

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christopher J. Lavery (CN=Christopher J. Lavery/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:14-NOV-1997 16:33:33.00

SUBJECT: Accomplishments

TO: Steve Hudak (Steve Hudak @ 12037722260@fax [UNKNOWN])
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TO: Peter Kelly (Peter Kelly @ 18605482680@fax [UNKNOWN])
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TO: John Droney (John Droney @ 18606763200@ fax [UNKNOWN])
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TO: State Comptroller Nancy Wyman (State Comptroller Nancy Wyman @ 18607023319@fax [UNKNOWN])
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TO: Speaker Tom Ritter (Speaker Tom Ritter @ 18602400206@fax [UNKNOWN])
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TEXT:

President Clinton and Vice President Gore
Working Families Are Top Priority

As Congressional Session Ends, President,s Accomplishments Are Clear.
As Congress wraps up its work this week and heads home, one thing is
clear. President Clinton,s agenda -- as laid out in his February State
of the Union speech -- drove the congressional agenda this year. The

President accomplished almost everything he set out to do ten months ago.

Major, Historic Accomplishments On Budget, Education, Environment & Children,s Health. Among the most significant of President Clinton,s accomplishments during the first year of his second term:

- The First Balanced Budget In A Generation
- A Middle Class Tax Cut For 27 Million Families With Children
- The Largest Investment In Education In 30 Years
- The Largest Increase In Pell Grants In 20 Years
- The Single Largest Investment In Children,s Health Care Since 1965
- The Toughest New Air Quality Standards In A Generation

American Economy Is The Best It Has Been In A Generation. Under President Clinton and Vice President Gore,s leadership the American economy is the strongest it has been in a generation. We have the highest home ownership rate in American history, unemployment is the lowest in 24 years, and over 13.5 million new jobs have been created. The fiscal responsibility they have enforced has cut the deficit by 92%.

Working To Help Families Balance The Demands Of Work And Home. President Clinton and this Administration have made taking care of families and helping create bright futures for children more achievable by; providing tax cuts for working families, implementing National Standards to help our children succeed, creating Hope Scholarships and increases in Pell Grants, expanding Head Start, funding the America Reads initiative, limiting youth access to tobacco, and providing health insurance for up to 5 million uninsured children.

More Work To Be Done Next Year. While this has been a year of great progress, there is still more work to be done on President Clinton,s 1997 agenda. We need to pass fast-track trade authority so that the President can tear down foreign barriers to American goods. The President will also push Congress to pass meaningful campaign finance reform -- which is scheduled for have clean up-or-down vote early next year. In addition, the President will also work to enact the his Juvenile Justice legislation and school construction initiative.

The First Year Of President Clinton,s Second Term:
A Strong Record Of Accomplishment
Friday, November 14, 1997

&Tonight I issue a call to action--action by this Congress, by our states, by all our people, to prepare America for the 21st century.⁸

On February 4, 1997, President Clinton laid out an ambitious &call to action⁸ in the first State of the Union of his second term. As Congress adjourns this November, the record is clear. President Clinton drove the Congressional agenda this year, accomplishing most everything he set out to do ten months ago.

BALANCED BUDGET & TAX CUTS:

First Balanced Budget In A Generation
Middle Class Tax Cut For 27 Million Families With Children

EDUCATION:

Largest Investment In Education In 30 Years
HOPE Scholarship Makes 13th & 14th Grades As Universal As A High School Diploma
20% Tuition Tax Credit Worth Up To \$10,000 For College Or Lifetime Learning
Largest Increase In Pell Grants In 20 Years
America Reads Initiative To Ensure Every Child Can Read By The 3rd Grade

On Track For First-Ever National Test Of 4th Grade Reading, 8th Grade Math
57% Increase For Public Charter Schools
Head Start Expanded Toward Goal Of 1 Million Children By 2002

HEALTH CARE:

Single Largest Investment In Children's Health Care Since 1965
Medicare Protected, Modernized And Trust Fund Extended At Least A Decade

ENVIRONMENT:

Toughest New Air Quality Standards In A Generation
Developed A Bold, Market Based National Strategy To Reduce Greenhouse Gases

WELFARE:

Restored Basic Health And Disability Benefits To Legal, Law-Abiding Immigrants
New Incentives And Community Efforts To Move 2 Million More People Off Welfare

URBAN AGENDA:

Tripled The Number Of Empowerment Zones
63% Expansion Of Community Development Banks
Brownfields Tax Incentive Will Redevelop 14,000 Contaminated Sites

FOREIGN POLICY:

Ratified The Chemical Weapons Convention
Secured Passage Of China MFN, Hosted First US--Sino Summit In 8 Years
NATO Expansion

WHERE WE CAME UP SHORT:

Renewal Of Fast Track Authority
Passage Of Campaign Finance Reform
Enactment Of The Juvenile Justice Proposal
Enactment Of School Construction Proposal

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BALANCED BUDGET & TAX CUTS:

First Balanced Budget In A Generation: After cutting the deficit by 63 percent in his first term, from \$290 billion to \$107 billion, President Clinton promised in his 1997 State of the Union speech to &propose a detailed plan to balance the budget by 2002.⁸ On August 5, 1997, the President signed an historic, bipartisan bill to balance the budget for the first time since 1969.

Middle Class Tax Cuts For 27 Million Families With Children: In addition to balancing the budget, President Clinton promised in his State of the Union to &provide middle class tax relief...to help raise a child.⁸ On August 5, 1997, the President signed into law a \$500 per-child tax credit that will benefit approximately 27 million families with 45 million children under 17. For the typical family with two kids, this child tax credit will mean \$1,000 more per year in take-home pay.

EDUCATION:

Largest Investment In Education In 30 Years: In his February State of the Union, the President said his &number one priority⁸ was to ensure that &all Americans have the best education in the world.⁸ The President said his balanced budget would reflect this commitment. Now, that commitment is the law. The bipartisan Balanced Budget Act includes the largest investment in education in 30 years -- and the largest investment in higher education since the G.I. Bill.

HOPE Scholarship Makes 13th & 14th Grades As Universal As A High School Diploma: In his February 1997 State of the Union, President Clinton called for passage of his America,s HOPE Scholarship proposal in order to &make the 13th and 14th years of education...just as universal in America by the 21st century as a high school education is today.⁸ Today, the HOPE Scholarship is law, providing a 100 percent tax credit on the first \$1,000 of tuition and fees and 50 percent on the second \$1,000 -- enough to pay for the typical community college.

20% Tuition Tax Credit for College Juniors, Seniors, Graduate Students And Working Americans Pursuing Lifelong Learning To Upgrade Their Skills: The President,s State of the Union address included a proposed &tax deduction of up to \$10,000 a year⁸ for post high school tuition. The President,s proposal is now law. The 20 percent tuition tax credit will be applied to the first \$5,000 of qualified education expenses through 2002, and to the first \$10,000 thereafter.

Largest Increase In Pell Grants In 20 Years: President Clinton pledged during the State of the Union that his balanced budget would include &the largest increase in Pell Grant Scholarship in 20 years.⁸ Now, that commitment is the law. On November 13, 1997, the President signed the

Labor-HHS-Education Appropriations Bill which included his proposal to increase the maximum Pell Grant to \$3,000 -- the largest increase in two decades. Approximately 3.7 million students will receive the \$300 increase, and an additional 220,000 low- and moderate-income families that were not previously eligible will receive Pell Grants.

America Reads Initiative To Ensure Every Child Can Read By The 3rd Grade:

Noting that &we must do more to help all our children read⁸ during his 1997 State of the Union, President Clinton called on Congress to pass his America Reads Initiative. The Labor-HHS-Education Appropriations Bill the President signed on November 13, 1997, included nearly \$300 million in new funding towards the President's comprehensive literacy strategy. As a result: 3000 new Americorps members and thousands of senior volunteers will recruit more than 100,000 volunteer reading tutors; state teacher training and family literacy efforts receive an additional \$41 million; and an advance appropriation of \$210 million is provided for pending legislation based on the President's America Reads Initiative.

