

1
last week I met with Republican leaders. Said we wanted to balance the budget. But that we couldn't talk under threat of govt shutdown or default.

Roy
Spence
letter

Circulate
It

*Instead of following path of reconciliation + negotiating
they want their own way. Votg to increase
Medicare, cut education, cut environment
+ several other provisions they have
nally to do with balancing the budget*
~~I reject any negotiations over these short-term measures until the Republican leaders~~
are willing to strip their extreme and extraneous budget-cutting provisions. As President, I
simply cannot negotiate with people who say -- do it our way, or we'll shut the government
down.

I believe we must
If the Republicans are interested in finding a good faith way to keep the government
open and enable it to make good on its obligations, I will send my Chief of Staff to meet with
them and work out the details. But as long as they're dealing in threats, they won't find me
at the negotiating table -- ever.

My message to the Republicans in Congress is this: Do the people's business. Pass
simple, straightforward bills to keep the government open, just as you did in September, and
just like Congress has done dozens of times before. That is the sober and responsible way to
act.

In the meantime, I will work to minimize the disruption from a government shutdown.
I will not bend in my principles. And I will wait until Congress does its job. I will wait for a
day, if necessary. I will wait a week, if necessary. A year, if necessary. As long as it
takes.

I continue to believe we can reach common ground on balancing the budget. I have
proposed a balanced budget plan, so we do not pass on a mountain of debt to our children.
If Congress shows willingness to move off of their extreme positions, I am willing to discuss
the details of a balanced budget. But when it comes to raising Medicare costs to seniors,
cutting education, cutting the environment, or raising taxes on working people, there can be
no fruitful negotiation.

I say to the Republican leaders: back off from your cuts in these vital areas. Until
you do, there's nothing to talk about.

A great deal is at stake in this debate. I believe that our budget must reflect our
fundamental values as a people: Opportunity for all Americans to make the most of their own
lives. Responsibility -- we all must do our part; no more something for nothing.
Recognizing our common obligations to our parents, to fulfill our obligation to give our
children the best future possible, with good schools and good health care and safe streets and
a safe environment. A determination to keep our nation the strongest in the world. This
debate is not only over balancing the budget, but over balancing our values.

The American people deserve a balanced budget that reflects these national
aspirations. And they don't deserve to be threatened by anyone. As long as the Republicans
in Congress insist on plunging ahead with their extreme budget, and insist on bringing the
government down around them if they do not get their way, I will stand firm. And I do not
intend to let it happen.

Thank you for listening.

70

**PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEOTAPED REMARKS
SAVED BY THE BELL
RECORDED ON: 11/3/95 FOR USE ON: 11/25/95**

I am really glad to have this opportunity to talk directly to so many young people. I know that everybody seems to be lecturing you today, but the truth is, smoking cigarettes just isn't cool at all. Or as the show you have just seen said, "It's much easier to stop smoking if you never start." Besides, I want all young people to grow up and live long, healthy, lives so that one of you can be President some day. Remember, there are lots of cool things to do, so why do something that's not?

Tab F

11/17/95

**PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEOTAPED REMARKS
TO THE NATIONAL ALLIANCE OF BLACK SCHOOL EDUCATORS
TAPED ON: 11/3/95 FOR USE ON: 11/17/95**

Congratulations on the silver anniversary of the National Alliance of Black School Educators. We owe a special debt of gratitude to your founder, Dr. Charles Moody, Sr., who, along with Ron Edmonds, had the vision to form this powerful alliance to promote excellence in education for African American students. I'd also like to thank Dr. Alfred Roberts for his two years of service as president, and congratulate his successor, Superintendant Dr. Charlie Maye Knight of Palo Alto.

Twenty-five years ago, Dr. Moody understood that a quality education is the key to advancement for all Americans, no matter what their background. He also understood that while government has an important role to play in this area, our success ultimately depends on citizens, like you, exercising personal responsibility in our collective pursuit of a common goal.

The impressive success of your organization is largely due to your philosophy of local empowerment as embodied in your network of functional commissions. You understand, as I do, that it is only through local energy that our country will come together to realize the promise of democracy.

The single most important thing we can do to ensure educational excellence in this country is to encourage greater involvement by parents and citizens in the education of their children. That's why I applaud the theme of your proposed leadership summit which challenges us to "recreate the village in support of children." If you do nothing else, take this initiative seriously; go back to your homes and bring your resources together to begin planning for a summit that will reap benefits not only for your community, but for every community in America. I urge you to make use of the many sources of government funding that are available to support you in this worthwhile endeavor. We want you to succeed.

Finally, let me say that as we enter the age of communication and technology, nothing is more critical to our growth as a nation in the 21st century and beyond than the education of all our people. That's why my balanced budget plan increases our investment in education. We cannot afford to reduce this commitment. Every school, everywhere, should be a safe, positive place of learning for every child in America. Until that day comes, our common struggle continues.

Thank you and God bless you all.

11/30

**PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEOTAPED REMARKS
NATIONAL COUNCIL FOR RESOURCE DEVELOPMENT
RECORDED ON: 11/3/95 FOR USE ON: 11/29/95**

There's an old saying, "In life it is training, rather than birth, which counts." America was built by men and women who were not afforded ideal opportunities by birth. But they invested in their future and their children through education, training and commitment. And because of their hard work and determination, they were successful.

Today, our community colleges are the embodiment of that spirit. They were founded to promote equality and opportunity in America. By working in partnership with local business, industry and other educational institutions, they fulfill the needs of their individual community.

Philanthropy is also a critical part of this partnership. Your gifts to community colleges reach the public at large, today and far into tomorrow.

We honor the individuals, businesses and corporations who have contributed time, resources, and energy to the community college vision. While your gifts are as varied as your schools, you all share a common vision and commitment. It is only by investing in education that we are investing in tomorrow.

Tab I

11/16/95

**PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEOTAPED REMARKS
TRIBUTE TO JOHN BRODERICK
RECORDED ON: 11/3/95 FOR USE ON: 11/16/95**

I am delighted to join in honoring my good friend John Broderick as he prepares to be sworn in as the Ninety-Third Justice of the New Hampshire Supreme Court.

You know, when I learned that John was accepting an appointment on the state's highest court, my first thought was that some people will go to any lengths to avoid going through another campaign. [pause]

As most of you probably know, John was one of my earliest supporters in New Hampshire. I met him in the summer of 1991, when I attended the kickoff of the New Hampshire chapter of the Democratic Leadership Council, which John helped found.

As the primary season commenced, John helped me navigate my way through the treacherous shoals of Granite State politics. I remember one morning in particular, after John had graciously put me up at his house. It was one of those freezing New Hampshire mornings, but I decided to go for a jog anyway. For weeks, John's neighbors were asking him about the bundled-up man they saw running out of John's house in an Arkansas Razorbacks sweatshirt. [pause]

But in all seriousness, John, you have been a valued advisor and a good friend over the past four years. Although you are leaving me in capable hands, your good humor and your knowledge of the New Hampshire political landscape will be missed. I am glad to know that the people of New Hampshire will have the chance to benefit from your wisdom as I have.

Hillary joins me in thanking you for all of your time and hard work on behalf of our campaign and this Administration. We send our best wishes to John and to all of you for a wonderful evening.

Tab J

11/13/95

PRESIDENT WILLIAM JEFFERSON CLINTON
VIDEOTAPED REMARKS
A SALUTE TO JAPANESE AMERICAN VETERANS
OF WORLD WAR II
TAPED ON: 11/3/95 FOR USE ON: 11/8/95

Good evening, ladies and gentlemen. I wish I could be with you in person tonight.

I have the greatest admiration for all of our World War II veterans. And I know that the saga of Japanese American veterans during that time is one of the most inspirational in our history.

As President Truman said to the men of the 442nd Regimental Combat Team after the war: "You fought for the free nations of the world. You fought not only the enemy. You fought prejudice. And you won."

America is not proud of the way Japanese Americans were treated by their fellow citizens during the war. But we are all proud of you. You fought for freedom -- even while your families and friends were not free.

The record of your sacrifices, of your courage, of your heroism is in the highest tradition of our nation. People like my good friend Senator Dan Inouye -- and so many other courageous Japanese Americans in uniform -- remind us that independence, honor, and devotion to country and family are more than just words.

Today, Americans are still fighting prejudice. Our challenge is two-fold. First, to restore the American dream of opportunity, and the American value of responsibility. And second, to bring our country together -- amid all our diversity -- into a stronger community, so that we can find common ground and move forward as one.

Those of you we salute tonight have contributed greatly to helping our nation meet this challenge. The example you set is one which all Americans should follow. May God bless you all.

Tab 1c

95 NOV 13 11:41

PRESIDENT WILLIAM J. CLINTON
TALKING POINTS FOR HEALTH CARE CONFERENCE CALL
NOVEMBER 13, 1995

OPENING REMARKS:

- I'd like to thank you for joining me on this conference call to talk about the impact of the Republican Medicare and Medicaid cuts. I am so sorry that I was not able to come to Lawrence Memorial Hospital today, but I know that you understand.
- This is a critical moment of decision for our country. The issue is not *whether* we will balance the budget, but *how*. I do want to balance the budget. My balanced budget proposal would eliminate the deficit and reinforce our most important values: by meeting our obligations to our parents and children, and by giving all Americans the opportunity to make the most of their own lives. My proposal would secure the Medicare Trust Fund, while strengthening -- not gutting -- our Medicare program.
- The Republicans have made their intentions clear since last spring. They said then that they would force us to accept their extreme budget or risk shutting down the government and pushing America into default. Now they are implementing that strategy by attaching their budget conditions to legislation needed to keep the government running and able to pay its bills.
 - The bill I vetoed today would, in effect, obligate us to pass the Republican congressional budget plan with its huge cuts in Medicare and Medicaid, education and technology, the environment, and with its tax increases on working families.
 - In the bill to keep the government running, they would raise Medicare premiums by 25% for every single older American who uses Medicare -- \$264 a year for the typical couple, beginning January 1. I have made it clear: I want to work with the Republicans, but not if they continue to insist on raising Medicare premiums as the cost of keeping the government running.
- This is a back-door effort on the part of the congressional Republicans to impose their priorities on the American people. It's not the right thing to do. I cannot, and I will not, accept it.
- As you know, I believe that the Republican budget -- by taking \$440 billion out of Medicare and Medicaid -- would have particularly harmful consequences for our health care system. These cuts will mean that over 8 million Americans could lose Medicaid coverage, and that people on Medicare will be forced to pay more. They will threaten hospitals and nursing homes in both rural and urban areas. And they will have devastating effects on the communities that depend on these institutions.
- I'd now like to hear from you about how these budget cuts will affect you and your communities. (See attached list of participants.)

CONFERENCE CALL PARTICIPANTS

1. **Charles Johnson**, President, Lawrence Memorial Hospital
Medford, MA

TOPIC: Overall impact of cuts on his hospital and community.

2. **Philo ("Fi-lo") Hall**, President, Central Vermont Medical Center
Berlin, VT

TOPIC: Impact of cuts on vulnerable rural hospitals and the communities that depend on them.

3. **Barbara Corey**, Coordinator, North Quabbin Community Coalition (Senior Activist)
Petersham, MA

TOPIC: Impact of cuts on low-income elderly and on future generations who will need Medicare and Medicaid.

4. **Alan Solomont**, President, The ADS Group (Nursing Homes)
Andover, MA

TOPIC: Impact of Medicaid cuts on nursing home employees.

5. **Donald ("Don") McDowell**, President, Maine Medical Center
Portland, ME

TOPIC: Impact of cuts on hospitals that are already struggling to adapt to managed care.

6. **Leslie MacLeod**, President, Huggins Hospital
Wolfeboro, NH

TOPIC: The importance of Medicare for our nation's older Americans.

7. **Dr. Mitchell Rabkin**, President, Beth Israel Hospital
Boston, MA

TOPIC: Impact of Medicare cuts on medical education and impact of disproportionate share payment cuts on hospitals.

CLOSING REMARKS:

- Thank you all very much. What we've heard shows how important it is that we save Medicare and Medicaid. What is at stake here is nothing less than the quality of our health care system, and the well-being and security of American families and communities.

REPUBLICANS WANT TO RUSH AND INCREASE PREMIUMS ON MEDICARE BENEFICIARIES EVEN BEFORE THEY HAVE MET THEIR RESPONSIBILITY TO COMPLETE THEIR WORK ON THE BUDGET

November 13, 1995

"For months, the Congressional Republicans have made a consistent threat, if I don't sign legislation cutting Medicare, education and the environment, they'll plunge the government into default and force it to close its doors. ...I will not allow them to impose new, immediate cuts in Medicare, education and the environment as a condition of keeping the government open. I believe we can resolve these differences without hurting the American people or our future."

-President Clinton
November 12, 1995

- ▶ **The Republicans want to rush and increase premiums on Medicare beneficiaries, even before they have met their responsibility to complete their work on the budget.** Their Continuing Resolution increases premiums by 25% effective January 1, 1996 -- which amounts to an \$11 a month increase, \$132 per beneficiary and \$264 a couple in the first year alone.
- ▶ **A Continuing Resolution is supposed to be a fair holding pattern so that the government can function for the people while the Congress finishes its business and then works out differences with the President.** When Congress does not complete their work on time, they are supposed to pass a Continuing Resolution -- which the President can choose to sign or veto -- in order to give Congress more time to complete their work.
- ▶ **Instead of following the path of reconciliation, the Republicans in Congress have once again gone their own way, and left the values of the American people behind.**
 - **This week, they voted on an unprecedented measure to attach a Medicare premium increase on every beneficiary onto the Continuing Resolution bill.** On Thursday night, as a part of their bill to keep the government going, both Houses voted a 25 percent increase in Medicare premiums for every single senior citizen on Medicare.
 - **An extraordinary, unprecedented act.** No Congress in our history has ever demanded an increase in Medicare premiums as a condition of keeping the government open.
 - **Congressional Republicans are attempting to blackmail the American people** by making one of the most controversial aspects of their entire budget a pre-condition for keeping the government operating -- a plan to raise Medicare premiums for 37 million beneficiaries, including 33 million older Americans and 4 million Americans with disabilities.
 - The Republicans want to rush and increase premiums on Medicare beneficiaries, even before they have met their responsibility to complete their work on the budget. Their Continuing Resolution increases premiums by 25% effective January 1, 1996 -- which amounts to an \$11 a month increase, \$132 per beneficiary and \$264 a couple in the first year alone.
 - **The Republican plan to blackmail the American people into accepting higher Medicare premiums as a condition for keeping open the federal government is wrong and President Clinton will not accept it.**

**BACKGROUND ON THE REPUBLICAN PROPOSAL TO INCREASE MEDICARE
PREMIUMS AS PART OF THE CONTINUING RESOLUTION**

November 13, 1995

Medicare Premiums Since 1984: 25% of Part B program costs

Medicare Premium in 1995: \$46.10 a month

-- Premiums were set in specific dollar amounts -- as opposed to a 25% percentage -- for each year between 1991-1995 in an effort to protect beneficiaries against the possibility that increases in the medical inflation or the Medicare baseline would make premiums too high.