In addition, more than 800 colleges have answered the President's State of the Union call, pledging to have thousands of their work-study students &serve for one year as reading tutors.⁸

On Track For First-Ever National Test Of 4th Grade Reading, 8th Grade Math: President Clinton issued a &challenge to the nation⁸ during his State of the Union speech, calling on every state to &adopt high national standards⁸ and &test every fourth grader in reading and every eighth grader in math to make sure these standards are met.⁸ The Labor-HHS-Education Appropriations Bill the President signed on November 13, 1997, fully funds (\$16 million) the Administration's voluntary national testing program and allows for development and pilot testing of the first-ever national 4th grade reading and 8th grade math tests.

57% Increase For Public Charter Schools: Continuing his lifelong commitment to improving and reforming America's public schools, President Clinton called for a dramatic increase in the number of public charter schools in his 1997 State of the Union &so that parents will have even more choices in sending their children to the best schools.⁸ The Labor-HHS-Education Appropriations Bill the President signed on November 13, 1997, increases funding for charter schools by 57 percent, from \$51 million to \$80 million. And while there was only one charter school in the nation when President Clinton took office, there will be nearly 1,000 locally-designed charter schools supported by the Department of Education by the end of 1998 -- accelerating progress towards the President's goal of 3,000 by early next century.

Head Start Expanded Toward Goal Of 1 Million Children By 2002: Stating that &we already know we should start teaching children before they start school,⁸ President Clinton proposed a balanced budget that &expands Head Start to one million children by 2002⁸ in his 1997 State of the Union address. The Labor-HHS-Education Appropriations Bill the President signed on November 13, 1997 includes \$4.4 billion for Head Start, a \$374 million increase -- and a 57 percent increase since 1993. Head Start will serve 836,000 children and their families in 1998 and is on track meeting the

President's goal of reaching one million by 2002.

HEALTH CARE:

Single Largest Investment In Children's Health Care Since 1965: President Clinton pledged in his 1997 State of the Union that his balanced budget would extend health coverage to up to five million...children.⁸ Now, that commitment is law. The Balanced Budget that President Clinton signed into law on August 5, 1997 included \$24 billion for the President's Children's Health Initiative -- the single largest investment in health care for children since passage of Medicaid in 1965. The \$24 billion will provide meaningful health care coverage to up to five million currently uninsured children -- including prescription drugs, vision, hearing, and mental health services.

Medicare Protected, Modernized And Trust Fund Extended At Least A Decade: President Clinton promised during his 1997 State of the Union that his balanced budget plan would modernize Medicare and increase the life of the Medicare Trust Fund to ten years. These promises are now law. The bipartisan Balanced Budget extended the life of the Medicare Trust Fund at least a decade -- saving \$115 billion over five years and \$400-\$450 billion over ten years. The President fought to prevent any damaging changes that would have undermined Medicare, and instead worked to enact structural reforms to prepare it for the 21st century. These reforms included more choices among health care plans, changes to the annual Medigap enrollment and restructuring specific payment systems so that rates are set in advance. Also included is \$4 billion over five years for new Medicare preventive benefits -- expanded coverage for mammograms, colorectal screening, and improved self management of diseases like diabetes.

ENVIRONMENT:

Toughest New Air Quality Standards In A Generation: The President pledged to protect our environment in every community⁸ in his State of the Union address. This year, at the President's direction, the Environmental Protection Agency set new air quality standards for smog and soot, the toughest in a generation, providing new health protections for 125 million Americans, including children and the elderly. EPA will work with state and local governments to assure maximum flexibility in implementing the new rules.

Developed A Bold, Market Based National Strategy To Reduce Greenhouse Gases: President Clinton pledged in the 1997 State of the Union to protect our global environment⁸ and work to reduce the greenhouse gases.⁸ Based on a firm scientific consensus, and after extensive consultation with industry, environmentalists, labor and the public, the President outlined a bold strategy in October to achieve international agreement to significantly reduce emissions of greenhouse gases. The President's plan calls for flexible, market-based approaches to assure the reductions can be achieved in a way that creates new economic opportunities.

WELFARE:

Restored Basic Health And Disability Benefits To Legal, Law-Abiding Immigrants: When the President signed the 1996 Welfare Reform Law, he pledged to go back and change provisions he opposed regarding the cutting off of benefits to legal, law abiding immigrants. Critics said the changes would never be made. However, in 1997, the President followed through on his pledge -- and won most of the changes he sought in the 1996 law. The President fought for and won \$11.5 billion in SSI and Medicaid benefits for legal immigrants. He won changes that protect those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And immigrants in this country as of August 22, 1996 but not receiving benefits who subsequently become disabled will be eligible for SSI and Medicaid.

New Incentives And Community Efforts To Move 2 Million More People Off Welfare: During his first term, President Clinton's lifetime of experience and innovative approach to welfare reform lead to the largest decline in welfare rolls in history. In his 1997 State of the Union, the President set out a plan including government incentives and private sector challenges to reach another goal: two million more people off the welfare rolls by the year 2000. 8

Expanded Work Opportunity Tax Credit and Created the \$3 Billion Welfare To Work Job Challenge Fund: The Balanced Budget Law includes a tax credit for employers who hire long-term welfare recipients equal to 35 percent of the first \$10,000 in wages in the first year of employment and 50 percent of the first \$10,000 in the second year to encourage retention. The President also succeeded in including \$3 billion to create his Welfare to Work Job Challenge Fund -- to assist states and communities in moving long-term welfare recipients into lasting, unsubsidized jobs.

Challenging Communities to Move People from Welfare to Work: The President challenged every religious congregation, every community nonprofit, every business to hire someone off welfare. 8 Responding to the President's challenge, the Welfare to Work Partnership was launched to lead a private sector effort to move people from welfare to work. Begun with 100 businesses, the Partnership is aiming for 1,000 businesses within six months. Vice President Gore also reached out, creating the Welfare to Work Coalition to Sustain Success -- a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed.

URBAN AGENDA:

Tripled The Number Of Empowerment Zones: President Clinton called for doubling the number of empowerment zones and enterprise communities in his 1998 budget. The Balanced Budget Law the President Clinton signed actually triples the number of EZs, adding 20 new EZs (15 urban and 5 rural second round zones and 2 more first-round zones) -- bringing the total number created to 31.

63% Expansion of Community Development Banks: President Clinton called for an expansion of Community Development Banks in his State of the Union speech. The Balanced Budget Law the President signed in August included \$80 million for Community Development Financial Institutions in FY 1998 --

a 63% increase over FY 1997. These entities make investment capital and other financial products and services available in low- and moderate-income communities.

Brownfields Tax Incentive Will Redevelop 14,000 Contaminated Sites: The President called for restoring &contaminated urban land and buildings to constructive use & through his Brownfields tax incentive program. Brownfields were part of the Balanced Budget Law the President signed. The tax incentives will leverage more than \$6 billion for private sector cleanups nationwide according to the Treasury Department -- and allow for the redevelopment of 14,000 contaminated, abandoned sites in economically distressed urban areas.

FOREIGN POLICY:

Ratification Of The Chemical Weapons Convention: President Clinton challenged Congress during his State of the Union speech to &rise to a new test of leadership & and &pass the Chemical Weapons Convention. & And after an intense lobbying effort by the President, the Senate ratified the Convention on April 24, 1997.

Secured Passage Of China MFN, Hosted First US--Sino Summit In 8 Years: President Clinton challenged the country to &pursue a deeper dialogue with China for the sake of our interests and our ideals. & The President successfully lobbied Congress to extend normal trading relations with China on June 24, 1997. And the first U.S.-- Sino State Visit in eight years, hosted by President Clinton at the White House in October, resulted in agreements on a broad range of security, economic, environmental and law enforcement issues.

NATO Expansion: President Clinton called for expanding NATO membership by 1999 &so that countries that were once our adversaries can become our allies. & On July 8, 1997, at the Madrid NATO Summit, three nations -- Poland, Czech Republic and Hungary -- were offered membership in NATO. President Clinton has pledged to lobby the Senate to ratify these changes &so that we can bring in the new members by the 50th anniversary of NATO in 1999. &

WHERE WE CAME UP SHORT:

Renewal Of Fast Track Authority: President Clinton ,s lobbying efforts on behalf of renewed &fast track & trade authority resulted in majority support in the United States Senate. A clear majority of Democratic governors and mayors supported the President ,s position. In the House of Representatives, however, the vote had to be postponed when it became clear that opposition by Democratic lawmakers -- and the linking of the trade vote to international family planning by House Republicans -- would derail the legislation.