-- It turned out that \$46.10 amounted to 31.5% of program costs, *even though Congress never intended to raise premiums above 25% of program costs.*

-- Congress never legislated policy that Premiums be equal to 31.5%. The policy goal was 25%, and the number set for 1995 accidentally turned out to be equivalent to a higher amount.

**Medicare Premium in 1996
Under Current Law:** 25% of program costs, which equals \$42.50 a month

**Medicare Premium in 1996
Under Republican Continuing
Resolution:** 31.5% of program costs, which equals \$53.50 a month

-- a \$7.40 increase from the 1995 premium

-- a \$11 increase from current law of \$42.50, or a 25% increase
 -- \$132 increase a year per beneficiary
 -- \$264 increase a year per couple

Medicare Premium in 1996 25% of program costs, which equals \$42.50 a month

PRESIDENT WILLIAM J. CLINTON
REMARKS TO THE RECEPTION FOR THE WHITE HOUSE
CONFERENCE ON TRAVEL AND TOURISM
INDIAN TREATY ROOM
WASHINGTON, D.C.
OCTOBER 30, 1995

95 OCT 30 P 5:44

- Welcome to the Participants: White House Delegates and Task Force Members
- Acknowledgments:

[REDACTED]

Greg Farmer, Under Secretary of Commerce, Travel and Tourism
Dave Barram, Deputy Secretary of Commerce
Representative Jim Oberstar (D/MN)
Representative Toby Roth (R/WT)
Governor Lincoln Almond (R/RI)
Governor Roy Schneider (I/VI)
Lt. Governor Linda Schwegman (D/LA)
Lt. Governor Mazzie Hirono (D/LA) (Just lost her seat last week)
Lt. Governor Mazzie Hirono (D/HI)
Lt. Governor Mary Fallin (R/OK)
Lt. Governor Joanne Bentson (R/MI)
First Lady Sharon Kitzhaber (OR)

Individuals who have worked very hard over the past year to make this conference a success:

Darryl Hartley-Leonard, Chairman of the Hyatt Hotels Corporation
Dick Swig, CEO of Fairmont Hotels
Jonathan Tish, CEO of Loews Hotels
Bill Norman, President of the Travel Industries Association of America
Sandra Fulton, Chair of the Travel Industries Association and Vice President of Opreyland
Jim Host, President of Host Communications and the Vice President of the National Tourism Association

There is one man whose leadership and commitment to this industry have made this conference possible and that is Secretary Ron Brown.

For two and a half years, Secretary Brown has been a forceful and effective advocate for all American businesses. In my mind, he's the best Secretary of Commerce we've ever had.

I know he's sorry that he couldn't be with us today. He's on his way back from the Amman Economic Summit, where he's been working to strengthen our commercial ties with

the Middle East.

But he will be here tomorrow to close this conference, and I know you'll enjoy hearing from him.

- It was a pleasure to speak to you this morning at the First White House conference on Travel and Tourism.
- This Administration will continue to work diligently to ensure new and growing markets for our Travel and Tourism industries.
- (Reiterate that the Administration needs feedback from the private sector to best aid the growth of this vital sector of our economy)
- Thank you for your hard work and continued support of the Administration's efforts in this area.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 30, 1995

STATEMENT BY THE PRESIDENT

Today I reject United States Sentencing Commission proposals that would equalize penalties for crack and powder cocaine distribution by dramatically reducing the penalties for crack. The Sentencing Commission would also reduce the penalties for money laundering by combining the guidelines on money laundering with those on transactions in unlawfully acquired property. I am opposed to both of these changes.

Since I took office, my Administration has fought to stop drug abuse and to stamp out the crime and violence that are its constant companions. We are battling drug traffickers at every level of their networks -- from the very top to the very bottom.

The Cali Cartel, which pumped drugs into America with seeming impunity, is now on the run. We have intensified our efforts to work with drug producing countries to stop drugs from coming into the United States and to capture major drug traffickers. We told criminals convicted time and again for serious violent crimes or drug trafficking that from now on, it's three strikes and you're out. And we established the death penalty for drug kingpins, because they should reap what they sow.

We are putting 100,000 police officers on America's streets. We banned assault weapons because America doesn't want drug dealers to be better armed than police officers. We are helping schools to rid themselves of guns, and we are also helping schools to prevent teenage drug use by teaching children about the dangers of drugs and gangs. And we support schools who test student athletes for drugs.

All of this is beginning to work. For the first time in a very long time, crime has decreased around the country. But we cannot stop now. We have to send a constant message to our children that drugs are illegal, drugs are dangerous, drugs may cost you your life -- and the penalties for dealing drugs are severe. I am not going to let anyone who peddles drugs get the idea that the cost of doing business is going down.

Trafficking in crack, and the violence it fosters, has a devastating impact on communities across America, especially inner-city communities. Tough penalties for crack trafficking are required because of the effect on individuals and families, related gang activity, turf battles, and other violence.

Current law does require a substantial disparity between sentences for crack as compared to equal amounts of powder cocaine. Some adjustment is warranted, and the bill I am signing today, S. 1254, directs the Sentencing Commission to undertake additional review of these issues and to report back with new recommendations.

Furthermore, the sentencing structure should reflect the fact that all crack starts as powder. When large-scale cocaine traffickers sell powder with the knowledge that it will be converted into crack, they should be punished as severely as those who distribute the crack itself. I have asked the Attorney General to immediately develop enforcement strategies to bring about this result. As I said before, we are going after drug traffickers at every level of their networks.

THE WHITE HOUSE,
October 30, 1995.

S. 1254 -- the Administration's Crack Sentencing Guidelines Legislation

Questions and Answers

Q. Why does the Administration oppose the Sentencing Commission's guideline recommendation on crack sentencing?

A. We are concerned that the equalization of the penalties for crack and cocaine powder trafficking does not reflect:

- * the significant differences between the two;
- * the impact crack has had on our communities;
- * and the effect a drastic change in penalties would have on deterring those who traffic in this dangerous drug.

Q. What's the point of sending this back to the Sentencing Commission -- isn't the President just punting a political hot potato?

A. The Sentencing Commission's recommendations will go into effect on November 1 unless the President signs this legislation beforehand.

The President is saying this to the Sentencing Commission -- "I disagree with your recommendations; I want you to go back, work with my Attorney General, and come back in May with sentences that treat crack distribution more harsher than powder cocaine, but I also want sentences that ensure that we treat a high-level powder cocaine distributor as severely as street-level crack distributors."

Q. Why doesn't the President propose legislation that would increase the sentences for cocaine -- won't that reduce the disparity in the current sentencing system?

A. The President wants the Sentencing Commission, working with the Attorney General, to have the opportunity to reexamine their recommendations and return with sentences that still reflect his concern with crack distribution.

In the mean time, the President is also asking the Attorney General to begin working immediately with United States Attorneys to make sure that high-level power cocaine distributors are prosecuted for what they know they are doing -- selling powder cocaine that is ending up as crack on our streets.

Crack is a more dangerous drug than powder cocaine; the President believes that the sentencing structure should reflect this in some way. But a high-level drug distributor who knows his powder cocaine is ending up as crack vials on the street, should be punished for what he is doing -- pushing crack.

Q. Isn't crack and cocaine powder effectively the same drug?

A. Crack is more psychologically addictive than cocaine powder. The Administration's conclusions about the harmful effects of crack as compared to cocaine powder are virtually the same as those reached by the Sentencing Commission. Indeed in its report to Congress on this issue, the Sentencing Commission concluded that:

"[T]he higher addictive qualities associated with crack combined with its inherent ease of use can support a higher ratio for crack over powder."

Furthermore, as the Sentencing Commission itself stated:

"crack dealers generally tend to have a stronger association with systemic violence and are more likely to possess weapons than powder cocaine dealers."

Q. Doesn't the current penalty structure discriminate against African-Americans?

A. The President has recently spoken, as you know, of his concern with the number of young African-Americans who enter the criminal justice system. That is an issue he will continue to address. But reducing crack cocaine sentences is not the solution to that problem. Instead, reduced sentences for crack trafficking would ignore the devastation this drug has cause so many communities and victims across the country. A crack dealer could only interpret it one way -- the cost of business is going down, keep pushing.

The legislation he signs today includes an amendment by Senator Kennedy that was unanimously accepted in the Senate, which instructs the Sentencing Commission to undertake a review and report back to Congress its findings and recommendations on what sentencing structure can both provide the penalties needed by law enforcement but also ensure that our drug enforcement laws and policies are fair.

Money Laundering

Q. Why are you disapproving of the money laundering guideline?

A. The Commission recommended amendments to the money laundering guidelines that would substantially lower the penalties for many serious money laundering offenses.

As the President has stated, we are committed to combatting the drug networks at every level -- from top to bottom -- and he believe they need to be sentence severely at each level. Money laundering statutes are an essential law enforcement weapon in convicting high-level drug traffickers.

When the President recently spoke before the U.N., he stated that he was directing our government to identify and put on notice nations that tolerate money laundering. He does not believe that we should be reducing money laundering penalties at home while we are working to catch drug traffickers attempting to hide their ill-gotten gains overseas..

Further Background

Q. What exactly did the Sentencing Commission do?

The Sentencing Commission actually took 2 steps that if adopted would result in drastically reducing the penalties for crack.

First, the Commission recommended that Congress eliminate the differential treatment of crack and cocaine powder by amending the current mandatory minimum statute for crack.

Second, the Commission promulgated an amendment of the sentencing guidelines to treat crack and cocaine powder alike under the guidelines, regardless of whether Congress first revised the statutory minimum penalties.

It is the second step that this legislation would prevent from occurring.

If Congress adopted these 2 recommendations, some offenses now subject to a 5 year or 10 year mandatory minimum prison term would potentially result in a sentence involving no required prison term at all.

Furthermore, by not disapproving of the Sentencing Commission's guideline recommendation through this legislation, a tenth of a gram of crack could make the difference between a guideline sentence of a halfyear of imprisonment (or probation with conditions of confinement) and a five-year mandatory minimum term. Moreover, many sentences that would have been well above the mandatory minimum levels, base on quantity would be reduced to the mandatory minimum.

The result would be that we would be greatly decreasing the cost of business for crack dealers.

PRESIDENT WILLIAM JEFFERSON CLINTON
DSCC MAJORITY TRUST RECEPTION
EAST ROOM
NOVEMBER 1, 1995

ACKNOWLEDGEMENTS

- Sen. Bob Kerrey - DSCC Chair - understand you will be raising a record \$2 million at tonight's dinner
- I want to thank the DSCC for working so hard to make sure that the Oregon Senate seat goes back to a Democrat for the first time since 1968.

INTRODUCTION

Great country; edge of new century - time of enormous potential. No nation in the world is as well positioned as US.

Ran for president in 1992 to restore the American Dream; make America strongest nation on earth; grow economy; expanding middle class/shrinking underclass; old-fashioned values - responsibility, opportunity, family, community, mutual obligation.

AMERICA IS ON THE MOVE

Country is in better shape now than when I took office. Other side said our economic program meant world was going to end, recession around the corner. They were wrong.

Economy is good: 7.5 million jobs - 2.5 million more homeowners - record number of small businesses - lowest combined rate of inflation and unemployment.

Government is being reformed/shrinking: smallest percentage of workforce since 1933 - 16,000 fewer pages of regulations - FEMA - Social Security top ranked by Business Week.

Most important, country is coming together around our values: Crime down, murder down, welfare down, food stamps down. Teen pregnancy has dropped for two years in a row, poverty is down. America is coming back together and we are moving forward together.

We still have more to do: More for education and training; more for rural and urban areas; more to spread opportunity and responsibility. We can do this by building on our successes - not by turning back the clock.

DO WHAT'S RIGHT FOR FUTURE

When making decisions, need to think about future, our children, what's good for ten, 20, 30 years.

Brady Bill - NRA tries to scare gun owners - but 40,000 criminals didn't get guns.

95 NOV 1
P 3 38

Assault Weapons Ban

Tobacco - 3000 young people start smoking every day - 1000 die from it. I want those kids to grow up in a great America of the 21st century

Race speech - people said it's dangerous to praise marchers before we knew what would happen, but I knew march was about what was in their hearts, not in political speeches.

BUDGET - FUTURE OF AMERICA

Country is on a roll. Moving in the right direction. Now, we need to make decisions that will keep our country moving forward.

Medicare: I want America to be a place where we honor our obligations to our parents and grandparents. My idea of the future:

- doesn't make it harder to live from month to month because their Medicare premiums have been doubled.
- is not a country where we've cut Medicaid so much we're closing rural hospitals and inner-city hospitals and putting unbearable burdens on our teaching hospitals and our children's hospitals -- making it harder for poor kids to get care.
- does not take away the money we give under Medicaid to help the poor elderly pay their co-pays and deductibles. Under the Republican plan, the poorest seniors get hit the hardest.

Student loans: We reformed the student loan system so college loans cost less - Republicans limit or destroy the direct loan program. They eliminate between 150,000 and 380,000 scholarships. 21st century I want does not include kicking middle class kids out of college and taking scholarships away from poor kids. I want a future where every single young American who's willing to work hard has a chance to go to college and build a good life.

Crime: I don't believe we should walk away from the Crime Bill, and stop communities from putting police on the street, and prevention programs in our schools to give children something to say yes to. I want a future where kids walking to school recognize the neighborhood policeman walking his beat.

Environment: I don't believe we ought to go into the 21st century gutting our ability to protect clean air, clean water and safe food. I don't want a future where the lobbyists for the biggest polluters in the country write our clean water laws.

AMERICA'S CHOICE

This is a great country. When you walk out of here tonight, I want you to promise yourself that for the next year, you are going to engage your fellow Americans in talking about these fundamental values and the fundamental vision for our future.

The 21st century is ours if we will be simply true to these values and follow our vision and think about our children and what kind of America we want for them.

DRAFT

THE PRESIDENT'S BALANCED BUDGET PLAN AND THE HOUSE REPUBLICAN PLAN BOTH EXTEND THE SOLVENCY OF THE MEDICARE TRUST FUND THROUGH 2006 --

BUT THE PRESIDENT'S PLAN DOES IT WITH LESS THAN ONE-HALF THE REDUCTIONS.

- House Republicans claim that their balanced budget plan would extend the solvency of the Medicare Hospital Insurance Trust Fund (Part A) beyond 2010. That is false.
- **In fact, the Trust Fund's solvency would be extended until exactly the same year -- 2006 -- under both the President's balanced-budget plan and the House Republican plan**, according to the Health Care Financing Administration (HCFA) actuaries, as well as the Republican staff of the House Ways and Means Committee.
- The original Republican analysis ignores the fact that the House plan contains legislation already passed by the House which **reduces the amount of income going into the Medicare Part A Trust Fund**. The legislation repeals a provision of the President's 1993 deficit-reduction plan that helped **strengthen** the Trust Fund.
- Once this legislation is factored into the analysis, the HCFA actuaries project that **the House balanced budget plan will delay solvency until the year 2006, the same year as the President's plan -- not 2014**.
- **This fact was acknowledged publicly by the House Ways and Means Committee Republican counsel during the Committee's recent mark-up on Medicare legislation.**
- House Republicans are calling for twice the Medicare savings contained in the President's plan, yet extending Trust Fund solvency until exactly the same year.
- Clearly, the much deeper cuts are needed not to preserve the Trust Fund but to facilitate large tax cuts, primarily for those who do not need them.
- The House-passed provision that reduces the income of the Part A Trust Fund would repeal the increase in taxation of Social Security benefits for the highest-income 13 percent of Social Security recipients. The proceeds from this increase are currently placed into the Medicare Part A Trust Fund, as required by the President's 1993 deficit-reduction legislation.
- Ironically, while the Republicans are claiming to make funding of Medicare fairer by charging higher Medicare premiums to affluent senior citizens through means-testing, they are undoing the effect of that provision through a back door tax cut to nearly the same group, denying means-tested revenues to the Part A Trust Fund.

Medicare Part A "Net" Savings Estimates
Net Effect of HR 2425 Medicare Part A Savers and Repeal of OBRA '93 Provision'

Year	Medicare Part A Savings	Repeal of OBRA '93 Provision ¹	Net Reduction in Part A Spending
1996	-\$3	\$2.9	-\$0.1
1997	-\$7	\$4.3	-\$2.7
1998	-\$14	\$4.9	-\$9.1
1999	-\$20	\$5.3	-\$14.7
2000	-\$24	\$5.8	-\$18.2
2001	-\$29	\$6.4*	-\$22.6
2002	-\$33	\$7.0*	-\$26.0
Total	-\$130	\$36.6	-\$93.4

Based on CBO estimates 10/2/95

*HHS projections based on CBO estimates for the years 2001-2002 for repeal of OBRA 93 provision

1. The OBRA '93 Social Security tax provision increased the portion of Social Security subject to Federal income tax and allocated this revenue to the Medicare HI Trust Fund. The repeal of this provision would decrease HI revenues.



The Administrator
Washington, D.C. 20201

August 3, 1995

The Honorable Richard A. Gephardt
United States Senate
Washington, D.C. 20510

Dear Congressman Gephardt:

This is in response to your request for information about the effect of the Medicare savings in the President's balanced budget initiative on the exhaustion date of the Hospital Insurance (HI) Trust Fund.

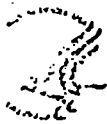
Attached is a memorandum that I have received from the Chief Actuary of the Health Care Financing Administration (HCFA). The memo indicates that the year-by-year savings in the President's plan would extend the life of the HI Trust Fund from 2002 to the fourth quarter of calendar year 2006 (the first quarter of fiscal year 2007). This estimate is based on the 1995 Annual Report of the Board of Trustees of the Federal Hospital Insurance Fund intermediate assumption baseline.

Please let me know if I can provide any further information.

Sincerely,

Bruce C. Vladeck

Attachment



Memorandum

Date August 2, 1995

From Chief Actuary, HCFA

Subject Estimated Year of Exhaustion for HI Trust Fund under Administration's
Balanced Budget Proposal

To Administrator, HCFA

The purpose of this memorandum is to respond to the requests from Senator Daschle and Representative Gephardt for the estimated year of exhaustion for the Hospital Insurance trust fund under the Medicare provisions in the Administration's balanced budget proposal. Based on the intermediate set of assumptions in the 1995 Trustees Report, we estimate that the assets of the HI trust fund would be depleted in the fourth quarter of calendar year 2006 under the Administration's proposal (or, equivalently, in the first quarter of fiscal year 2007).

In the absence of corrective legislation, trust fund depletion would occur in the fourth quarter of calendar year 2002 (first quarter of fiscal year 2003) under the intermediate assumptions. Thus, the Administration's proposal would postpone the year of exhaustion by about 4 years.

The financial operations of the HI trust fund will depend heavily on future economic and demographic trends. For this reason, the estimated year of depletion is very sensitive to the underlying assumptions. In particular, under adverse conditions such as those assumed by the Trustees for their "high cost" projections, asset depletion could occur roughly 2 to 3 years earlier than the intermediate estimate. Conversely, favorable trends could delay the year of exhaustion significantly. The intermediate assumptions represent a reasonable basis for planning.

The estimated year of exhaustion is only one of a number of measures and tests used to evaluate the financial status of the HI trust fund. If Senator Daschle or Representative Gephardt would like additional information on the estimated impact of the Administration's Medicare proposals, we would be happy to provide it.

Richard S. Foster
Richard S. Foster, F.S.A.

10/19/95 9:00pm

**PRESIDENT WILLIAM JEFFERSON CLINTON
REMARKS WITH PRESIDENTS HAVEL AND KOVAC
NATIONAL CZECH & SLOVAK MUSEUM AND LIBRARY
CEDAR RAPIDS, IOWA
OCTOBER 21, 1995**

35 OCT 20 11:34

Acknowledgments: Governor Terry Branstad; Senator Tom Harkin; Senator Chuck Grassley (TBD); Congressman Jim Leach; Mayor Larry Serbousek; Robert Schaeffer, President of Czech-Slovak Museum (CSM); Thomas Hruska, Chairman of the Board, CSM [Possible mention: Alan Beach, Interim Executive Director, CSM; John Rocarek, Development Director, CSM; Anne Bergren, Event Coordinator, CSM]

I am proud to stand today with President Havel of the Czech Republic and President Kovac [KOE-vatch] of Slovakia. Each of these men is a pioneer and patriot -- leading his nation through an epic transformation. Each represents the promise of Europe's future...and their presence today reflects the growing partnership between their nations and the United States.

I will never forget visiting Prague in January 1994 -- the first time I had been there in 24 years -- and walking across the magnificent Charles Bridge with President Havel. I remembered all the young people I had met a quarter century before, and how desperately they had longed for freedom. In his devotion to democracy and through his courage and his sacrifice, Vaclav Havel helped to make those dreams a reality.

President Kovac stands with us as leader of a newly independent nation with a proud heritage and a hopeful future. Mr. President, the United States supports your commitment to openness and reform as Slovakia takes its place within the family of democratic nations.

Here in America's heartland, the heart of Europe beats loud and clear. Czech immigrants first came to Cedar Rapids in the middle of the 19th century. Soon a "Little Bohemia" had blossomed in the city, where Czech culture flourished in journalism, music, and drama.

Today, that proud heritage is as vibrant as ever. One in five citizens of Cedar Rapids is of Czech descent, including the Mayor, Larry Serbousek [SER-ba-sek]. There are eight major Czech-American organizations in the city, and through the Czech School. American children learn the language and traditions of a nation an ocean away. Just a few steps from here, the shops of Czech Village are filled with authentic Czech crafts and home cooking. It is a fitting celebration of American diversity that Quaker Oats and Czech specialties like kolaches [koh-LATCH-ez] are produced in the same community.

In Iowa and beyond, Americans of Czech and Slovak descent have added richness and texture to the American quilt. The values they, like so many other immigrants, brought from their homelands -- love of family, devotion to community, taking responsibility and working hard -- flourished in America, and helped America to flourish.

In the mid-19th century, thousands of Czech settlers farmed America's new frontiers -- an experience immortalized in Willa Cather's novel My Antonia. Slovak immigrants brought their skill and strength to the urban northeast and midwest, where they helped build heavy industry in oil, steel and coal.

The children and grandchildren of these early pioneers, as well as more recent arrivals, have been generous with their gifts to America. Film-makers like Milos Forman have challenged our imaginations. Students of the humanities have been enlightened by Jaroslav Pelikan...and stargazers stand in awe of Captain Eugene Cernan -- the last human

being to leave his footprints on the moon. From City Hall to Capitol Hill, individuals like Congressman Peter Visclosky of Indiana, former Congressman Charles Vanik of Ohio, and former Senator Roman Hruska of Nebraska have served their community and their nation with distinction. Our dynamic Ambassador to the United Nations, Madeleine Albright -- who joins me today -- was born in Prague. As I've told President Havel before, the Czech Republic is the only nation in the world that has two Ambassadors in the United Nations.

The National Czech and Slovak Museum and Library we are privileged to dedicate today is a wonderful tribute to two cultures and two peoples...and to the contribution Czech and Slovak immigrants and their descendants continue to make to our nation. In keeping with tradition, a dozen eggs have been added to the mortar for the cornerstone -- guaranteeing that the museum will serve the public as long and as proudly as the Charles Bridge in Prague. To all who have played a part in creating this place -- congratulations on your marvelous achievement.

Today we celebrate a special corner of our rich and varied national mosaic. The pieces of that mosaic are race, ethnicity, culture and tradition in all their different forms in America. Each of those pieces is precious, and each of those pieces is unique. What holds them together in a harmonious picture are the values we share in common. We cherish faith, work, family, community and country. We strive to live lives that are free, honest and responsible. We have built our house on a foundation of unity, not division; on peace, not hatred; on a common vision for a better tomorrow. We honor the contributions of those who have come before us, and in our young, we hold hope for what will follow.

E Pluribus Unum -- out of many, we are one. It's more than an American motto. It's a national commitment. And as one, we are facing a time of remarkable change. The Cold War is over. We are moving rapidly from an Industrial Age to a technology and information age. We can adapt to all this change, but to truly fulfill its promise in a way that we can all share its benefits, we must never change -- we must never stray from -- the values that unite us. And if we want to live in a world in which those values will prevail, America must continue to be a force for democracy and prosperity around the world.

Some people believe the end of the Cold War allows us to withdraw behind our borders. We chose that path after World War I -- and we left a vacuum that was filled with the forces of evil...and that ultimately required us to send American soldiers to the battlefields and graveyards of a Second World War.

The post-World War II generation made a very different choice. Democrats and Republicans stood together for American leadership in the world. They made the investments and built the institutions that kept the peace in Europe, prevented nuclear conflict, helped to spread democracy, brought us unparalleled prosperity, and ultimately secured the triumph of freedom in the Cold War.

Now it falls to our generation to uphold the high standard they set...to assume the responsibilities and make the investments that will guarantee that the fruits of our victory in the Cold War will endure.

The Czech Republic, Slovakia, and the other nations of Central Europe are working hard to build democracy and foster prosperity. They have made great progress in the face of tremendous challenge, but their efforts are far from complete. America must continue to stand with them as they secure the gains of freedom -- by opening the door to new NATO

members...by supporting their integration into the European Union...by providing financial and technical assistance...by improving access to America's markets...by enabling them to move from aid to trade.

Helping the nations of Central Europe to consolidate democracy and build strong economies is the best way to ensure that American soldiers never again have to shed their blood on Europe's soil. And a prosperous, secure Central Europe will be a promising new market for American goods and services, creating jobs and opportunities at home. Here in Cedar Rapids, the largest exporting city per capita in the nation, you know that foreign trade is good for America. And with your high-tech industries and highly skilled workforce, you are poised to compete and succeed in the global economy.

America also must help the nations of Central Europe because it is the right thing to do. For 45 years, we challenged the people of these nations to cast off the yoke of communism. We cannot abandon them now. We have an obligation to work together so that all our peoples can enjoy the rewards of freedom and prosperity as we move toward the 21st century.

The citizens of Cedar Rapids understand that. Those of you of Central European descent may feel it in your bones...but all of us, as Americans, should feel it in our hearts. For we believe the American dream is not for Americans only -- it is for every hard-working man and woman who seeks to build a brighter future for their family...every boy or girl who studies hard in school and dreams of going to college...every community that is trying to clean its streets of crime and pollution...every nation that is committed to peace and progress. The American dream belongs to every citizen of the world who shares our values and is striving to support them.

President Havel, President Kovac, my fellow Americans...as we celebrate the opening of this marvelous museum -- a monument to those who had faith in the American dream and who struggled to make it come true -- let us work together to bring hope and opportunity to all who are reaching for their dreams.

THE WHITE HOUSE
WASHINGTON

**OFFICE OF GEORGE STEPHANOPOULOS
SENIOR ADVISOR TO THE PRESIDENT**

TEL. 202-456-7105 → Laura Capps
FAX. 202-456-2883

TO: G. Stephanopoulos 522-9153

FROM: GEORGE STEPHANOPOULOS

COMMENTS:

Please deliver to George this morning.
Thank you.

DATE: 10.23.95

NUMBER OF PAGES: 11

Office of the Press Secretary

For Immediate Release

October 6, 1995

REMARKS BY THE PRESIDENT
IN FREEDOM HOUSE SPEECH

The Hyatt Regency
Washington, D.C.

9:37 A.M. EDT

THE PRESIDENT: Thank you very much. I'm honored to be introduced by someone who writes so powerfully about the past and is working so effectively to shape the future. The Secretary of State and I have tried to encourage both those activities by keeping Win Lord busy at the State Department.

I'm honored to be here with all of you and to be here at Freedom House. For more than 50 years, Freedom House has been a voice for tolerance for human dignity. People all over the world are better off because of your work. And I'm very grateful that Freedom House has rallied this diverse and dynamic group. It's not every day that the Carnegie Endowment, the Progressive Policy Institute, the Heritage Foundation, and the American Foreign Policy Council share the same masthead. I feel that I should try out a whole list of issues and try to get check-off here -- (laughter) -- before the meeting goes any further.

It does prove that there is a strong, dynamic center in our country that supports America's continued leadership in the world. We have all worked for that. And I want to publicly thank the Secretary of State and Tony Lake, the others in our foreign policy team -- my counselor, Mr. McLarty, up here who's been especially active on our behalf in Latin America. And I want to thank all of you who have supported that continued endeavor.

You know, in 1991 I sought the presidency because I believed it was essential to restore the American Dream for all Americans and to reassert America's leadership in the post-Cold War world. As we move from the Industrial to the Information Age, from the Cold War world to the global village, we have an extraordinary opportunity to advance our values at home and around the world. But we face some stiff challenges in doing so as well.

We know that at home we have the responsibility to create opportunity for all of our citizens to make the most of their own lives, to strengthen their families and their communities. We know that abroad we have the responsibility to advance freedom and democracy, to advance prosperity and the preservation of our planet. We know that the forces of integration and economic progress also contain the seeds of disruption and of greater inequality. We know that families, communities and nations are vulnerable to the organized forces of disintegration and the winner-take-all mentality in politics and economics. We know all this and therefore, we have an even heavier responsibility to advance our values and our interests.

Freedom House, in my view, deserves extraordinary praise for your sense of timing of this meeting. I wonder if Adrian Karatnycky and his colleague knew that in the days prior to this discussion the United States would have the opportunity to

-2-
demonstrate so vividly once again the proposition this conference seeks to advance: that American leadership and bipartisan support for that leadership is absolutely essential as a source of our strength at home and our success abroad.

We must stand for democracy and freedom. We must stand for opportunity and responsibility in a world where the dividing line between domestic and foreign policy is increasingly blurred.

Our personal, family and national security is affected by our policy on terrorism at home and abroad. Our personal, family and national prosperity is affected by our policy on market economics at home and abroad. Our personal, family and national future is affected by our policies on the environment at home and abroad. The common good at home is simply not separate from our efforts to advance the common good around the world. They must be one in the same if we are to be truly secure in the world of the 21st century.