Passage Of Campaign Finance Reform: Despite intense lobbying efforts by President Clinton, Republican Congressional leaders killed the McCain-Feingold/Meehan-Shays campaign finance reform legislation this year. Campaign finance reform enjoyed universal Democratic support in the Senate and strong Democratic support in the House. The President

continues to support passage of the bill and is encouraged that Senate Democratic Leader Tom Daschle was able to extract a pledge from Majority Leader Trent Lott to have a clean up-or-down vote on the measure before March 6, 1998. Speaker Gingrich has also promised to hold a March campaign finance reform vote.

Enactment Of The Juvenile Justice Proposal: The President's Juvenile Justice legislation did not get far on Capitol Hill this year. However, the President used his executive power to make progress on some of the central initiatives in his legislation. For example, the President's legislation called for handguns to be sold with a child safety lock. President Clinton signed a directive to all Federal agencies requiring child safety locks be issued with every handgun. And the Administration reached an agreement with 8 major handgun manufacturers who agreed to provide child safety locks with each handgun sold.

Enactment Of School Construction Proposal: President Clinton proposed an initiative to invest \$5 billion over four years to finance \$20 billion in school construction projects. The initiative was not included in the Balanced Budget the President signed.

PRESIDENT CLINTON'S ACCOMPLISHMENTS:

Connecticut

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

Unemployment Down to 4.6%: The unemployment rate in Connecticut has declined from 6.6% to 4.6% since 1993.

66,900 New Private Sector Jobs: 66,900 new private-sector jobs have been created in Connecticut since 1993 -- an average of 14,336 jobs per year. In contrast, an average of 34,725 private sector jobs were lost each year during the previous administration.

59,000 Have Received a Raise: Approximately 18,000 Connecticut workers have benefited from an increase in the minimum wage -- from \$4.25 to \$4.75 -- on October 1, 1996. They, along with about 41,000 more, received an additional raise on September 1, 1997.

A \$500 Child Tax Credit to Help Families Raising Children: To help make it easier for families to raise their children, the balanced budget includes a \$500 per-child tax credit for children under 17. Thanks to President Clinton the balanced budget delivers a child tax credit to 362,000 families in Connecticut.

Business Failures Down 13.7%: Business failures have dropped 13.7% per year since 1993, after increasing 68.5% per year during the previous four years.

Over \$40,000 of Reduced Federal Debt for Every Family of Four. The national debt will be more than \$2.5 trillion lower in 2002 than was projected before the passage of President Clinton's economic plan. That's over \$40,000 of reduced federal debt for each family of four in Connecticut.

EXPANDING ACCESS TO EDUCATION:

\$27 Million in Head Start Funding: In FY97, Connecticut received \$30.6 million in Head Start funding. This year [FY98], Connecticut receives \$336 million, an increase of \$305 million over 1997.

\$4.7 Million in Goals 2000 Funding: This year [FY98], Connecticut

receives \$4.7 million in Goals 2000 funding. This money is used to raise academic achievement by raising academic standards, increasing parental and community involvement in education, expanding the use of computers and technology in classrooms, and supporting high-quality teacher professional development.

\$3.8 Million for Technology Literacy: This year [FY98], Connecticut receives \$3.8 million -- more than doubling its funding over FY97 -- for the Technology Literacy Challenge Fund which helps communities and the private sector ensure that every student is equipped with the computer literacy skills needed for the 21st century.

\$68 Million for Students Most in Need: Connecticut receives \$68 million in Title I Grants (to Local Educational Agencies) providing extra help in the basics for students most in need, particularly communities and schools with high concentrations of children in low-income families [FY98].

Over 1100 Have Served in Connecticut through AmeriCorps: Last year, 127 AmeriCorps participants served their communities while earning money for college by working in Connecticut's schools, hospitals, neighborhoods and parks. Since the National Service program began in 1993, over 1100 members have served Connecticut in 87 different programs [through FY97].

\$36.6 Million in Pell Grants: Connecticut received \$36.6 million last year in Pell Grant funding, helping Connecticut's low-income students go to college.

Tuition Tax Credits in Balanced Budget Open the Doors of College and Promote Lifelong Learning: The balanced budget includes both President Clinton's \$1,500 HOPE Scholarship to help make the first two years of college as universal as a high school diploma and a Lifetime Learning Tax Credit for college juniors, seniors, graduate students and working Americans pursuing lifelong learning to upgrade their skills. This 20% tax credit will be applied to the first \$5,000 of tuition and fees through 2002 and to the first \$10,000 thereafter. 69,000 students in Connecticut will receive a HOPE Scholarship tax credit of up to \$1,500. 85,000 students in Connecticut will receive the Lifetime Learning Tax Credit.

FIGHTING CRIME AND VIOLENCE:

Crime Falls 16% in Connecticut: Since 1992, serious crime has fallen 37% in Hartford, 14% in New Haven, 17% in Stamford, 14% in Waterbury, and 16% statewide. [1996 data].

587 More Police: The President's 1994 Crime Bill has funded 587 new police officers to date in communities across Connecticut [through 7/97].

\$1.8 Million to Combat Domestic Violence: Through the Violence Against Women Act, Connecticut will be able to use \$1.8 million in federal funds by the end of this year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services.

\$560,435 in Grants for Battered Women and Children: In 1998, Connecticut will receive an estimated \$560,435 in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse.

\$4.8 Million to Keep Drugs & Violence Out of Connecticut's Schools: Connecticut has received \$4.8 million in FY97 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING CONNECTICUT RESIDENTS FROM WELFARE TO WORK:

6,849 Fewer People on Welfare: Since 1993, there are 6,849 fewer people on welfare in Connecticut [through 6/97].

Child Support Collections Up 48%: Child support collections have been increased by \$40 million -- or 48% -- in Connecticut since FY92 [through FY96].

INVESTING IN CONNECTICUT'S HEALTH:

Health Care For Uninsured Children: The balanced budget includes the largest single investment in health care for children since the passage of Medicaid in 1965 -- an unprecedented \$24 billion over five years to cover as many as five million children throughout the nation. This investment guarantees the full range of benefits -- from checkups to surgery -- that children need to grow up strong and healthy. It ensures that prescription drugs, vision, hearing, and mental health coverage now offered at the state level are extended to millions of uninsured children. To expand health coverage to 53,000 uninsured children in Connecticut the balanced budget provides \$35 million in 1998. This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health care coverage to 53,600 children in Connecticut.

More Toddlers Are Being Immunized: As a result of the President's 1993 Childhood Immunization Initiative, childhood immunization rates have reached an historic high. According to the CDC, 90% or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines -- surpassing the President's 1993 goal. In Connecticut in 1996, 99% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 95% received the vaccine for polio; 96% received the vaccine for measles, and 98% received the vaccine for Haemophilus influenzae B, the bacteria causing a form of meningitis.

PROTECTING THE ENVIRONMENT:

2 Toxic Waste Sites Cleaned Up: Since 1993, the EPA has completed 2 Superfund toxic waste cleanups in Connecticut, in Norwalk and Cheshire [through 6/97].

4 Brownfields Pilots in Connecticut: The EPA has awarded national Brownfields Demonstration Pilots in Bridgeport and Hartford, and regional pilot in New Haven and the Naugatuck Valley. These projects are intended to jump-start local clean-up efforts by providing funds over a two year period to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING URBAN RENEWAL EFFORTS:

\$6 Million to Bridgeport and New Haven: Bridgeport and New Haven were designated as Enterprise Communities in December, 1994 and were awarded \$3 million each to create more jobs, housing, and economic opportunity for area residents.

PROVIDING DISASTER RELIEF:

\$8.1 Million in Federal Emergency Assistance: Since 1993, Connecticut has received \$8.1 million in disaster relief. This includes assistance to recover from the Blizzard of 1996.

7,583 More National Flood Insurance Policies: Since the President took office, Connecticut has increased the number of National Flood Insurance Program (NFIP) policies by 7,583. Since 1993, the number of homes and structures protected by NFIP policies has increased by 40%. As more individuals gain policies through the NFIP, the need for disaster assistance is lessened resulting in a reduced burden on America's taxpayers.