We see the benefits of American leadership and the progress now being made in Bosnia. In recent weeks, our military muscle through NATO, our determined diplomacy throughout the region, have brought the parties closer to a settlement than at any time since this terrible war began four years ago. Yesterday, we helped to produce an agreement on a Bosnia-wide cease-fire. Now, the parties will come to the United States to pursue their peace talks mediated by our negotiating team and our European and Russian counterparts.

We have a long way to go, and there's no guarantee of success. But we will use every ounce of our influence to help our parties make a peace that preserves Bosnia as a single democratic state, and protects the rights of all citizens, regardless of their ethnic group.

If and when peace comes, the international community's responsibility will not end. After all the bloodshed, the hatred, the loss of the last years, peace will surely be fragile. The international community must help to secure it. The only organization that can meet that responsibility strongly and effectively is NATO. And as NATO's leader, the United States must do its part and send in troops to join those of our allies under NATO command with clear rules of engagement. If we fail, the consequences for Bosnia and for the future of NATO will be severe. We must not fail. (Applause.)

The United States will not be sending our forces into combat in Bosnia. We will not send them into a peace that cannot be maintained. But we must use our power to secure that peace. I have pledged to consult with Congress before authorizing our participation in such an action. These consultations have already begun.

I believe Congress understands the importance of this moment and of American leadership. I'm glad to see Chairman Livingston here at the head table today. As I have said consistently for two years, we want and welcome congressional support. But in Bosnia as elsewhere, if the United States does not lead, the job will not be done.

We also saw the benefits of America's leadership last week at the White House where leaders from all over the Middle East gathered to support the agreement between Israel and the Palestinian Authority. For nearly a half-century now, Democratic and Republican administrations have worked to facilitate the cause of peace in the Middle East. The credit here belongs to the peacemakers. But we should all be proud that at critical moments along the way, our efforts helped to make the difference between failure and success.

-3-
It was almost exactly a year ago that the United States led the international effort to remove Haiti's military regime and give the people of Haiti a real chance at democracy. We've succeeded because we've backed diplomacy with sanctions and, ultimately, with force. We've succeeded because we understood that standing up for democracy in our own hemisphere was right for the Haitian people and right for America.

American efforts in Bosnia, the Middle East and Haiti and elsewhere have required investments of time and energy and resources. They've required persistent diplomacy and the measured use of the world's strongest military. They have required both determination and flexibility in our efforts to work as leaders and to work with other nations. And, sometimes, they've called on us to make decisions that were, of necessity, unpopular in the short run, knowing that the payoff would not come in days or weeks, but in months or years.

Sometimes, they have been difficult for many Americans to understand because they have to be made, as many decisions did right after World War II without the benefit of some over-arching framework, the kind of framework the bipolar Cold War world provided for so many years.

To use the popular analogy of the present day, there seems to be no mainframe explanation for the PC world in which we're living. We have to drop the abstractions and dogma, and pursue, based on trial and error and persistent experimentation, a policy that advances our values of freedom and democracy, peace and security.

We must continue to bear the responsibility of the world's leadership. That is what you came here to do, and that's what I want to discuss today. It is more than a happy coincidence that the birth of bipartisan support for America's leadership in the world coincides with the founding of this organization by Eleanor Roosevelt and Wendell Willkie in 1941 when, for the first time, Americans, both Democrats and Republicans, liberals and conservatives and moderates, understood our special obligation to lead in the world.

The results of that responsible leadership were truly stunning -- victory in the war and the construction of a post-Cold War world. Not with abstract dogma, but again, over a five-year period, basing experience on new realities, through trial and error with a relentless pursuit of our own values, we created NATO, the Marshall Plan, Bretton Woods -- the institutions that kept the peace in Europe, avoided nuclear conflict, helped to spread democracy, brought us unparalleled prosperity and ultimately ensured the triumph of freedom in the Cold War.

In that struggle, Freedom House and organizations like it reminded Americans that our leadership is essential and that to advance our interests that leadership must remain rooted in our values, must continue to advance democracy and freedom to promote peace and security, to enhance prosperity and preserve our planet.

When it comes to the pursuit of these goals, it is important that we never forget that our values and our interests are one in the same. Promoting democracies that participate in this new global marketplace is the right thing to do. For all their imperfections, they advance what all people want and often fight and die for: Human dignity, security and prosperity. We know these democracies are less likely to go to war, less likely to traffic in terrorism, more likely to stand against the forces of hatred and intolerance and organized destruction.

- 4 -
Throughout what we now call the American Century, Republicans and Democrats disagreed on specific policies -- often heatedly from time to time -- but we have always agreed on the need for American leadership in the cause of democracy, freedom, security and prosperity. Now that consensus is truly in danger, and interestingly enough, it is in danger in both parties. Voices from the left and the right are calling on us to step back from, instead of stepping up to, the challenges of the present day. They threaten to reverse the bipartisan support for our leadership that has been essential to our strength for 50 years. Some really believe that after the Cold War the United States can play a secondary role in the world, just as some thought we could after World War II, and some made sure we did after World War I.

But if you look at the results from Bosnia to Haiti, from the Middle East to Northern Ireland, it proves once again that American leadership is indispensable, and that without it, our values, our interests, and peace itself would be at risk.

It has now become a truism to blame the current isolationism on the end of the Cold War because there is no longer a mainframe threat in this PC world. But when I took office, I made it clear that we had a lot of work to do to get our own house in order.

I agree that America has challenges at home that have to be addressed. We have to revive our economy and create opportunity for all of our citizens. We have to put responsibility back into our social programs and strengthen our families and our communities. We have to reform our own government to make it leaner and more effective. But we cannot do any of these things in isolation from the world which we have done so much to make and which we must continue to lead.

Look at what is going on. Many of the new democracies in this world, they're working so hard. I see their leaders all the time. They believe in the cause of freedom, and they are laboring out there in these countries against almost unbelievable obstacles. But their progress is fragile. And we must never forget that. We have to see them as growing, growing things that have to be nurtured in a process that could still be reversed.

And we also have to recognize that we confront a host of threats that have assumed new and quite dangerous dimensions -- the proliferation of weapons of mass destruction. In the Technology Age, that can mean simply breaking open a vial of sarin gas in a Tokyo subway. It can mean hooking into the Internet and learning how to build a bomb that will blow up a federal building in the heart of America. These forces, just as surely as fascism and communism, would spread darkness over light, disintegration over integration, chaos over community. And these forces still demand the leadership of the United States.

Let me say again: The once bright line between domestic and foreign policy is blurring. If I could do anything to change the speech patterns of those of us in public life, I would almost like to stop hearing people talk about foreign policy and domestic policy, and instead start discussing economic policy, security policy, environmental policy -- you name it.

When you think about the world in the way that you live in it, you readily see that the foreign-domestic distinction begins to evaporate in so many profound ways. And if we could learn to speak differently about it, the very act of speaking and thinking in the way we live, I believe, would make isolationism seem absolutely impossible as an alternative to public policy. (Applause.)

When the President of Mexico comes here in a few days and we talk about drug problems, are we talking about domestic

- 5 -
problems or foreign problems? If we talk about immigration, are we discussing a domestic issue or a foreign issue? If we talk about NAFTA and trade, is it their foreign politics or our domestic economics? We have to understand this in a totally different way. And we must learn to speak about it in different ways.

The isolationists are simply wrong. The environment we face may be new and different, but to meet it with the challenges and opportunities it presents and to advance our enduring values, we have to be more engaged in the world, not less engaged in the world. That's why we have done everything we could in our administration to lead the fight to reduce the nuclear threat; to spread democracy in human rights; to support peace; to open markets; to enlarge and defend the community of nations around the world; to share our aspirations and our values, not in abstract, but in ways that are quite practical and immediately of benefit to the American people.

Consider just a few examples. Every American today is safer because we're stepping back from the nuclear precipice. Russian missiles are no longer pointed at our citizens and there are no longer American missiles pointed at their citizens. Thanks to agreements reached by President Reagan, President Bush and our administration, both our countries are cutting back their nuclear arsenal.

Over the past three years, we've been able to persuade Ukraine, Kazakhstan and Belarus to give up nuclear weapons left on their land when the Soviet Union collapsed. We've convinced North Korea to freeze its nuclear program. We've secured the indefinite extension of the Nuclear Nonproliferation Treaty. We're working hard to make sure nuclear materials don't wind up in the hands of terrorists or international criminals. And I hope and pray that next year we'll succeed in getting a comprehensive nuclear test ban treaty.

Americans are safer because of the tough counterterrorism campaign we have been waging, including closer cooperation with foreign government, sanctions against states that sponsor terrorism, and increasing the funding, the manpower, the training for our own law enforcement. These have helped us to get results -- big, visible results, like the conviction just this week of those who conspired to wage a campaign of terror in New York -- and things that aren't so visible but are very important, the planned terrorist attacks that have been thwarted in the United States and on American citizens, the arrests that have been secured in other countries through our cooperation.

We have an obligation to work more and more and more on this. And if there is any area in the world where there is no difference between domestic and foreign policy, surely it is in our common obligation to work together to combat terrorism.

That is why, even before Oklahoma City, I had sent legislation to the Hill asking for additional resources and help to deal with the threat of terrorism. And after Oklahoma City, I modified and strengthened that legislation. The Senate passed the bill quickly, but I am very disappointed that the bill is now stalled in the House. We need this legislation.

I believe federal law enforcement authorities must be held accountable. I believe we must be open about whatever has happened in the past. But that has nothing to do with our obligation to make sure that the American people have the tools that they need to combat the threat of terrorism. So, once again, I say I hope antiterrorism legislation will pass. We need it. The threat is growing, not receding.

-6-
When we gave democracy another chance in Haiti, a lot of people said this has nothing to do with the United States. Well, it did. It did. It mattered that, when somebody came to our country and gave their word that they would leave and bring back democracy, that we enforce that commitment. And in a more immediate sense, in the month before our intervention, 16,000 Haitians fled tyranny for sanctuary in Florida and elsewhere in our region; but three months after the intervention, the refugee flow was practically zero.

When Mexico ran into a cash flow crisis, we put together an emergency support package to help put our neighbor back on the course of stability and economic progress. And to their credit, the Republican leaders of the Congress supported that effort. But it was impossible to pass a bill through the Congress endorsing it because of all the surveys which showed that the American people were opposed to the Mexican bailout by about 80-15, as I remember the poll on the day that I took executive action to do it. This is another case, however, when what may be unpopular in the short run is plainly in the interest of the United States in the long run.

When your neighbors are in trouble and they're trying to do the right thing, you normally try to help them, because it's good for the neighborhood. Look what's happened since the United States stepped in to try to be a good neighbor to Mexico. Economic growth has returned, even though in a fragile state, more quickly than it was anticipated; exports have returned to levels that exceed what they were pre-NAFTA; and just yesterday, President Zedillo called me to say that Mexico will repay \$700 million of its debt to the United States well ahead of schedule.

Consider what would have happened if we would have taken the isolationist position. What would have happened to their economy? What would have happened to the international financial market's reaction to that in Argentina, in Brazil, throughout Latin America and other fragile, emerging democracies? What would have happened to our relationships and our cooperation on a host of issues between us? It was the right thing to do. Was it a domestic issue or a foreign issue? You tell me. All I know is, we have a better neighborly relationship and the future is brighter for the American people and for the people of Mexico because we are pursuing a strategy of engagement, not isolation.

You can see that in what's happening in Europe, where we're trying to bring the nations of Europe closer together, working for democracy and economic reform in the Soviet Union and Central Europe and modernizing NATO, strengthening the Partnership for Peace. And, again I will say, these things also further our interests.

I was told just last week that by all the trade initiatives which have been taken, from NAFTA and GATT to over 80 separate individual trade agreements that Ambassador Kantor has conducted, 15 of them with Japan alone, the expanded volume of exports for the United States has created more than two million jobs in the last two and a half years, paying well above the national average. With the Summit of the Americas, with the APEC process that we have agreed on, there are more to come.

The Commerce Department and the State Department have worked together more and have worked harder than ever before to try to help Americans take advantage of these new opportunities. They are a part and parcel of our foreign policy and our domestic policy.

And let me say one other thing: We have tried to make it a constant refrain that while we seek to engage all countries on terms of goodwill, we must continue to stand up for the values that we believe make life worth living. We must continue to stand up for the proposition that all people, without regard to their nationality, their race, their ethnic group, their religion or their gender,

- 7 -
should have a chance to make the most of their own lives to taste both freedom and opportunity.

The most powerful statement of that by anyone in our administration recently was a statement made by the First Lady at the Women's Conference in Beijing, where she condemned abuses of women and their little children, and especially their little girl children throughout the world, not sparing the problems of domestic violence and street crime here in the United States.

These are the kinds of things that America must continue to do. From Belfast to Jerusalem, American leadership has helped Catholics and Protestants, Jews and Arabs to walk the streets of their cities with less fear of bombs and violence. From Prague to Port-au-Prince, we're working to consolidate the benefits of democracy and market economics. From Kuwait to Sarajevo, the brave men and women of our Armed Forces are working to stand down aggression and stand up for freedom.

In our own hemisphere, only one country, Cuba, continues to resist the trend toward democracy. Today we are announcing new steps to encourage its peaceful transition to a free and open society. We will tighten the enforcement of our embargo to keep the pressure for reform on, but we will promote democracy and the free flow of ideas more actively. I have authorized our news media to open bureaus in Cuba. We will allow more people to travel to and from Cuba for educational, religious and human rights purposes. We will now permit American nongovernmental organizations to engage in fuller range of activities in Cuba.

And today, it gives me great pleasure to announce that our first grant to fund NGO work in Cuba will be awarded to Freedom House to promote peaceful change and protect human rights.
(Applause.)

Just mentioning this range of activities and the possibilities for positive American leadership demonstrates once again how vital it is to our security and to our prosperity, demonstrates once again that advancing our values and promoting our self-interests are one in the same.

I suppose, given the purpose of this conference and the unique sponsorship of it, that everybody here shares that belief and that, in a way, I'm just preaching to the choir. But this isolationist backlash, which is present in both parties, is very real. And if you look at it from the point of view of people who feel threatened by the changes in the world, it is even completely understandable. So it is important that we not simply condemn it, it is even more important that we explain the way the world is working. And as the world works its way through this period of transition toward a new order of things in which we can garner all of the benefits of change and technology and opportunity and still reinforce the importance of giving everybody a chance, giving all families the chances to be strong, solidifying communities, as we work our way through this period, it is more and more important that we not simply condemn the isolationists, but that we seek to explain how the world works and why we must be engaged and lead.

Condemnation is not enough. Characterization is not enough. We must work through these issues. The American people are good people. They have common sense. They care when people are being murdered around the world. They understand that a war somewhere else could one day involve our sons and daughters. They know that we cannot simply pretend that the rest of the world is not there. But many of them have their own difficulties. We must work and work and work on the basic values and interests and arguments until we beat back the forces of isolation, with both intense passion and reason.

-8-
You can do that. That is what you must help us to do. Every one of you, each in your own way, with your own centers of influence, you can do that, with assertion and with argument.