EXPANDING FUNDS FOR TRAVEL IMPROVEMENT:

Over \$292 Million to Improve Mass Transit: The FTA has provided over \$292 million since 1993 to improve public transportation in Connecticut [through FY97].

Nearly \$1.8 Billion in Highway Funding: Since 1993, Connecticut has received nearly \$1.8 billion in federal highway aid. These funds have helped generate approximately 73,873 jobs [through FY97].

Over \$21 Million in Airport Improvement Funds: Since 1993, Connecticut has received over \$21 million to fund airport improvements [through 6/97].

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christopher J. Lavery (CN=Christopher J. Lavery/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:15-NOV-1997 19:34:59.00

SUBJECT: Corrected Version

TO: Steve Hudak (Steve Hudak @ 12037722260 @ fax [UNKNOWN])

READ:UNKNOWN

TO: Peter Kelly (Peter Kelly @ 18605482680 @ fax [UNKNOWN])

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TO: Naomi Otterness (Naomi Otterness @ 18608862974 @ fax [UNKNOWN])

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TO: Speaker Tom Ritter (Speaker Tom Ritter @ 18602400206 @ fax [UNKNOWN])

READ:UNKNOWN

TEXT:

PRESIDENT CLINTON'S ACCOMPLISHMENTS:

Connecticut

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

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EXPANDING ACCESS TO EDUCATION:

\$34 Million in Head Start Funding: In FY97, Connecticut received \$30.6 million in Head Start funding. This year [FY98], Connecticut receives \$33.6 million, an increase of \$3 million over 1997.

\$4.7 Million in Goals 2000 Funding: This year [FY98], Connecticut receives \$4.7 million in Goals 2000 funding. This money is used to raise academic achievement by raising academic standards, increasing parental and community involvement in education, expanding the use of computers and technology in classrooms, and supporting high-quality teacher professional development.

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Over 1100 Have Served in Connecticut through AmeriCorps: Last year, 127 AmeriCorps participants served their communities while earning money for college by working in Connecticut's schools, hospitals, neighborhoods and parks. Since the National Service program began in 1993, over 1100 members have served Connecticut in 87 different programs [through FY97].

\$36.6 Million in Pell Grants: Connecticut received \$36.6 million last year in Pell Grant funding, helping Connecticut's low-income students go to college.

Tuition Tax Credits in Balanced Budget Open the Doors of College and Promote Lifelong Learning: The balanced budget includes both President Clinton's \$1,500 HOPE Scholarship to help make the first two years of college as universal as a high school diploma and a Lifetime Learning Tax Credit for college juniors, seniors, graduate students and working Americans pursuing lifelong learning to upgrade their skills. This 20%

tax credit will be applied to the first \$5,000 of tuition and fees through 2002 and to the first \$10,000 thereafter. 69,000 students in Connecticut will receive a HOPE Scholarship tax credit of up to \$1,500. 85,000 students in Connecticut will receive the Lifetime Learning Tax Credit.

FIGHTING CRIME AND VIOLENCE:

Crime Falls 16% in Connecticut: Since 1992, serious crime has fallen 37% in Hartford, 14% in New Haven, 17% in Stamford, 14% in Waterbury, and 16% statewide. [1996 data].

587 More Police: The President's 1994 Crime Bill has funded 587 new police officers to date in communities across Connecticut [through 7/97].

\$1.8 Million to Combat Domestic Violence: Through the Violence Against Women Act, Connecticut will be able to use \$1.8 million in federal funds by the end of this year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services.

\$560,435 in Grants for Battered Women and Children: In 1998, Connecticut will receive an estimated \$560,435 in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse.

\$4.8 Million to Keep Drugs & Violence Out of Connecticut's Schools: Connecticut has received \$4.8 million in FY97 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING CONNECTICUT RESIDENTS FROM WELFARE TO WORK:

6,849 Fewer People on Welfare: Since 1993, there are 6,849 fewer people on welfare in Connecticut [through 6/97].

Child Support Collections Up 48%: Child support collections have been increased by \$40 million -- or 48% -- in Connecticut since FY92 [through FY96].

INVESTING IN CONNECTICUT'S HEALTH:

Health Care For Uninsured Children: The balanced budget includes the largest single investment in health care for children since the passage of Medicaid in 1965 -- an unprecedented \$24 billion over five years to cover as many as five million children throughout the nation. This investment guarantees the full range of benefits -- from checkups to surgery -- that children need to grow up strong and healthy. It ensures that prescription drugs, vision, hearing, and mental health coverage now offered at the state level are extended to millions of uninsured children. To expand health coverage to 53,000 uninsured children in Connecticut the balanced budget provides \$35 million in 1998. This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health care coverage to 53,600 children in Connecticut.

More Toddlers Are Being Immunized: As a result of the President's 1993 Childhood Immunization Initiative, childhood immunization rates have reached an historic high. According to the CDC, 90% or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines -- surpassing the President's 1993 goal. In Connecticut in 1996, 99% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 95% received the vaccine for polio; 96% received the vaccine for measles, and 98% received the vaccine for Haemophilus influenzae B, the bacteria causing a form of meningitis.

PROTECTING THE ENVIRONMENT:

2 Toxic Waste Sites Cleaned Up: Since 1993, the EPA has completed 2 Superfund toxic waste cleanups in Connecticut, in Norwalk and Cheshire [through 6/97].

4 Brownfields Pilots in Connecticut: The EPA has awarded national Brownfields Demonstration Pilots in Bridgeport and Hartford, and regional pilot in New Haven and the Naugatuck Valley. These projects are intended to jump-start local clean-up efforts by providing funds over a two year period to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING URBAN RENEWAL EFFORTS:

\$6 Million to Bridgeport and New Haven: Bridgeport and New Haven were designated as Enterprise Communities in December, 1994 and were awarded \$3 million each to create more jobs, housing, and economic opportunity for area residents.

PROVIDING DISASTER RELIEF:

\$8.1 Million in Federal Emergency Assistance: Since 1993, Connecticut has received \$8.1 million in disaster relief. This includes assistance to recover from the Blizzard of 1996.

7,583 More National Flood Insurance Policies: Since the President took office, Connecticut has increased the number of National Flood Insurance Program (NFIP) policies by 7,583. Since 1993, the number of homes and structures protected by NFIP policies has increased by 40%. As more individuals gain policies through the NFIP, the need for disaster assistance is lessened resulting in a reduced burden on America's taxpayers.

EXPANDING FUNDS FOR TRAVEL IMPROVEMENT:

Over \$292 Million to Improve Mass Transit: The FTA has provided over \$292 million since 1993 to improve public transportation in Connecticut [through FY97].

Nearly \$1.8 Billion in Highway Funding: Since 1993, Connecticut has received nearly \$1.8 billion in federal highway aid. These funds have helped generate approximately 73,873 jobs [through FY97].

Over \$21 Million in Airport Improvement Funds: Since 1993, Connecticut has received over \$21 million to fund airport improvements [through 6/97].

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Paul E. Begala (CN=Paul E. Begala/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:18-NOV-1997 18:51:42.00

SUBJECT: Zell Miller

TO: Michael Waldman (CN=Michael Waldman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Here's how I'd make it slightly more personal. Hope it's not too late:

PRESIDENT WILLIAM JEFFERSON CLINTON

VIDEO REMARKS

ATLANTA URBAN LEAGUE'S 1997 EQUAL OPPORTUNITY DAY AWARD DINNER
NOVEMBER 22, 1997

It truly is an honor to join the Atlanta Urban League, my friend Sam Nunn, and all of you this evening to pay tribute to the person you have chosen to receive your 1997 Equal Opportunity Day Award.

It's no secret that I just flat love Zell Miller. His story is an all-American success story. Born in a pocket of poverty. Raised without a father. But shaped by a strong mother -- the remarkable Birdie Miller -- and a stern Marine drill instructor. Tested in the crucible, he emerged as strong as steel, and rose to become the best Governor Georgia ever had. The man who first used the toughness of boot camps to turn around the lives of young offenders. The man who reformed state government, cut waste and invested in Georgia's future. But most of all, Zell Miller will forever be known -- as the title of the wonderful new biography says -- as "The Man Who Gave Georgia HOPE." And his HOPE has inspired America's HOPE scholarship program too.

But what's most remarkable about Zell is not who far he's risen, but what he's done since he got there. He's never forgotten who he is, where he came from, or who sent him there. He will always be Zell Miller, from Georgia...for Georgia. It is only fitting that a man who has made opportunity for all his life and legacy be given the Equal Opportunity Day Award. He stands as a stern rejection of the selfishness of those who preach "every man for himself" -- as he preaches, and practices, "We're All In This Together."

Because of Zell Miller's work, every housing project in every city and every town, can truly be a place called HOPE.

Zell, your President is proud of you. And your country thanks you. Thanks for showing us the way, for being an inspiration to us all,

and a friend to me. God bless you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Barbara Chow (CN=Barbara Chow/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:18-NOV-1997 17:11:36.00

SUBJECT:

TO: Michael W. Williams (CN=Michael W. Williams/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Balanced Budget

After months of painstaking negotiations, produced the first balanced budget since 1969. The budget contains roughly \$900 billion in net 10 year deficit savings while making the largest investment in higher education since the G.I. bill in 1945 and the largest single investment in health care for children since 1965. The deficit you inherited in 1993 was \$290 billion and projected to grow to over one-half trillion dollars in 2002. In conjunction with the 1993 economic plan, the 1997 balanced budget agreement is expected to produce a budget surplus in...Strict, enforceable appropriation caps, coupled with critical long-term entitlement reforms will ensure that the budget will stay in balance over the next decade.

Ten year Medicare savings of between \$400 to \$450 billion will extend the life of the Medicare trust fund for at least a decade at the same time new preventive benefits are added and while protecting the premiums of low-income Medicare beneficiaries. Longer term reforms (particularly those with substantial and complex impacts on beneficiaries) will be considered in the context of the Medicare Commission.

Critical domestic appropriation priorities including funding for education, training, environment, and crime are protected under the budget agreement. Key investments in entitlement programs including welfare to work and restoration of benefits for legal immigrants are also included.

Middle Class Tax Relief.

The tax cut legislation also enacted as part of the balanced budget agreement includes all of the elements contained in your December 15, 1994 proposed Middle Class Bill of Rights. Specifically, the legislation provides for the following:

-- \$500 per child tax credit for approximately 27 million families with 45 million children under 17.

--\$1,500 HOPE scholarship to make the first two years of college universally available as well as a 20% tuition tax credit for upperclassmen and for working Americans pursuing lifelong learning.

--Three year Brownfields tax incentive to reduce the cost of cleaning up

thousands of contaminated abandoned sites in economically distressed areas/

--Second round of empowerment zones (15 urban and 5 rural Ezs).

--Welfare to work tax credit, provides a credit equal to 35% of the first \$10,000 in wages in the first year of employment, and 50% of the first \$10,000 in the second year, paid to new hires who have received welfare for an extended period.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: SUNTUM_M@A1@CD@LNGTWY (SUNTUM_M@A1@CD@LNGTWY [UNKNOWN]) (WHO)

CREATION DATE/TIME:19-NOV-1997 12:44:05.00

SUBJECT: INTERNAL TRANSCRIPT 1997-11-18 President's November Videos

TO: SUNTUM_M@A1@CD@LNGTWY (SUNTUM_M@A1@CD@LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: Michael Waldman@eop (Michael Waldman@eop [WHO])
READ:UNKNOWN

TO: Darby E. Stott@eop (Darby E. Stott@eop [WHO])
READ:UNKNOWN

TO: Julia M. Payne@eop (Julia M. Payne@eop [WHO])
READ:UNKNOWN

TO: Jonathan Murchinson@eop (Jonathan Murchinson@eop [WHO])
READ:UNKNOWN

TO: Michael McCurry@eop (Michael McCurry@eop [WHO])
READ:UNKNOWN

TO: Joseph P. Lockhart@eop (Joseph P. Lockhart@eop [WHO])
READ:UNKNOWN

TO: Douglas B. Sosnik@eop (Douglas B. Sosnik@eop [WHO])
READ:UNKNOWN

TO: Lori Anderson@eop (Lori Anderson@eop [WHO])
READ:UNKNOWN

TO: WOZNIAK_N@A1@CD@LNGTWY (WOZNIAK_N@A1@CD@LNGTWY [UNKNOWN]) (NSC)
READ:UNKNOWN

TO: terri tingen@eop (terri tingen@eop [WHO])
READ:UNKNOWN

TO: Barry J. Toiv@EOP (Barry J. Toiv@EOP [WHO])
READ:UNKNOWN

TO: Joshua Silverman@EOP (Joshua Silverman@EOP [WHO])
READ:UNKNOWN

TO: Elizabeth R. Newman@eop (Elizabeth R. Newman@eop [WHO])
READ:UNKNOWN

TO: Megan C. Moloney@eop (Megan C. Moloney@eop [WHO])
READ:UNKNOWN

TO: Laura D. Schwartz@eop (Laura D. Schwartz@eop [WHO])

READ:UNKNOWN

TO: david t. johnson@eop (david t. johnson@eop [NSC])

READ:UNKNOWN

TO: Brenda M. Anders@eop (Brenda M. Anders@eop [WHO])

READ:UNKNOWN

TEXT:

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

November 18, 1997

REMARKS BY THE PRESIDENT
IN MESSAGE FOR
ABC/WALT DISNEY WORLD CHRISTMAS RADIO SHOW

Room 450

THE PRESIDENT: Hello, this is President Clinton. I'd like to thank Dan Aykroyd and Walt Disney World for giving me a chance to share a moment with everyone listening to this program. This Christmas is very special for our family, because in many ways it's the first holiday homecoming. Our daughter Chelsea went off to college in California this year. We've missed her a lot. And having her back for these few days reminds us of what's most important about the holidays -- the time it gives us to spend with our families and loved ones.

I hope wherever you are this holiday season, you're with those you love, too. Hillary, Chelsea, and I wish each and every one of you a happy holiday season and a very happy new year.

* * * * *

THE WHITE HOUSE

Office of the Press Secretary

REMARKS BY THE PRESIDENT
IN VIDEOTAPED MESSAGE TO
ASIA-PACIFIC INFORMATION TECHNOLOGY SUMMIT

THE PRESIDENT: Mr. Clarkson, Chairman Romulo, your excellencies: I'd like to extend a special greeting to the APEC ministers who are with you. I'd also like to thank my good friend Walter Shorenstein and Chong-Moon Lee for organizing this gathering with the Pacific Economic Cooperation Council. And thanks to Andy Grove for the vision that he and his company are showing by helping to lead events like this one.

Next week I will join the other APEC leaders in Vancouver to address a wide range of economic issues, including ways to build on last year's agreement to eliminate barriers to trade and information technology. Information technologies are transforming the way we live, work, and relate to each other.

One of the most revolutionary areas of change is in the world of commerce. Trade on the Internet is growing by leaps and bounds. If we establish an environment in which electronic commerce can thrive, then every computer will be a window of opportunity for every business in the world. A global network of sales and distribution will be within reach of even the smallest, most isolated company. But in order for this digital economy to flourish, it must not be weighed down by undue government fees and regulations. That

is why, last July, Vice President Gore and I proposed a framework for global economic electronic commerce.

As a result of extensive consultations that Ira Magaziner has had with many of you, we have established five principles. First, the private sector should take the lead. Second, government should make every effort to avoid undue restrictions. Third, when government involvement is necessary, its aim should be to support a minimalist, predictable, consistent, legal environment for commerce. Fourth, we should work to revise any existing laws or rules that could inhibit electronic commerce. And finally, electronic commerce must be promoted on a global basis, so businesses receive consistent treatment on the Internet no matter where they operate.

I've asked Charlene Barshefsky, our Trade Representative, to work to secure a tariff-free environment in cyberspace by next July. I commend the Pacific Economic Cooperation Council for expanding its work in this area. You've become a trusted adviser to APEC, and I look forward to our continued partnership.

If we work together to harness the potential of this powerful new media, we can lead our societies toward greater prosperity, link our people closer together, and bring our Pacific region even closer in the world of tomorrow.

I wish all of you the best for a successful summit.
Thank you very much.