Let me just give you one specific example: I am determined to do everything I can to preserve our international affairs budget. It represents, after all, less than two percent of our overall budget. Foreign aid is unpopular in the abstract because Americans believe we spend a lot more of their money on foreign aid than we do. But when you ask the American people how much we should spend, they will tell you, three percent, four percent, five percent -- more than we, in fact, spend.

No agency in this era when we're trying to balance the budget can be exempt from conscious cost-cutting. Vice President Gore and I have worked very hard to give the American people the smallest government, in terms of federal employees, we've had since President Kennedy was in office; to eliminate hundreds of programs. But we must have the tools of diplomacy.

American leadership is more than words and the military budget. Although the military budget is important, we must have a diplomacy budget. Some in Congress literally want to gut foreign assistance -- to hack the State Department's budget, to slash the Arms Control and Disarmament Agency, the USIA, AID. They would shirk our responsibilities to the United Nations. I want to go give this speech to the United Nations. Wouldn't you like it if I did? Wouldn't you like it if I did? (Applause.) I appreciate the applause, but you tell me what I'm supposed to say. I will go give this speech, and they will say, thank you very much, Mr. President, where's your \$1 billion? (Laughter.) Why is the United States the biggest piker in the U.N.?

Now, let me say, does the United Nations need to be reformed? Has a lot of our money and everybody else's money been wasted? Does there need to be greater oversight? Of course, there does. Is that an argument for taking a dive on the United Nations? No.

We need your support for this. We must do this. It is the right thing to do. It is the responsible thing to do. Those who really would have us walk away from the U.N., not to mention the international financial institutions, they would really threaten our ability to lead.

As you know, in instances from Bosnia to Haiti, working out how we can lead and still maintain our alliances and cooperate through the United Nations and through NATO is sometimes frustrating and almost always difficult. But it is very important. We don't want to run off into the future all by ourselves. And that means we have to work responsibly through these international organizations. And we have to pay our fair share. Every dollar we spend on foreign assistance comes back to us many times over.

By reducing the threat of nuclear war in the Newly Independent States, we've been able to cut our own spending on strategic weapons. By supporting democratic reforms and the transition to free markets in the Soviet Union and in Central Europe, we promote stability and prosperity in an area that will in the future become a vast market for the United States. By assisting developing nations who are fighting against overpopulation, AIDS, drug smuggling, environmental degradation, the whole range of problems they face, we're making sure the problems they face today don't become our problems tomorrow. The money we devote to development or peacekeeping or disaster relief, it helps to avert future crises whose cost will be far greater. And it is the right thing to do. It is the right thing to do.

-9-
I am very worried that all these budgets are at risk -- some of them in an almost deliberate attempt to cut the United States off from partnership. I'll just give you one other example so I can go home and tell the Vice President I did it. (Laughter.)

We have a little bit of money devoted to a comprehensive, worldwide effort to deal with the threat of global warming. It is simply a matter of science and evidence. Just in the last several days, there have been a whole new rush of scientific evidence that 1995 is the warmest year on our entire planet in 20,000 years, that the hole in the ozone layer is bigger than we had imagined it to be, and that global warming is a real threat. We spend a pittance on it. That is one of the items targeted for elimination. This is not budget-cutting, this is ideology. This is another example of what the teenagers say about "denial" being more than a river in Egypt. (Laughter.) This is wrong. It is not necessary to balance the budget, and it necessary to reverse it to stand up for America's values and America's interests.

Let me just cite one more example. Radio Free Europe and Radio Liberty were key weapons in the war of ideas waged against communism. Many of you stood up for it and fought for them. To meet the challenges of the new era, they have been dramatically downsized and moved from Munich to Prague. But some want to squeeze their already vastly reduced budget on the eve of major Russian elections, at the very time the Russian reformers most need objective information and the free exchange of ideas. They would do the same for the Voice of America, which serves on the front lines of democracy all around the world from Burma to the Balkans.

Reckless budget cutters would shut down our embassies first and consider the consequences later. Last year alone, our embassies responded to nearly two million requests for assistance from Americans overseas. They helped American companies billions of dollars in contracts. And every international business leader will tell you that the State Department and its embassies are working harder to advance our economic interests than at any time in the history of the global economy.

If we didn't have diplomats in Asia and Latin America to help stem the flow of drugs to our shores, imagine how much harder that task would be. In Northern Ireland and the Middle East, if we didn't have people representing us, it would be a lot harder to move the peace process forward. In Burundi or Rwanda, if we didn't have brave people there, like Ambassador Bob Krueger, it would be even harder to avoid human tragedy. We don't need half-strength and part-time diplomacy in a world of fast-moving opportunities and 24-hour-a-day crisis.

The last point I want to make is this: There are people who say, "Oh, Mr. President, I am for a strong America. I just don't understand why you fool with the U.N. What we need is for America to stand up alone. We'll decide what the right thing to do is and do it. Let the rest of world like it or lump it. That's what it means to be the world's only superpower." That also is a disguised form of isolationism.

Unilateralism in the world that we live in is not a viable option. When our vital interests are at stake, of course, we might have to act alone. But we need the wisdom to work with the United Nations and to pay our bills. We need the flexibility to build coalitions that spread the risk and responsibility and the cost of leadership, as President Bush did in Desert Storm and we did in Haiti.

If the past 50 years have taught us anything, it is that the United States has a unique responsibility and a unique ability to

-16
be a force for peace and progress around the world, while building coalitions of people that can work together in genuine partnership.

But we can only succeed if we continue to lead. Our purpose has to be the same in this new era as it has ever been. Whatever our political persuasions, I believe we all share the same goals. I think we want a future where people all over the world know the benefits of democracy; in which our own people can live their lives free from fear; in which our sons and daughters won't be called to fight in wars that could have been prevented; in which people no longer flee tyranny in their own countries to come to our shores; in which markets are open to our products and services; where they give our own people good, high-wage jobs; a country in which we know an unparalleled amount of peace and prosperity because we have fulfilled a traditional American mandate of the 20th century well into the 21st, because we -- we -- have led the world toward democracy and freedom, toward peace and prosperity.

If we want the kind of future I described, we have to assume the burden of leadership. There is simply not another alternative. So I ask you, bring your passion to this task, bring your argument to this task, and bring the sense of urgency that has animated this country in its times of greatest challenge for the last 50 years to this task.

The future, I believe, will be even brighter for the American people than the last 50 years if -- if -- we can preserve our leadership in pursuit of our values.

Thank you, and God bless you all. (Applause.)

END

10:19 A.M. EDT

Daily Mirror
October 4, 1995, Wednesday

**PARTY FOR PATRIOTS; I LOVE MY COUNTRY BUT I HATE WHAT THE
TORIES HAVE DONE TO IT. THE COMING ELECTION WILL BE A BATTLE
FOR THE VERY SOUL OF OUR NATION**

BYLINE: Conference Reporting Team: David Bradshaw, Nigel Morris, Kevin Maguire,
Richard Garner, Jill Palmer, And Sheree Dodd

TONY Blair unveiled his vision of a Britain reborn yesterday - pledging to harness people's talents and energy to build a new nation ready to take her place in the world again.

In a passionate 65 minute speech he mixed detailed plans for government with a patriotic rallying call to the country to join new Labour's moral crusade.

He told the conference: "Socialism to me was never about nationalisation or the power of the state.

* / "Not just about economics or politics even - it is a moral purpose of life, a set of values, a belief in society, in co-operation, in achieving together what we cannot achieve alone.

"It is how I live my life. The simple truths: I am worth no more than anyone else, I am my brother's keeper, I will not walk by on the other side.

But putting these beliefs into action needed the modernisation of the party.

Values

"I believe that if we had not changed, if we had not returned our party to our values, freed from the weight of outdated ideology, we could not change the country. We could not win and even if we did, we would not have governed in the way Britain needs.

"I do not want a one-term Labour government that dazzles for a moment, then ends in disillusion. I want a government that governs for a generation and changes Britain for good.

"I have spent 16 years being angry, passionate and indignant about young people huddled in doorways, families made wretched by unemployment, the poor unable to make ends meet.

"I am fed up by anger. They don't need our anger - they need action. They will get it not through the rage of opposition but through a Labour party that has the courage to take hard choices, get into government and do something for them.

But he warned: "The hard choices get harder in government - when we refuse to take risks with inflation because this country can't be built on boom and bust.

Record

"When we want more children at university but know that means that though the Student Loan Scheme will be replaced, we face hard choices about its replacement.

"And on public sector pay, when a Labour government, like any other, will have to say no as well as yes.

"I love my party. I just hate it being in opposition. I love my country and I hate what the Tories have done to it.

"Every promise ever made, broken - taxes, unemployment, crime, NHS, education. It is a record of incompetence and dishonesty on an epic scale.

"And now they plead, 'Trust us one more time'.

"I say to the people: 'There are two sides to a deal. They gave their word, you gave your vote. They broke their word and they don't deserve your vote ever again'."

He went on: "This is a new age, to be led by a new generation. My generation were born into the welfare state and the NHS, the market economy. We had money in our pockets never dreamed of by our parents.

"My generation enjoy a thousand material advantages over any previous generation. And yet we suffer a depth of insecurity and spiritual doubt they never knew - the family weakened, society divided, elderly people in fear of crime, children abused.

"Mine is the generation with more freedom than any other but less certainty in how to exercise it responsibly, the generation that knocks on the door of a new millennium frightened for our future and unsure of our soul."

Britain faced the challenges of a new age but remained "an old country" whose history "has left us for too long defining our nation not by what unites us but by what divides us - a class system unequal and antiquated, a social fabric tattered and torn, a politics where dogma drives out common sense.

"And where, if we do not change course, we will have two classes of health service, two classes of state school, two Britains - one on welfare, another paying for it.

"I want us to be a young country again with a common purpose, with ideals we cherish and live up to, not resting on past glories, not fighting old battles.

"Not saying, 'This was a great country' but 'Britain can and will be a great country again'."

It would play its full part in Europe, "a vital part of our national interest. To be sidelined without influence is not a betrayal of Europe, it's a betrayal of Britain."

Electrifying

The family would be at the centre of Labour's crusade. "It is the foundation of any decent society. In the family people learn to respect and care for each other. Destroy that in a family and you cannot rebuild it in a country."

In an electrifying finale he appealed to the country to join the crusade.

"Feel new Britain come alive. Feel the vitality that can course through this country's veins and make it young. Rise together to the challenge. New Labour cannot create new Britain alone."

And he ended: "This coming election is not a struggle for political power -it is a battle for the soul of the nation."

TECHNOLOGY

EVERY school, office, library and hospital, and 21 million homes will benefit from a new industrial revolution signalled by Tony Blair.

Talks between Labour and British Telecom pave the way for a pounds 15 billion super-highway to transform communications.

And as the network is built, BT has agreed to connect all schools, colleges, hospitals and libraries...for free.

Succeed

"BT gets the chance to win new markets but the nation gets the chance to succeed," said Mr Blair.

Millions of miles of high-quality cables will replace existing copper phone lines to give clear pictures on computers and TVs.

It will mean people being able to watch videos by phone and to shop by gazing at 3-D supermarket aisles.

Schools will use the computers to teach everything from the 3Rs to the latest information technology.

And doctors will even be able to body-scan patients hundreds of miles away.

The talks between BT and Labour show big business preparing for a new government.

CWU communications union chief Tony Young said: "Britain can once again beat the forefront of technological revolution."

LOTTERY

LABOUR will commission a non-profit-making Lottery operator when Camelot's contract runs out in the year 2000.

The change would release millions of extra pounds every year for good causes.

It will also shake up the membership of the Lottery boards to give ordinary punters a say in where the hand-outs go.

As Tony Blair declared: "It's the people's lottery. The people should get more out of it."

JOBS & INDUSTRY

A PACKAGE to give people secure jobs and end long-term unemployment was Mr Blair's radical pledge.

He promised that Labour would build "a workforce of partners committed to a new and dynamic Britain at work."

A minimum legal wage will also be introduced to end exploitation at work.

Part-timers will get a right to holidays and the European Social Charter - ensuring good working conditions - will be signed.

Employers will be forced to recognise unions if a majority of a firm's workers join.

But union ballots and a ban on mass picketing will remain.

And public-private partnerships will be encouraged for key services.

WELFARE

THERE will be a new look welfare state under Labour.

"A young country must build a new welfare state," said Mr Blair. "It does need reform. And the party that founded it and believes in it is the party to reform it."

Dramatic action to help single mums break out of the benefits trap and support for all pensioners to enjoy their old age was promised by Mr Blair.

Labour social security experts are even now looking at ways to put cash from the state and private pensions together to guarantee a minimum income for pensioners.

There will also be action to ease the plight of pensioners whose life-time savings vanish when they go into nursing homes.

Single mums will be able to top up pay with benefits - encouraging them to find jobs.

Labour will help by offering them new skills training and aid with childcare costs.

RAIL

LABOUR will halt rail privatisation and put a publicly owned system back together.

Mr Blair warned those hoping to buy parts of the network that they will not be allowed to make "quick" profits.

"There will be a publicly owned and publicly accountable railway system," he said.

"We will save the hundreds of millions of pounds still being spent on selling our railways to upgrade our service and modernise our lines."

HEALTH

THE National Health Service will get a new lease of life under Labour.

Mr Blair told the conference: "We created the NHS. We will save it. And we will change it for the better.

"That pounds 1 billion in extra administration that the Tories have spent on bureaucracy, accountants and company cars could be spent on beds, patients and nurses."

He said the internal market that pits hospital against hospital will cease. "Doctors should be allowed to care for the sick, not make a business of them."

There will be a GP commissioning system where doctors in an area work together to provide the best service for their patients.

It will replace GP fundholding, which has created a costly two-tier system. Medics could then put the care of a patient before the cost of treating them.

And there will be specialist care centres linked to local hospitals and surgeries.

LAW & ORDER

TONY Blair promised a nationwide crusade to tackle Britain's law and order crisis.

Police, councils and businesses would be brought together to help prevent crime in their areas.

And a Labour government would help by putting more bobbies on the beat.

Labour also plans tougher penalties for violent and armed criminals, and a shake-up of the court system.

There will be a new drive against juvenile offenders, a blitz on drug dealers and youth education about the perils of drugs.

"We all suffer crime - the poorest and vulnerable most of all. It is the duty of government to protect them," said Mr Blair.

GOVERNMENT

POWER would be wrenched from "big government" and shared with the people, Mr Blair promised. "We will change the old and dead political culture of Tory Britain," he said.

Labour will begin setting up a Scottish Parliament and a Welsh Assembly within a year of taking office, and is committed to establishing super-councils in English regions.

Mr Blair also promised to stop hereditary peers sitting in the House of Lords.

EDUCATION

EVERY school will have fair and equal funding under Labour, with no return to selection, whether academic or social, Mr Blair pledged.

Every child should have access to a laptop computer, and every three and four-year-old will have a nursery place.

A Labour government will tackle the scandal of rising class sizes as a priority.

Confident

Education chiefs are confident classes of over 30 will be outlawed for five to seven-year-olds within the lifetime of a Parliament.