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THE WHITE HOUSE

Office of the Press Secretary

REMARKS BY THE PRESIDENT
IN VIDEOTAPED MESSAGE FOR
NATIONAL MINORITY ENTERPRISE DEVELOPMENT WEEK KICKOFF

THE PRESIDENT: Welcome to Washington for the 15th annual celebration of National Minority Enterprise Development Week. I'm glad you'll be joined by many members of our administration, including Secretary Daley, Secretary Pena, and Administrator Alvarez, leaders in our efforts to increase America's prosperity.

Our economy is the strongest it has been in a generation, with more than 13 million new jobs, the lowest unemployment rate in 24 years, a 92 percent cut in the deficit since I took office. We've seen a record number of new minority-owned businesses, with Hispanic-owned businesses growing at three times the national rate. Minority entrepreneurs have played a vital role in our success as a nation. You've created jobs in communities where jobs are most needed, made the most of every opportunity, and set a powerful example of achievement for our nation's young people. And your ties of language and kin will help America compete on every continent of the world.

I'm very pleased that SBA has approved \$3.3 billion in loans to minority-owned businesses. Now we must encourage more minorities to start or expand businesses and to take advantage of state of the art technologies. We must continue to level the playing field, to mend but not end affirmative action, and remove the barriers that keep talented people of every racial and ethnic background from participating fully in America's economy. That is how we can and will strengthen the American Dream.

Congratulations to this year's National Minority Entrepreneur Award winners. I salute your energy, your determination, your optimism. And I thank everyone here today for the hard work you do to keep America strong. Thank you very much.

* * * * *

THE WHITE HOUSE

REMARKS BY THE PRESIDENT
IN VIDEOTAPED MESSAGE FOR
ATLANTA URBAN LEAGUE'S 1997 EQUAL OPPORTUNITY DAY AWARD

THE PRESIDENT: It is truly an honor to join the Atlanta Urban League, my friend Sam Nunn, and all of you this evening to pay tribute to the person you've chosen to receive your 1997 Equal Opportunity Day Award. It's no secret that I just flat love Zell Miller. His story is an All-American success story. Born in a pocket of poverty, raised without a father, shaped by a strong mother, the remarkable Birdie Miller, and by a stern Marine drill instructor, tested in the crucible, he emerged as strong as steel and rose to become perhaps the finest governor Georgia ever had.

The man who first used the toughness of boot camps to turn around the lives of young offenders; the man who reformed state government, cut waste, invested in Georgia's future; but most important of all, Zell Miller will forever be known, as the title of the wonderful new biography of him says, as the man who gave Georgia hope. And his hope inspired me to ask America to embrace the HOPE Scholarship program too, and now we have it as part of our balanced budget.

Perhaps the most remarkable thing about Zell Miller is not how far he's risen but what he's done since he got there. He has never forgotten who he is, where he came from, who sent him to his present position. He'll always be Zell Miller from Georgia, for Georgia.

It's only fitting that a man who has made opportunity his life and legacy be given the Equal Opportunity Day Award. He stands as a stern rejection of the selfishness of those who preach "every man for himself," as he preaches and practices "we're all in this together." Because of Zell Miller's work, every housing project in every city and every town can truly be called a place of hope.

Zell, you helped to make me your president, and I'm very proud to be your friend. If every person in America could have the kind of loyalty and commitment and strength you do to your friends and loved ones and your beloved Georgia, this country would have no problems at all.

We are all very grateful to you. We thank you for showing us the way, for being an inspiration and a wonderful friend. God bless you.

* * * * *

THE WHITE HOUSE

Office of the Press Secretary

REMARKS BY THE PRESIDENT
IN VIDEOTAPED MESSAGES FOR WORLD AIDS DAY

THE PRESIDENT: I'm pleased to take part in this commemoration of World AIDS Day. Today we have good reason to be hopeful. Powerful new treatments are helping people with AIDS to live longer and healthier lives. But the epidemic continues. HIV is affecting more and more young people. So this year let me send a special message to young Americans.

Only you have the power to keep yourself safe. Get the facts about HIV and AIDS, and use them. This deadly virus does not discriminate. It takes advantage of anyone who puts himself or herself at risk. Don't let HIV keep you from reaching your dreams. You're important to your family, your friends, to all the rest of us as well, but you must take responsibility for your health, your education, and your safety. Reach out to the adults in your lives for advice and support.

And one last thing -- talk to each other, share the facts with your friends and your peers, become a part of the solution. We must fight ignorance with education. We must fight fear with facts. And most importantly, we must fight AIDS, not people with AIDS.

Always remember to respect yourself, protect yourself, keep believing in your future; for America's future depends on you.

(1) Well, Hillary, I want to congratulate you on receiving the Pediatric AIDS Foundation's Commitment to Children Award. It's no secret that I think my wife has been an extraordinary and tireless advocate for children throughout all the years I've known her. So let me also thank the Foundation for recognizing her lifetime of work. And I thank the Pediatric AIDS Foundation for your own leadership and commitment to helping children with AIDS live longer and happier and healthier lives.

(2) Thank you for joining AIDS Action's E-march on Washington. Until this epidemic is over, we must all march on and fight for the lives of people living with AIDS.

(3) I'd like to take this opportunity to commend the fine work of Metro-Teen AIDS and congratulate the 1997 recipients of the Metro-Teen AIDS Ryan White Youth Service Awards. I'm proud of you for your leadership and your commitment.

* * * * *

THE WHITE HOUSE

Office of the Press Secretary

REMARKS BY THE PRESIDENT
FOR DESIGNATED DRIVER PUBLIC SERVICE ANNOUNCEMENT

THE PRESIDENT: Last year more than 17,000 Americans lost their lives because someone decided to drink and drive. This holiday season, if you choose to drink alcohol, be responsible. Drink in moderation and choose a designated driver who doesn't drink at all. Be sure everyone in your car uses a seat belt. You could save a life.

We start the new year with a sense of hope and renewal. Let's also start it safely.

Hillary and I wish you a happy and healthy holiday season.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:19-NOV-1997 11:54:06.00

SUBJECT: zell, fyi

TO: June Shih (CN=June Shih/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

right before 7, Paul sent me this Zell Miller script. With a little disruption, I was able to swap it.
It's awesome -- POTUS loved it.

PRESIDENT WILLIAM JEFFERSON CLINTON

VIDEO REMARKS

ATLANTA URBAN LEAGUE'S 1997 EQUAL OPPORTUNITY DAY AWARD DINNER
NOVEMBER 22, 1997

It truly is an honor to join the Atlanta Urban League, my friend Sam Nunn, and all of you this evening to pay tribute to the person you have chosen to receive your 1997 Equal Opportunity Day Award.

It's no secret that I just flat love Zell Miller. His story is an all-American success story. Born in a pocket of poverty. Raised without a father. But shaped by a strong mother -- the remarkable Birdie Miller -- and a stern Marine drill instructor. Tested in the crucible, he emerged as strong as steel, and rose to become the best Governor Georgia ever had. The man who first used the toughness of boot camps to turn around the lives of young offenders. The man who reformed state government, cut waste and invested in Georgia's future. But most of all, Zell Miller will forever be known -- as the title of the wonderful new biography says -- as "The Man Who Gave Georgia HOPE." And his HOPE has inspired America's HOPE scholarship program too.

But what's most remarkable about Zell is not who far he's risen, but what he's done since he got there. He's never forgotten who he is, where he came from, or who sent him there. He will always be Zell Miller, from Georgia...for Georgia. It is only fitting that a man who has made opportunity for all his life and legacy be given the Equal Opportunity Day Award. He stands as a stern rejection of the selfishness of those who preach "every make for himself" -- as he preaches, and practices, "We're All In This Together."

Because of Zell Miller's work, every housing project in every city and every town, can truly be a place called HOPE.

Zell, your President is proud of you. And your country thanks you. Thanks for showing us the way, for being an inspiration to us all, and a friend to me. God bless you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:20-NOV-1997 13:21:52.00

SUBJECT: Re: VPOTUS events

TO: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

My only caveat is that if we are looking for a POTUS education event, we may need more of a policy announcement hook, and it does not appear that we have new ed/school to work initiatives to roll out on the 4th.

We've suggested to scheduling and others a few other ideas that we could do in December, such as an IRS reform event, HOPE scholarship stuff, etc.