Labour will use the pounds 100 million a year saved by scrapping the Tories' subsidies for private schools to pay for more primary teachers and assistants.

Every child will be tested when they start school to see if they need extra help with reading and writing.

The schools revolution will also bring in new powers to weed out bad teachers.

Mr Blair said: "Education is the best economic policy there is for a modern society. The more you learn, the more you earn."

Schools supremo David Blunkett will this month talk with education chiefs, and with computer companies to provide every pupil with access to a laptop computer.

Daily Mail, October 4, 1995

A golden future is ours says Blair;

(1) LABOUR AT BRIGHTON (2) WITH PASSION AND PATRIOTISM, LEADER SHARES HIS VISION OF POWER . . . BUT STAYS RESOUNDINGLY SILENT ON TAXES (3) Change and challenge for a whole generation (4) A policy package for all, but at what cost?

BYLINE: David Hughes

IN a spell-binding speech, Tony Blair set Labour's sights on a generation in power yesterday.

Baring his soul in an almost evangelical appeal to the party faithful in Brighton, the Labour leader said that he wasn't interested in a one-term administration that 'dazzles for a moment'.

He envisaged a Labour government that holds office for a generation 'and changes Britain for good'. In his keynote party conference address, Mr Blair conjured up a hatful of headline-catching announcements - including plans to wire up the country to the information superhighway in a sensational deal with BT.

But his rapturously-received speech still left huge question marks over how the pledges would be paid for, and failed once again to say precisely what he planned in key policy areas - particularly on the economy and tax.

That didn't matter to the Labour faithful. Mr Blair's revivalist declaration of his Christian Socialism went a long way towards silencing the critics.

In a performance that had strong overtones of the young John Kennedy and of Harold Wilson's 'white heat of technology' speech 32 years ago, Mr Blair sought to reassure a party still anxious about where he is taking them.

'I didn't come into politics to change the Labour Party,' he said. 'I came into politics to change my country.'

Mr Blair spoke of the influences that had formed his generation - from Coronation Street to the welfare state.

'We enjoy a thousand material advantages over any previous generation - and yet we suffer a depth of insecurity and spiritual doubt they never knew,' he said.

Echoing President Kennedy's inauguration speech, he said he wanted to make Britain 'a young country again, where people succeed on the basis of what they give to their country, rather than what they take from their country'.

Mr Blair gave the packed conference hall an intensely personal definition of his political credo. Socialism wasn't just about economics or even politics. 'It is a moral purpose to life. A set of values. A belief in society. In co-operation. In achieving together what we cannot achieve alone.

'It is how I try to live my life. The simple truths. I am worth no more than anyone else. I am my brother's keeper. I will not walk by on the other side.'

And he challenged the Tories head-on with a blatant appeal to patriotism. Using the VJ Day commemoration to make an overtly party political point, he told how as he walked down the Mall with other senior politicians, the Union Jack-waving crowd shouted to him to 'get the Tories out'.

Mr Blair added: 'These are our people. They love this country just as we do. So let us say with pride: We are patriots. This is the patriotic party. Because it is the party of the people.

'As the Tories wave their Union Jacks next week, I know what so many people will be thinking. I know what the people want to say to those Tories: It is no good waving the fabric of our flag when you have spent 16 years tearing apart the fabric of our nation.'

Mr Blair put education and technology at the heart of his programme for a new Britain.

'Education is the best economic policy there is for a modern country,' he said. 'And it is in the marriage of education and technology that the future lies.

'We will never compete on the basis of a low wage, sweatshop economy. We have one asset. Our people. Their intelligence. Their potential. Develop it: we succeed. Neglect it: we fail. It is as simple as that.'

He warned that hard choices had to be made if Labour were to win power, with the choices getting harder in government 'when we refuse to take risks with inflation because this country cannot be rebuilt on boom and bust, even to boost short term employment.

'On public sector pay, when a Labour government, like any other, will have to say No as well as Yes - even to people in this hall. Hard choices are what good government is about.'

He won the approval of Labour's Left with commitments to smaller class sizes, an end to the NHS internal market and a minimum wage. But he also made a brazen appeal to middle Britain, saying Labour would put more police officers on the beat and encourage private pension provision.

One of the biggest cheers came when Mr Blair promised a shake-up of the National Lottery, putting it in the hands of a non-profit making promoter when Camelot's contract expires. He pledged: 'I will devote every breath that I breathe, every sinew of my body, to ensuring that your grandchildren do get to live in that new Britain, in a new and better world.'

Daily Mirror
October 4, 1995, Wednesday

**RED, WHITE AND BLAIR; TONY'S CRUSADE FOR NEW BRITAIN; REVIEW OF
TONY BLAIR'S SPEECH AT LABOUR PARTY CONFERENCE IN BRIGHTON**

BY: John Williams Political Editor

TONY BLAIR raised the flag for a New Britain under New Labour yesterday, offering himself as the young Premier-in-waiting ready to transform a nation tired of the Tories.

Mr Blair presented Labour as the "patriotic party" and laid out a programme for government in more detail than any Opposition leader in history.

He told the Tories who wave the Union Jack as if it were their personal property: **"It is no good waving the fabric of our flag when you have spent 16 years tearing apart the fabric of our nation."** Mr Blair told his party conference in Brighton how he drew inspiration from the VJ Day crowds in London this summer.

And, at 42 with the prospect of becoming the youngest Premier this century, he promised to build a new nation for those people - one Britain, after years of two-nation Toryism. Mr Blair evoked the memory of Labour's post-war triumph in 1945 and declared himself "ready in 1995 to build a new Britain".

He promised action on jobs, crime, schools and welfare reform in the most powerful conference performance from a Labour leader since Harold Wilson in 1963, the year before he took power. Mr Blair said: **"This is a new age, to be led by a new generation."** He described his feelings on VJ Day: "I was on the platform with Tory Ministers and as we walked down The Mall there were thousands of people, holding their Union Jacks.

"And it soon became clear - to the horror of the Tories - that most of them were Labour. They were waving and shouting and urging me to 'get the Tories out'. They love this country, just as we do. It is because they love this country that they look to us to change it. **So let us say with pride - we are the patriots. This is the patriotic party, because it is the people's party.**"

Mr Blair was determined to reclaim patriotism from the Tories - and offer Labour as the party of the family and the real force for law and order. "I will do all I can to get the Tories out," he said.

"I will devote every breath that I breathe, every sinew of my body, to ensuring that your grandchildren do get to live in that new Britain in a new and better world."

October 4, 1995

SECTION: THE GUARDIAN HOME PAGE; Pg. 6

LENGTH: 2174 words

HEADLINE: PATRIOT BLAIR RECLAIMS FLAG;

'A Labour government will have to say no as well as yes. Hard choices are what good government is all about'

BYLINE: Rebecca Smithers And Patrick Wintour

BODY:

LABOUR'S changes had been painful for some, but reforms - long overdue - were necessary to "sweep away forever the most discredited and dishonourable government in living memory", Tony Blair told his party conference yesterday.

He paid tribute to former Labour leaders Neil Kinnock and the late John Smith for initiating party changes which had resulted in a rewritten constitution, better relations with trade unions and new policies.

But in a speech full of patriotic fervour, he said he had not come into politics to change the Labour Party. "I came into politics to change my country. And I honestly believe that if we had not changed . . . we could not change the country."

He had, he said, spent 16 years being angry, passionate and indignant about people huddled in doorways, families made wretched by unemployment, the poor unable to make ends meet. "I am fed up by anger. They don't need our anger, they need action."

He made it clear that "hard choices" would have to be made in economic policy, education and public sector pay.

A Labour government, "let me be honest . . . will have to say no as well as yes, even to people in this hall. Hard choices are what good government is about".

He said the Tories had "conned" the electorate on tax, and he painted a grim picture of life under a fifth term of Tory government, which was unlikely to have a National Health Service, free state education system or even a welfare state, he said.

Referring to the Tory conference next week, he said: "It's no good waving the fabric of our flag when you have spent 16 years tearing apart the fabric of our nation."

Mr Blair focused on the needs and problems of his generation, which grew up after the second world war, and enjoyed money, foreign travel and the sexual revolution of the 1960s.

"Mine is the generation with more freedom than any other, but less certainty in how to exercise it responsibly. The generation that knocks on the door of a new millennium, frightened for our future and unsure of our soul." It was the task of his generation to make Britain a young country again - idealistic, ambitious and forward-looking, with power, wealth and opportunity in the hands of the many not the few. People should be saying "Britain can and will be a great country again".

Mr Blair announced a package of proposals to equip people and businesses for new technological and economic challenges. Central to this was education, "which does not stop when you walk out of the school gates for the last time. Education is for life," he said, pledging to maximise use of the country's best asset - its people.

Labour would bring together the private sector, government, universities, research centres and science labs to put together an advanced system of further education for the electronic age.

He announced that British Telecom had agreed to connect every school, college, hospital and library in Britain to new technology, free of charge, in return for Labour's promise to give it full access to the cable market.

The shadow education secretary, David Blunkett, is also to start discussions with education authorities and computer companies with a view to meeting Labour's goal of ensuring that every child gets access to a laptop computer.

Mr Blair pledged to cut class sizes, and said there would be no return to selection through exams such as the 11-plus, Labour would aim to provide a nursery place for every three and four year old.

Teachers should be properly rewarded, he said, but he promised tough rules to ensure they were up to the job. Parents should take more responsibility for truancy.

The country also faced a social and moral challenge. "Look at the wreckage of our broken society. See Britain through the eyes of our children. Are we really proud of it? Drugs, violence, youngsters hanging around the street. We have to have the courage to build a new civic society, a new social order. Where everyone has a stake - and everyone plays a part.

"We will take the excess profits of the new robber barons in the privatised utilities and use it for the most radical programme of work and education ever put forward in Britain."

He said: "Law and order is a Labour issue. We all suffer crime . . . the poorest and vulnerable most of all, it is the duty of government to protect them, and instead of wasting millions of pounds on compulsory ID cards, as the Tory right demands, let the money provide thousands more police officers on the beat.

"A young country that wants to be a strong country cannot be morally neutral about the family. It is the foundation of any decent society.

"I believe in the family. I believe in being tough on crime. Some would say those are the moral values of the right and the old-fashioned. Don't let the Tories claim these values as their own - they are our values."

He then spelled out the party's plans to reform the welfare state, saying he was looking at ways for people to put together income from public and private sources to guarantee a minimum standard of living for pensioners.

Mr Blair reiterated that laws on strike ballots, peaceful picketing and proper conduct of disputes would be kept, but promised part-time employees will no longer be treated as second-class citizens. "Young people will be properly protected against under-age working. Joining a trade union will be a matter of free choice, but where that choice is exercised, there will be a right to representation, and where a majority want it, a right to union recognition." He attacked the pounds 1 billion in extra administration that the Tories have spent on NHS bureaucracy, accountants and company cars, claiming the internal market pitted hospital against hospital. Labour would also create "regional centres of excellence in specialist care, directly linking the party's planned superhighway to hospitals and surgeries."

Turning to the railway renationalisation, he delighted delegates by saying: "I don't give any blank cheques in any areas of policy, including this. But to anyone thinking of grabbing our railways so they can make a quick profit as our network is broken up and sold off, I say this: there will be a publicly-owned and publicly-accountable railways system under a Labour government."

He promised to change the old political culture of Britain. In a hint of informal talks with the Liberal Democrats, he said: "Where it is right, we will co-operate as well as oppose," citing constitutional change and Northern Ireland. He reiterated promises for a Scottish parliament and Welsh assembly in the first year of a Labour government, implementation of the Nolan Committee proposals in full, the removal of the right of hereditary peers to vote in the Lords, and a directly-elected assembly for London.

He ended his speech by recalling the reception he received from pensioners during the VJ day celebrations. "As we walked down the Mall, there were thousands of people holding their union jacks, and soon it became clear that many of them were Labour. They were waving and shouting and urging me to get the Tories out. These are our people. They love this country just as we do. It is because they love this country that they look to us to change it."

He promised those patriots in the Mall: "I will do all I can to get these Tories out. And I will devote every breath I breathe, every sinew of my body to ensuring that your grandchildren do get to live in a new Britain in a new and better world."

George ~

F41 - A copy of my
transcribed notes
from David Broder
lecture.

Risa Kelley

**Mark L. Rosen Memorial
Keynote Speaker David Broder, The Washington Post
Ira Allen Chapel, University of Vermont
Thursday, October 5, 1995
Lecture Notes Transcribed by Lisa Kelley**

David Broder ---

"Governor, I thank you for those kind words and if I didn't know you so well, I might take them seriously. (Laughter). But thank you.

Ladies and Gentlemen let me begin by paying my respects to the members of the Rosen Family who are here and to thank them along with you for endowing this lectureship which has been filled with such distinction in the past two years by Barbara Jordan and John Kenneth Galbraith. I tremble a little bit to be walking in their footsteps but I welcome the chance to be back here in Vermont. Along with the rest of the political press corps, I was up here this summer when you were having a drought for the National Governor's Conference and I brought you rain. (laughter) I probably ought to quit while I'm ahead.

I was thinking coming up here on the plane that this day has been an interesting one for me because of the contrast. I'm sure all of you realize what a special place Vermont is and I don't want to make a tourist brochure pitch but the quality of politics in this state is really distinctive in part because Vermonters, for whatever reason, seem to care a great deal about what's happening in their communities and in their state and in their government and in the nation. But also because you are blessedly small enough that you can really have face-to-face dealings with your elected officials. I remember being up here when Senator Stafford was running his last campaign for reelection and it had been a particularly long and tiring session of Congress and he was late getting into the campaign because of that and I came up to join him for a day of campaigning. I was astonished to find that a lot of his events on his schedule involved meeting with six or seven people in this grange or that grange and I said, 'Senator, is this really, you know, sort of the best use of your time?' And he looked at me as only a Vermonter can look at an outsider and said '...they wanted to talk to me.' And that was sufficient for him.

We're a long way away from that in much of America and that was brought home to

me by the opening of my day today. I went to a press breakfast this morning with a wonderful young man named Frank Luntz. Frank is sort of this year's prodigy in the polling business. Even with the full beard he has grown now, he looks to me to be about 11 1/2 years old (laughter). He may be twice that old but not a whole hell of a lot older than that. He sort of came on to our screen, the political writers screen, when he turned up as the pollster and political advisor during one of the four or five stages of Ross Perot's campaign in 1992. Mr. Perot was not taking much advice from him or from anybody else but he didn't stay with that operation for very long. But then he turned up again as the fellow who was doing most of the polling that helped to determine what went into and what was kept out of the famous Republican Contract with America. He continues to advise Newt Gingrich and the Congressional Republicans and he's also doing some work for Senator Phil Gramm's presidential campaign.

I enjoy talking with Frank because he is younger than my youngest child. He thinks that the political world began about 1984 and when you tell him about something that happened before that he is both grateful and astonished because he didn't know that that had happened back then. But he also sees so much that an old geezer like me doesn't see that I come away sometimes shaking my head at things that have come on his screen and that just simply haven't occurred to me at all.

He was talking about where we are in American politics today. He started with an observation that has become kind of commonplace now but is fairly significant historically that, by and large by 57% to 32% in his latest poll, the people in the United States think the country is seriously off on the wrong track. And that sounds like a cliché except when you remember historically that this has been perhaps the most optimistic nation on the face of the earth and you ask yourself why we lost our confidence in our future. It's not the economy as President Clinton argued in his campaign in 1992. Because, in fact, people feel fairly hopeful about their personal economic situation and the country's economic situation. A lot of the disillusionment and a lot of pessimism relates directly to people's feeling about government and politics.

One of the questions that Luntz asked which I had never seen asked before was what percentage of the promises that politicians make do you expect them to break? The median answer was 81% -- 4 out of 5 things that the politicians tell you, the typical American thinks

they will go back on.

He asked a question that is one way, I suppose, of asking about the state of the presidency. He asked people would you like your child to grow up to be like and then gave them a whole series of political figures. He didn't give us all the numbers because I expect some of them are rather embarrassing for his clients but he gave us the number for the percentage of people who would like their children to grow up to be like President Clinton-- sixteen percent.

He asked about the reputation of Congress and his numbers were very close to the numbers that were in the Wall Street Journal last Friday. By a 59 to 38% margin people now, eight months after they elected-- ten months after they elected this Congress, are saying 59 to 38% say they disapprove of the job this Congress is doing. And then he talked a little bit about the judicial system in the wake of the OJ Simpson trial which he said, in his view, has been a defining moment for American people's trust or confidence in that part of our government. He doesn't have numbers on any of them but his speculation is that, just as we have seen consistent polling showing that African Americans in this country distrust the police forces in their cities, he now thinks that we will find comparable numbers, particularly among the so-called angry white males, about distrust of the jury system in this country. Whether you agree with that or not, I have some skepticism about that point. I'd like to see it before I believe it. I think that the picture that he draws and the one that regrettably I have been forming in my mind over the last few years is one of fairly pervasive distrust in the country. Not just in a particular politician, or President or Speaker of the House or whoever it may be. Not just of a particular administration or Congress but really the cold question of trust in our representative system of government is out there to be decided and it's in that context, I think, that we need to look at what is happening in Washington now and what we may be dealing with in the election campaign that will be beginning soon enough, here in your state and in your neighbor next door in New Hampshire.

I want to try to run through some of my observations about those subjects in that context and then, if I haven't exhausted your patience, I'd love to try to answer some of your questions in brief at the end.

I've worked in Washington as President Salmon mentioned for a very long time now. I came there actually in the middle of the Eisenhower Administration so it's coming up on 40

years in December and I would have to say that this session of Congress, this 104th Congress, has been one of the most remarkable, perhaps even historic sessions that I have ever covered. The only one that may be used as a match for was the Lyndon Johnson Great Society Congress of 1965-66 which expanded the role of the federal government -- pulled policy as far to the left as this Congress is aiming to diminish the role of the federal government and pull policy to the right. There are things happening here that are very, very big. The drive for a balanced budget means real curtailment in both appropriations and entitlement programs. The shift of welfare to the states reverses the 60 year trend of social policy for removing safety net programs in Washington, D.C., the changes that are being legislated in medicare and medicaid will give the private sector and the states much more control over the services that people actually receive from the biggest federal health programs. It's a total reversal of where President Clinton was trying to take health care policy in his health plan just a year ago.

It's been a remarkable achievement and, as I tried to write in a recent column, it's more remarkable because of the fact that this is being done not by a Congress with overwhelming Republican majorities as the Democratic Congress in 65/66 had 2 to 1 majorities for the Democrats, not in the wake of a presidential landslide victory such as Lyndon Johnson achieved in '64 but rather in a situation where the Republican majorities are quite narrow in both the House and the Senate and where the President of the opposite party controls the White House and has the veto power at his hand.

Republicans have been able to do that in part because they made the off year election into kind of a referendum that rarely takes place except in a presidential election. The results were very clear and unequivocal --- 41 Democratic incumbents defeated, no Republican incumbents lost -- that Contract with America which all of us in our wisdom in the press thought was the corniest gimmick we had ever seen. I mean here come these candidates and office holders marching down the steps on the West front of the Capitol four-by-four to sign some piece of paper and the American people are going to be impressed by that! Give me a break! That was the attitude of all of us smart folks in the press.

It turned out the Contract with America was a very, very important political document because it gave the Republicans a way of turning a set of local elections into a national campaign and equally important, perhaps even more important, it gave them a sense of what

their agenda was when they came to Washington as a newly-established majority last January. That Republican majority, though small, has showed real cohesion, particularly in the House of Representatives. Mr. Gingrich has redefined the Speaker's role in ways that the scholars of Congress are going to be writing about for a very long time. The alliance with the freshman and sophomore Republicans who constitute the majority of the House has been so strong that they have pushed the old guard committee chairman forward on a lot of issues. Mr. Gingrich has not had to crack the whip on the troops. On the contrary, they have been pushing him and others in the leadership forward.

Equally important, I think, has been the failure of the Democratic Party and its allies in the interest groups to form an effective opposition. In '93, it took Republicans really about three months to recover from the loss of the White House in 1992. They were in shock for about three months because they had come to believe that theory that the electoral college lock guaranteed them control of the White House. It turned out not to be true. But in three months they were challenging President Clinton effectively on the Stimulus Package, the first part of his economic program, and they went on from that to challenge him with increasing effectiveness on the Crime Bill and, of course, ultimately on the health care program which they turned, from the capstone of the Clinton program of the first three years, into a kind of a millstone around the necks of Democratic candidates and used that to drive the vote in their direction in 1994. Again, a rather extraordinary performance by the party out of power.

We haven't seen that kind of performance, at least so far, from the Democrats. They have been going in really three or four different directions.

The House Democrats under Dick Gephardt have been fighting a series of rear guard battles to try to protect as much of the existing programs as they can. They have scored some big victories as they did on the school lunch program but at the cost of seeing the moderate and conservative members of their own party drifting over and voting with the Republicans on many issues. And of course, seeing some of the most conservative Democrats in the House actually switching party labels and being reborn as Republican members of the House.

In the Senate, it's been a different kind of Democratic strategy using the 60 vote requirement to cut off filibusters. The Democrats have made themselves a kind of balance of power block there and they have used that to soften some of the Republican programs. . . and

slow down some others but not to defeat very many of them outright. The example, I suppose most recently, would be the welfare bill which the Democrats managed to get rewritten in substantial portion but then all but 12 of them joined the Republicans in passing the bill that still represents a fundamental reversal of Democratic national policy over 60 years time.

The White House has had a difficult time finding any strategy that lasted very long. The President, on some issues, has been playing the common ground theme trying to rise above the battle and make himself a kind of center point in what his new advisor, Mr. Morris, likes to call the triangulation strategy. If the Congressional Republicans are here and the Congressional Democrats, particularly in the House are here, Clinton should be in the middle, he said as sort of representing the sensible middle ground, common ground of American politics. And he's done that on some issues. On others, he has been willing to draw the line and there will be a series of vetoes, I think, coming from the President on some of these issues. But there hasn't been a clear message from the White House. David Obey, one of the liberal Democrats in the House of Representatives, said, 'we learned a long time ago with this President, if you don't like his policy, just wait 15 minutes because there will be a new one.' That kind of sarcastic comment reflects the difference in the gulf between those traditional Democrats who dominate the House of Representatives and the President who is trying to find a new definition of the Democratic party without totaling removing himself from the electoral base of that Party which is heavily female, heavily minority and heavily liberal in its outlook.

Where this is going to leave us in terms of the Congressional program is again very, very hard to convey the sense of the change - the scale of the change - that is really taken place. I think to put it into a historical context it may help. And I don't want to compare the Republican program that is now emerging with the Great Society program because that's not really relevant. But if you compare what the Republican majority is now doing and will be doing in the next few weeks of this session with what the two Republican presidents who most significantly shaped the modern era of the party -- Richard Nixon and Ronald Reagan -- and what they were proposing in these areas, you begin, I think, to get a sense of the scale of the change that we're seeing. Go back to Richard Nixon for a moment. His approach to Welfare Reform was the Family Assistance Plan which was a guaranteed national standard of income support for all children in poverty wherever they lived and for their parents. The

author of that plan was Daniel Patrick Moynihan who was one of the 12 Democrats who voted against this year's Senate welfare bill. That Nixon plan was stymied by liberals who objected to the rather mild work requirements it included and who argued that the benefit levels in the high benefit states like New York and California might be pulled down to the national level of benefits that Mr. Nixon was then proposing.

In the area of health, Richard Nixon proposed a plan which, like the Clinton plan of '93 and '94, would have required all businesses to provide health insurance for all their employees. Ronald Reagan in the second year of his presidency promoted a new federalism initiative as he called it that also involved sending lots of programs back to the states.

But the Reagan plan was a swap. He suggested that the states take over the basic welfare programs of AFDC and food stamps but in return he was proposing, Ronald Reagan was proposing, to federalize medicaid to make medicaid entirely a Washington responsibility. It was rejected by the Governors, including your Governor -- then Governor Snelling -- because they were not convinced that they could handle that much responsibility. Lamar Alexandar, now a presidential candidate who wants to send almost everything in domestic programs back to the states, said then, and I'm quoting, 'Most Governors would prefer that the national government took AFDC, food stamps and medicaid and give us an even amount in programs of everyday concern like sewers.'

Now contrast that with what the current Republican program is. They will end the income support guarantee from the federal government and send all of those welfare responsibilities back to the states. Federal support for those programs would be cut \$35 billion over 7 years in the Senate bill and by a larger amount in the House version. States may or may not be required to maintain their own spending on welfare programs. The Senate bill would keep it at 80% of the current amount. The House is silent about that.

Second, the Republicans would end medicaid as a federal entitlement. They would turn back to the states as block grants at a level of spending that would save \$180 billion over the next seven years. You find similar things happening in a lot of other low-income programs. What does all this tell us about where we are in terms of the federal system and where we are as a people?

Today's Governors are saying we'll take all of it. We can do it. The leaders of the legislatures, we'll take all of it. We can do it. Why are they saying that now when their

predecessors eight or ten years ago were saying quite the opposite? I think the reason is that governors and legislators in most states now are increasingly elected by the suburban majorities in those states. So, the squawks are coming about now from the mayors and the county officials because they understand that these cuts at the federal level will eventually run down hill to them and in many cases they are constrained by property tax caps from lifting their tax bases or their spending budgets. It's like a sign of the future, I think, of what's been happening in Los Angeles County where the cumulative effect of federal budget constraints and state budget constraints forced Los Angeles County three weeks ago to order the closing of its County Hospital and its basic health care system, an act that was postponed at least temporarily, when President Clinton, who will do almost anything for California these days, managed to find some couple of hundred million dollars somewhere to keep the County Hospital open in Los Angeles for a few months longer.

Does this mean that the United States has become a heartless nation? I don't think it means that at all. I think if we had any suspicion that that was the case, the reception that is being accorded to General Colin Powell as he goes around on his book tour would suggest that perhaps the strongest and oldest of the most familiar part of the American dream, the kid from a deprived background, a ghetto if you will, who struggles upward and achieves on the basis of ability and character, that classic American immigrant story, still holds great power over the American people, but some things have changed and I think those changes, perhaps, explain why we're seeing this change in our government and in our policies. For one thing we have had 20 years of steady demeaning of the federal government--stories about waste, fraud and abuse over and over again. Not just on the talk radio programs but from the politicians themselves--have convinced the American people that Washington, DC and the programs that originate there are really rotten to the core.

Jimmy Carter ran for President saying I'm going to bring to Washington a government as good as the American people and two years after Watergate a lot of the American people were prepared to believe that something needed to be done to improve the moral climate in Washington DC.

Ronald Reagan ran for President saying that he hated to think about moving to what he called Disneyland East but somebody had to go there and straighten things out. On the day that the federal government shut down in one of those budget disputes, Ronald Reagan

said 'this is the happiest day of my presidency.'

Bill Clinton just three years ago was running for President as you will remember saying that he would cure what he called 'the brain dead politics of Washington.' And one of his proudest boasts now is that he will have, by the end of his term, cut government by 210,000 jobs. It's not surprising, given this history, that the message is -- 'Get Washington out of our hair and get these programs out of Washington.'

The second thing that has happened, I think, is that much of America now has begun to perceive the problems of the cities and their people as being essentially intractable. In here, I think, we have to acknowledge some realities. The rise in births to single mothers, the rise in violent crime by juveniles, the struggles of many urban school systems, the resegregation of those schools despite the busing experiment, the continuing flight of the middle class both black and white to the suburbs. All of this has bred a sense of fatalism that makes it very easy for many Americans to say write it off, forget it, we're not going to be able to help those people. They can't help themselves and there's nothing that we can do for them.

A lot of people have come to think that things couldn't be worse in the cities than they are, so why worry about it. There are obviously some voices that challenge that view and Senator Moynihan has been making speeches on the floor of the Senate with little support. Bill Bradley from New Jersey who is now leaving Congress has been making speeches on the floor of the Senate with little support. They talk about how you have to try to revive and nourish the institutions in those cities including the churches that are making an effort to try to educate the kids to fight crime, to help families improve their housing situations. And some conservatives have joined in that effort. I wrote recently about an effort that Bill Bennett, the former drug czar, and Dan Coates, the Republican Senator from Indiana, have made to try to get their fellow conservatives to focus on the fact that simply transferring responsibility for programs from the federal bureaucracy to the state bureaucracy is not in itself likely to improve conditions for people who are the beneficiaries or the intended beneficiaries of those programs.

The dialogue has just begun in that area and I don't know where it's going to go. I don't know how much of an issue it will even be in the 1996 campaign because that campaign shapes up as one that --- unless we are very lucky -- is going to further fray the ties

that the American people feel toward each other and further erode the trust that they have in their system of government.

Clinton will escape a major challenge in the primaries and that was the first and most important political goal for the White House staff this year. They had looked at all the history of what happened to Presidents who were challenged for renomination in their own party and decided that it was very important to discourage that challenge and they appear to have been successful. I still think the President is in a vulnerable position. He won last time with 43% of the vote and in two years and nine months into his presidency traveling fairly regularly around the country, I do not recall meeting the first voter who said, in effect, 'I didn't vote for Bill Clinton last time but he sure showed me a lot of stuff that I didn't know he had and I'm going to be with him next time.' I can think of dozens, if not hundreds of conversations with voters, who have said the opposite. I voted for Bill Clinton last time but it hasn't worked out the way that I'd hoped.'

I find it hard to see how President Clinton gets to 51% of the vote unless he is able successfully to demonize the Republican candidate or, in effect, demonize the Republican party. What's been going on the last few months, particularly on the medicare issue, is clearly an effort to say to voters those Republicans are going to take something that is really important to you, away from you. And the only way we're going to stop them is that you've got a Democratic President here who is prepared to veto their plan. If he can successfully identify himself as the last obstacle to a takeover of government by the barbarians then he might be able to get to 51% of the vote I suppose.