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

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

This marker identifies a responsive email, already made available within another collection.

Collection: 2014-0908-F

Bucket: WHO

Creation Date: 1997-12-01

Subject: Last year's Section VI

Creator: Lawrence J. Haas CN=Lawrence J.
Haas/OU=OMB/O=EOP [OMB]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed (CN=Bruce N. Reed/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 3-DEC-1997 18:55:45.00

SUBJECT: junk

TO: Michelle Crisci (CN=Michelle Crisci/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:
THE PAST

When I ran for President, I set forth a new philosophy, beyond something for nothing and every man for himself. I said we needed a new bargain between the people and their government: government should do its part to provide people opportunity -- by opening the doors of college to all, expanding health care, making the streets safe, expanding trade, and finally bringing the deficit down so the economy could grow and we have room to invest -- and individuals should do their part by taking responsibility to serve their community and country, pay child support, and move from welfare to work.

That is the philosophy I have governed by every step of the way. We took responsibility to cut the deficit from \$300 billion to almost zero, and at the same time made historic investments: EITC to lift millions out of poverty, HOPE scholarship to make 2 years of college as universal as high school, \$24 billion to extend health insurance to millions of children. We reduced the federal bureaucracy by 300,000, and we're using the money to put 100,000 police officers on the street and reduce the crime rate 5 years in a row. We replaced a welfare system based on dependency with a system based on work, and we've reduced the welfare rolls by 4 million while providing child care and health care.

THE FUTURE

We've come a long way, but we still face great challenges as we prepare Americans for the 21st century:

- * Balancing work and family -- especially child care
- * Educating America for the 21st century -- national test,

Education Opportunity Zones

- * Strengthening the bargain of Social Security and Medicare
- * Pressing forward to expand health coverage and improve quality

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: SUNTUM_M@A1@CD

CREATION DATE/TIME: 4-DEC-1997 18:23:00.00

SUBJECT: 1997-12-04 Press Briefing on the VP's Kyoto trip

TO: Glynn, Mary Ellen (meglynn@usia.gov@INET@EOPMRX)
READ:NOT READ

TO: SUNTUM_M (SUNTUM_M@A1@CD) (WHO)
READ: 4-DEC-1997 18:25:01.29

TO: Sharolyn A. Rosier (Sharolyn A. Rosier@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: princej@panet.us-state.gov@INET
READ:NOT READ

TO: C. Patricia Cogdell (COGDELL_C@A1@CD) (WHO)
READ:NOT READ

TO: backup@wilson.ai.mit.edu@INET
READ:NOT READ

TO: wh-outbox-distr@clinton.ai.mit.edu@INET
READ:NOT READ

TO: Lori E. Abrams@eop@lngtwy@eopmr
READ:NOT READ

TO: Jeannetta P. Allen@eop@lngtwy@eopmr
READ:NOT READ

TO: Lori Anderson@eop@lngtwy@eopmr
READ:NOT READ

TO: Brenda M. Anders@eop@lngtwy@eopmr
READ:NOT READ

TO: Eli G. Attie@OVP@EOP@LNGTWY@EOPMRX
READ:NOT READ

TO: Patrick Aylward@eop@lngtwy@eopmr
READ:NOT READ

TO: Robin J. Bachman@eop@lngtwy@eopmr
READ:NOT READ

TO: Kyle M. Baker@eop@lngtwy@eopmr
READ:NOT READ

TO: Kris M Balderston@EOP@LNGTWY@EOPMRX
READ:NOT READ

TO: Karen L. Barbuschak (BARBUSCHAK_K@A1@CD) (OA)
READ:NOT READ

TO: Beverly J. Barnes@eop@lngtwy@eopmr
READ:NOT READ

TO: Mark H. Bartholomew (BARTHOLOME_M@A1@CD) (OA)
READ:NOT READ

TO: Todd A. Bartholow (BARTHLOW_T@A1@CD) (OA)
READ:NOT READ

TO: David S. Beaubaire@eop@lngtwy@eopmr
READ:NOT READ

TO: Marsha E. Berry@eop@lngtwy@eopmr
READ:NOT READ

TO: antony j. blinken@eop@lngtwy@eopmr
READ:NOT READ

TO: Alexander L. Boyle@eop@lngtwy@eopmr
READ:NOT READ

TO: Lanny A. Breuer@eop@lngtwy@eopmr
READ:NOT READ

TO: Patrick E. Briggs@eop@lngtwy@eopmr
READ:NOT READ

TO: Katharine Button@EOP@LNGTWY@EOPMRX
READ:NOT READ

TO: Allison Balderston@eop@lngtwy@eopmr
READ:NOT READ

TO: Barbara D. Woolley (Barbara D. Woolley@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Bradley M. Campbell (Bradley M. Campbell@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Phillip M. Caplan (CAPLAN_P@A1@CD) (WHO)
READ:NOT READ

TO: Laura Capps@eop@lngtwy@eopmr
READ:NOT READ

TO: Joseph W. Cerrell@OVP@EOP@LNGTWY@EOPMRX
READ:NOT READ

TO: David K. Chai@eop@lngtwy@eopmrx
READ:NOT READ

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 4, 1997

PRESS BRIEFING BY
DIRECTOR OF THE NATIONAL ECONOMIC COUNCIL GENE SPERLING
CHAIR OF THE COUNCIL ON ENVIRONMENTAL QUALITY KATIE MCGINTY
THE VICE PRESIDENT'S NATIONAL SECURITY ADVISOR LEON FUERTH

The Briefing Room

3:03 P.M. EST

MR. SPALTER: Good afternoon. This afternoon, Leon Fuerth, who is Vice President Gore's National Security Advisor, and Katie McGinty, who is chairperson of the Council on Environmental Quality, will provide a briefing on the Vice President's trip this

weekend to Kyoto. He is leaving on Saturday. He will be in Kyoto on Monday.

I will turn the floor over to Leon Fuerth, who will have to be leaving in a few minutes to go to another meeting, but you will have some time with him. Please, Leon.

MR. FUERTH: Katie and I have been working a long time with the Vice President and we remember the early days of his engagement with this issue. So it is with great satisfaction that, as old-timers on his staff, we see him representing the United States and heading off to this conference in Kyoto. The mere fact that this conference is being held is a testament to how far the issue of the relationship between industrial civilization and the environment has gone and how high it has risen in the consciousness, not just of governments, but of people around the world.

That didn't happen by accident, and I think we are each proud of any role that we played in helping along the way, and especially proud of the role that the Clinton administration has played in truly recognizing that this issue takes its place as part of a normal set of issues that affect the security of nations.

I really don't have too much to say, except that opening comment. I will be going in just a few minutes and Katie will be carrying the brunt of the Q & A session. So let me turn this over to you and, if I'm still here when the questions begin, I'll pitch in.

MS. MCGINTY: Thanks, Leon. I would just add my own sense that as headlines have appeared on this issue trumpeting the fact that consensus emerges on climate change, that is a proud moment for an issue that is really coming into its own and the understanding of which has increased enormously in the last five years, 10 years at the most, that it has emerged on the radar screen.

The Vice President's attendance at the conference on Monday is a sign of the United States' commitment to this issue, to the process of negotiations that are under way there. We have an extraordinary team of people committed to help work through the complex issues that are presented there. Negotiations led for us by Stu Eizenstat, who is a long-term negotiator on this issue, has been involved with us on this issue but on many other issues as well, a very skilled negotiator.

It is an issue that is of the utmost importance to us, and we are going to do our best, both throughout this week and then as we get into the ministerial level sessions of this meeting in the early days of next week, to try to bring some consensus among the more than 160 nations that are participating in Kyoto.

I think it is important for us to keep in mind that the job here is not one of just reconciling the differences, for example, between the United States and the European Community or the United

States and Japan. There are 160 nations. Their opinions range from those of the Netherlands to those of Saudi Arabia. The leadership the United States is called to show here is neither to be extremist to the left, extremist to the right, but to try to provide that common ground on which these many and quite diverse nations can stand.

Second, I think it is important to keep in mind that Kyoto won't be the final answer in any circumstances to the issue of climate change, and the critical thing is that Kyoto be an important step along a much longer path where the nations of the world seriously and responsibly will come to grips with this issue, and, post-Kyoto, continue to make progress on it. The Vice President is committed to being there to try to help further that cause, and we have the job of traveling with him on what is going to be an arduous journey.