The other possibility of course is that there might be a third party candidate -- Ross Perot or somebody running on Ross Perot's ticket -- who would, again, divide the anti-incumbent vote and enable the President to win a plurality in the popular vote and a majority in the electoral college vote without ever having to come close to the 51% mark.

The Republican race, in my view, is awfully misleading if you look at the polls at this time. Senator Dole, who is leading the field by a margin of 2-1/3-1 over the rest of the field, has the benefit of being one of the two people, the other being Pat Buchanan, who has ever run for President before, and is the only one who has an official position as Senate Majority leader which allows him to function at any day that he wishes on television or on the floor of the Senate as the spokesman for the Republican Party. And this creates a kind of halo effect

about him which is reflected in his current lead in the polls. My own belief is that at some point in this nomination fight, Senator Dole will have a real fight on his hands, that he will be challenged, as is usually the case in the opposition party, by someone who comes out of the pack at some point in the process who has a message and a personality that suddenly catches on with the voters and then we will see how strong Senator Dole's support really is. He may be able to win that nomination but he is not an easy fit for today's Republican Party because he is, at heart, an Eisenhower Republican and the picture that he now draws of himself is Bob Dole fighting smut in Hollywood or Bob Dole reviving the 10th amendment to get responsibility out of Washington back to the state capitols is pretty hard to reconcile with the Bob Dole who has been a very effective and successful inside power broker in Washington for all of these years. I don't know who's going to emerge from that Republican pack to make the real challenge to Senator Dole.

Pat Buchanan has identified himself more clearly than anybody else in the field with the angry blue collar voters -- both on moral issues and on economic issues. But it's not clear that there are more of those folks now than there were during the recession year of 1992 and it's not clear how many of them will be voting in the Republican primary next time.

Senator Gramm has money and he has persistence but, as you probably know from your own experiences up here in New England, his accent, his style and so on sometimes seem fairly alien to voters in this part of the country.

Governor Alexander is probably the dark horse in the field today. But dark horses sometimes have their day and he may be positioned as well as anyone in the current field to come out of the pack and make that challenge to Senator Dole.

Colin Powell is by all odds the most intriguing part of the equation. None of us know what he is going to do. I'm told by his friends that I oughta take him literally when he said that he will make that decision in November after the book tour is over. Because they say he has the kind of discipline that now allows him to put that question aside for now and to reserve judgement on it until the time that he had set forth. He has one strong enormous advantage over almost any other politician, Republican and Democratic, in the country and that is that people assume, for now at least, that whatever he says he is giving voice to his genuine convictions and is not trying to position himself to win their approval or to gain the support of some particular interest group. His personal qualities of solidity and predictability

are very comforting to people in a time of rapid change. They draw the contrast when you're talking with him or interviewing him between his personality as they see it and President Clinton's. The book tour is raising his profile and is raising his poll ratings. At some time in the next few weeks, I expect to see some kind of a formal draft Powell movement begin with some prominent Republican names in it.

His easy option, I suppose, would be to run as the Vice Presidential candidate with some Republican candidate, presumably Senator Dole, and position himself for a future Presidential race.

His gutsiest decision would be to go for the Republican nomination. I think he would have a fair chance to win it but it's certainly not a certainty. The risks would be front loaded. I think you would have to assume that if General Powell were the Republican nominee that there might be an independent right wing candidacy by Pat Buchanan or some kindred spirit. But I suspect that kind of a candidacy is something in the 7 to 10% range and among the other 90% of the voters, General Powell would be, at least at the outset, an overwhelming favorite to defeat President Clinton by holding most Republicans, by winning the highest of the Independents and by shifting a significant share of the black vote that is normally part of the Democratic base into the Republican column.

The other route that is available to him is to run as an Independent. I think the fact that Mr. Perot has moved preemptively to create an Independent party makes it less attractive for Powell to go that route. But if he decided to run as independent separate from Perot, I think he could probably collect the signatures that he needs to get on the ballot. I think he could be financed, particularly if corporate America began to worry about the Republican nominee's chances of beating President Clinton. But he would be fighting a two front war as an Independent with fewer organizational and financial resources than his opponents have and that does not sound like the kind of situation in which General Powell has ever wanted to place himself or his troops.

To tie this back to my opening comments, I think that one of the things that we measure in the reception that General Powell has received so far is the hunger in the country for somebody or something in politics that they could believe in again. And that hunger is probably the most significant fact in our public life today. People are distrustful of their government but that is not a comfortable feeling because all of us conservatives or liberals

understand at some level that we have got to find ways to come together to work on our common problems, that there are some things that can only be dealt with as a commonwealth as people working together. When they lose faith in their political parties as more and more Americans have done, when they lose faith in the Congress because they believe that the Congress is controlled by special interests and contributors, when they lose faith in Presidents because they don't believe those Presidents are living up to their campaign promises, the anger that is there, when it is reflected internally, is a very uncomfortable feeling. My great concern is not whether a Republican or Democrat or Independent wins this next election but that something come out of it which gives a sense of relief to the American people from this tension that we feel now in not being able to trust our own government.

On my dark days, which are not that frequent, but on my dark days I begin to think that the American people may be ready to abandon this whole notion of representative government. The idea of taking power into our own hands directly is very appealing to people whether you call it electronic town meetings as Ross Perot did or whether you call it the initiative in the Referendum as they've been governing more and more in California and in other states. The idea that we can somehow get rid of all of those brokers in between us and public policy and just do it ourselves is a very, very popular notion. I think it may work well in a state the size of Vermont. I don't see how it works at all in a country the size of the United States. And so, the stakes as far as I am concerned as a political reporter approaching this next campaign are whether or not something happens that will help to begin to turn the tide of cynicism, distrust and give the American people a sense once again that they can use the instruments of government effectively for their own purposes rather than be frustrated and alienated by those very fundamental institutions.

Thank you very much." (applause)

Broder: "If you're game, I'd like to hear what's on your minds for a few minutes. Yes."

Question -- What do you think the impact will be of the OJ Simpson verdict on someone like Colin Powell with national aspirations?

Broder: " . . . The only honest answer is I haven't a clue. I do not know. My young friend,

Mr. Luntz, speculated that it will add to the distrust and alienation in the system and therefore whichever party or candidate is seen as defending the status quo will have even a harder time making themselves credible to the American people. I don't know how people will link that decision of the court verdict to their voting decision. I don't dismiss his theory of the case. But I honestly don't know. I need to get out, as we're going to be doing a lot of in the middle of this month, and talk to people and hear what they have to say not just about the Simpson case but about what they really make of what's been going on in Washington. I am intrigued by this steady decline in the approval ratings of Congress. Part of it is, I'm sure that people just don't like to watch legislation being made, that the clash of policies and of people, even if the issues are important and the differences are genuine, is distasteful to people. They don't like to hear the noise or what they call the bickering in Washington. They also, ironically, don't like compromise and without compromise there is never any legislation. So, some of what I think the distaste they're showing is the same thing that caused them to increasingly give lower ratings to the Democratic Congress in 1993 and in 1994. We're an impatient people. We keep our politicians on a very short leash now. We would like instant results and that's not the way a representative government works so I want to hear a lot from the voters about what they think of what's going on in Washington, I suppose, and of what they think went on in Los Angeles as well. . ."

Q: Do you see any hope for substantive campaign finance reform? . . .

Broder: " . . . A bit but not a lot. There's a decent bi-partisan bill that has been introduced in the Senate by Senator John McCain, the Republican from Arizona, and Senator Russ Feingold, a Democrat from Wisconsin, that if it were in effect now, I think, would make our system substantially better than what it is now. It sets spending limits and provides incentives for the candidate to accept them by using indirect subsidies not direct public financing. And makes an effort to curtail independent expenditures. I have to tell you that my own views on this question have changed once again. I've been covering and trying to think about campaign finance issues for, I suppose, as long as I've been working in Washington. And every two years I have a different theory of the case. My current theory, which will probably not last much longer than the others, is that this issue may be less important than the public

thinks. I think the public view of the corruption of money in contributions is so strong that it deserves deference and if there are things like the McCain/Feingold bill that can be done that would actually make some changes, I think they're worth trying. But let me tell you why that issue is less important than I've always thought it was.

Covering the health care fight in the last Congress and now a resumption of it in medicare/medicaid in this Congress, what's clear to me is that whichever side you took in that fight you could raise money on it as the incumbent. If you wanted to be pro-reform or anti-reform there was money to be made in contributions from people who were supporting that side of the fight. One of the people who was on the losing side, Congressman/a then Majority Leader Gephardt said there was so much money on the health care fight that it really kind of all negated each other but what made a difference in the health care fight was that some of the interest groups like the National Federation of Independent Businesses and the Health Insurance Association of America set up what were, in effect, political campaigns to support their position. They had field organizers out, they had media campaigns, they had everything that goes into a modern presidential campaign as part of their effort to change or defeat that health reform initiative of the administration. Nothing in any of the campaign finance proposals would inhibit them in the least from doing that and that's what really made the difference in that fight. It was the grass roots activity and the media activity that really made a change.

The second thing that makes me wonder about the efficacy of any of these proposed reforms is that increasingly people who want to influence campaigns are going to direct expenditures. They are not making contributions to candidates, they are raising money and spending it themselves to influence elections. That's what the National Rifle Association did in many campaigns, that's what the term limits people did in many campaigns last year. They did issue advocacy that happened to support the position of one of the candidates and to weaken the position of the other candidates. Under our constitution, it's very difficult for me to see how we are going to say to like-minded people, you may not use your resources to carry your message to voters during a campaign on your issue. So, I have really come to believe that while there are ways to change the campaign finance system that would give challengers a better break against incumbents, the notion that we are going to 'drive the special interests out of this thing' by changing the campaign finance laws is, I'm afraid,

another promise that will turn out to be an empty promise once we have attempted to do it that way."

Q: . . .How does the public perceive our role in the world and how does foreign aid fit into that?

Broder: ". . . I think two points need to be made. Since the end of the cold war, the American people have come to believe, rightly or wrongly, that the main challenges facing this country are here at home and not overseas.

Second, since the end of the cold war, no one -- not President Bush who was very engaged in foreign policy and not President Clinton who is not that engaged in foreign policy -- has made a serious effort to draw a picture for the American people of the shape of the new world and where America fits into that world. Foreign aid, in all the years I've been in Washington, has been a presidential project. Nobody has ever been able to build support for foreign aid except a President and they've been able to do it over most of that period of time by linking it to our strategic interests in the cold war. Now, there is no linkage for it so that program is very, very vulnerable. It's never had much of a domestic constituency. The public has a wildly exaggerated idea of how much we are spending how much of budget goes to foreign aid, and very little appreciation of the usefulness of foreign aid as a tool of American foreign policy. . . .

Q: Last week you wrote(question about the earned income tax credit)

". . . That column is about the earned income tax credit which I dare say not 1% of the American people could tell you what it is so I can't believe that they're upset with Congress by trimming back or proposing to cut back the earned income tax credit. No, I think it probably has something much more to do with the onslaught (of) or their dislike for the process of legislation and what now comes through to them as more bickering, more static, more of those damn politicians fussing with each other instead of fixing things and I suspect most of it has to do with the success that the Democrats have had, if you will, in creating fear on the medicare program. There's been a lot of fibbing on both sides in this medicare fight

but for my score card, the Democrats have fibbed more than the Republicans, but I think it's having an effect. I think they are scaring a lot of people into thinking that something terrible and drastic is going to happen to their medicare program and medicare is a very, very sensitive issue in this country. And the Democrats on Capitol Hill are convinced that if they can just nail the Republicans as being the ones who are trying to take your medicare away from you then all kinds of wonderful things will happen including restoration of the Democratic majority in the House of Representatives. I suspect that it has more to do with those two things than it does with what's been happening on the low income program."

Q: How deep is Senator Dole's popularity?

Broder: "The short answer is I don't know. The respect for Senator Dole I think is genuine. When I have been traveling with him, I've been struck by the genuine -- the feeling that comes through from those audiences is that he is our leader. He is Mr. Republican in Washington DC today and we think that we like the way he is doing that job. His opponents say that's different from the way they will think about him when they are trying to make a decision about who should be the next President of the United States. Deference is more important, I think, in Republican primaries than I think it is in Democratic primaries. Democrats love to knock off the favorite. I mean they took some sort of perverse pleasure in doing that to Mondale and to Ed Muskie before that. They like to humble their greats in their party. There is no such instinct that I can see among Republican electors. But I must say that if you listen to Senator Dole on the stump and say is this a Presidential speech, very few of his speeches are Presidential speeches.

I will give you an anecdote from the Governor's Conference up here. As you know Senator Dole was on and then a couple hours later President Clinton was on. And after the two of them had spoken, I had an interview with a Midwest Governor who is formerly uncommitted at this point but clearly is leaning toward Senator Dole. And I said well what did you think? And he said to me, "Did you see what Clinton did"? And I said, "well yeah I saw both of them." He said, "Clinton came in and he talked in wonderful, broad generalities. Dole talked about legislation just like he always does. He told us about this amendment and he keeps helping that amendment and there's this third amendment and then we're going to

get a bill. That's not what Clinton does and that's not what a President does."

And it's that kind of reaction that makes me inclined to think that at some point along the way, Senator Dole is going to be tested. I don't think he's going to get this nomination without having a fight for it at some point. His nomination is very valuable. Republicans think he can beat Bill Clinton because they don't have a high regard for President Clinton or his ability or his performance as President. My hunch is that at some point Bob Dole will be tested in the thing. And then we will see whether or not those Republican voters believe him to be Presidential or not. And then that's going to be the moment of truth for him."

Broder: I have one more question. Yes sir.

Question: . . . What do you speculate will be the outcome of the Republican tax cut effort?

Broder: "I would not spend my entire tax cut tonight if I were you. But, I think there's going to be a tax cut in the final budget bill. Republicans are very serious about it and I think they want very much to do something in the way of a family allowance or child's allowance or child's tax credit. They want to do something that they can describe as being a direct benefit to middle-class, working class families and they very seriously want to do something about the capital gains tax. The likelihood is that the scale of the tax cut will be substantially smaller than the \$245 billion figure that's in the Republican budget at this point. But the point to remember, I think, is that we're going to have some battles. There'll be some vetoes. They'll be on individual bills. There may be a veto on the first version of the so-called Reconciliation bill that wraps it all together. But in the end there will be a negotiation. There has to be and in the end of that negotiation, if history is any guide, the President will be less happy than the members of the majority of Congress.

That's been the history of these negotiations. Ronald Reagan in 1982 claimed forever after that, he was promised \$3 of spending cuts for every dollar of every tax increase he accepted and he didn't get it.

In 1990, George Bush went into the budget summit with consequences that we all remember. . .

I think that Clinton will have a similar experience with the Republican Congress and

for a very simple reason. The Constitution gives the power of the purse to Congress and the President has all kinds of ability to nudge the Congress, to berate the Congress, to veto bills, but in the end the spending and the taxing powers are up there on Capitol Hill. That's where most of the decisions will be made and the Republicans, my guess would be, will be more satisfied with the outcome of that final negotiation than President Clinton is going to be.

Thank you very much."