Q He is really there to hold the flag, isn't he? I mean, he's not going to be negotiating. What is he really going to be doing except representing --

MS. MCGINTY: Well, let me say a couple things. Leon, you may want to add to it, too. First and foremost, we want to underscore the seriousness and importance that we attach to these negotiations. We have worked very hard. The Vice President personally has worked very hard not just on the issue in general but, in the last several years, to bring the nations of the world to the point where we are actually talking about a legally binding treaty.

It was the United States three years ago that said, first, the treaty that was negotiated in Rio is not adequate to the challenge of climate change and we won the agreement of the nations of the world to that principle. It was the United States a year and a half to two years ago that said to the nations of the world, a voluntary agreement has not proven effective enough on this issue; we need to move into a legally binding regime.

This process we are now in is the culmination of those efforts and that work we have done over the last several years and, frankly, that the Vice President has led the way for us in accomplishing. So he is there to help move us now through this next set.

Q Wasn't the Vice President supposed to make calls this week to European leaders, and could you tell us who he called?

MR. FUERTH: Let me respond to that. First of all, you are right. He is not going there to negotiate. Our negotiator is Stu Eizenstat. But the Vice President's willingness to be there and his presence there are helpful to Stu in his effort to underscore the seriousness of intent of the United States and the general process and in the United States position that we have announced previously.

The Vice President has been making a number of phone

calls to some leaders who are involved in the conference on his way there, and he will probably continue to make calls on his way back. So, for him, it is a continuous effort and not just a one-shot trip to Kyoto and back.

Q Leon, could you talk about how the Vice President is going to try and get the developing countries, especially China, on board -- what you may have planned, what your expectations are? And if all of this can't be done in a day, would he consider staying on through the end of the conference?

MR. FUERTH: I can answer the second question, which is I don't think he has any plans to extend his stay. There are ongoing commitments.

As for the first part of the question, I am interested in it, as I think you know, because of matters such as the development of the U.S.-China energy environment initiative. But that is a matter which is separate from the question you ask, and so I turn to Katie to deal with it.

MS. MCGINTY: We are working very hard to encourage the support of developing countries on things like joint implementation, which will both bring emissions down in developing countries and provide sources of new economic investment into developing countries. We are also working with them on an article in the proposed treaty that would invite the voluntary assumption by developing countries of binding targets and timetables, and then would allow those countries to participate in the international emissions trading regime that the United States has proposed.

Again, an initiative that we believe, first, is critical in terms of an environmentally effective treaty, but also an initiative that would provide economic opportunity, both domestically and for developing countries.

Q Will this satisfy the Senate, the voluntary assumption of responsibilities?

MS. MCGINTY: We will see what comes out of Kyoto. We are working hard on these fronts and there are other delegations who have other ideas, so we will see what the product is.

Q Katie, there are some reports in Kyoto, mostly from European sources, that the United States is more or less moving toward agreeing to some additional reductions beyond stabilization.

MS. MCGINTY: No, that is not -- those are inaccurate reports.

Q The reports are that the U.S. is about to announce that it is ready to cut emissions by up to 5 percent. You are ruling out such a gesture?

MS. MCGINTY: Those are inaccurate reports.

Q Is the figure 5 percent inaccurate or the --

MS. MCGINTY: It is inaccurate that we are moving at all from the target and timetable that the President proposed.

Q What is the purpose of the phone calls to the world leaders?

MS. MCGINTY: Let me underscore too that we will be losing Leon sooner than Gene and I, but we are joined also by the President's Economic Policy Advisor, Gene Sperling.

Q Just before we lose Leon, can I ask, you know, five years ago I remember Gore going to Rio and complaining that the United States should be more aggressive and commit more and the administration then was kind of holding the line. I mean, it now seems as through the critics are saying the same thing about the current U.S. position, that it should be much further.

MR. FUERTH: You ask me the question. I will anticipate, in part, my colleagues' answers, and that is that the United States position involves some pretty substantial things. We are not pitching softballs here. This is a serious proposal. It is one the United States is prepared to carry out. And when you talk about making changes in the way an economy of our size does business, you are talking about some fairly substantial things. The President has said nothing that he isn't prepared to follow through on, and that is a serious matter.

I've got to scram.

Q What is the purpose of the calls to world leaders?

MS. MCGINTY: For the world leaders, first, better to understand what the important elements are of the United States position; to understand things like joint implementation, that these are ways, yes, we can achieve our environmental goal but that it provides economic opportunity for developing countries, which many of them have not heard that message; and, frankly, for us to hear firsthand from those world leaders too their perspective on these negotiations and what their view is as to how we can best establish some common ground.

Q Could you give us some names?

MS. MCGINTY: Yes, the Vice President spoke today to the Presidents of Mexico, Chile, and I believe Costa Rica, although we were at one point having some trouble making the connection there. But that was on the schedule.

MR. SPALTER: He also will be meeting later this

afternoon with the foreign minister of Japan.

Q Katie, the President of the European Union is in town and meeting with Madeleine Albright and I think with the Vice President and the President. Will they be telling him what you just said, that the United States won't budge from its targets and timetables?

MS. MCGINTY: I actually don't know exactly what will be on the agenda, but it has been at the top of the President's agenda both in APEC and in all of the various bilateral, multilateral discussions we have been involved in to put this issue at the fore of what our present concerns are as we face Kyoto.

Q That is the position of the -- I mean, if that's the position at this instant, presumably that is the position that Madeleine Albright would be taking this afternoon.

MS. MCGINTY: Yes, yes. And there are other matters for us to -- as I said, part of the reason for these calls is to help leaders better understand the U.S. position. One example of that is that while the United States proposal has been considered less environmentally ambitious than the proposals of some other countries, as we have pointed out, the United States is the only country that has a comprehensive proposal on the totality of the greenhouse gasses.

Leaders are only now beginning to understand that, in fact, the European proposal has a big loophole in it which makes it less ambitious than they have presented. And, in fact, the Japanese proposal, also containing this loophole, would allow emissions to grow above 1990 levels, so it is less ambitious than the U.S. proposal. But it's that kind of dialogue that we have been having in helping various delegations better understand our proposals.

Q What kind of loophole is that? What kind of a loophole are you talking about now?

MS. MCGINTY: The United States proposal is comprehensive. It is based not only on three gasses, but the full six gasses which are the major greenhouse gasses. The European Union and Japan focus only on carbon dioxide, methane, and nitrous oxides. The U.S. proposal adds other gasses -- sulphur hexafluoride, HFCs, and PFCs -- which gasses are smaller in quantity than CO₂ but that are on the order of 25,000 times more polluting than CO₂.

Now, this is a huge detriment to the environment that the European proposal and the Japanese proposal do not include these pollutants, and that the Europeans and the Japanese so far have refused to include those pollutants in their proposal.

Q But whatever consensus seems to be emerging so far in Kyoto, it is not around the U.S. proposal for stabilization. Is the Vice President going to Kyoto with some flexibility in the U.S.

position?

MS. MCGINTY: Gene, I'll ask you to join on this, too. The Vice President is going there to articulate and help to explain and to present to the countries of the world the U.S. position that the President articulated. Already, again, as we have pushed forward a more full description of what it is that the United States has proposed, it has become clear that ours is the only comprehensive proposal on the table, one; that we are the only country that has proposed a mechanism that allows developing countries to pursue a more sustainable, cleaner energy path, three; and that we are the only country that has proposed mechanisms to insure that countries actually will enforce and take seriously their obligations. And it is those things that we will articulate and try to impress upon our colleagues.

You've got the next one.

Q Will the Vice President be looking to bridge differences with Japan in his meeting with the foreign minister? What do you expect to come out of this afternoon's meeting?

MS. MCGINTY: Well, similarly to the phone conversations that we have had this morning, the Vice President will look to more fully articulate and explain the various elements of the U.S. position to try to encourage the Japanese, for example, to see the wisdom of including all of the greenhouse gasses in the targets and timetables that are proposed, and to understand the huge loophole that there exists in both the Japanese and the European proposal in not having those elements there.

We also want to ask the Japanese as the hosts of this conference, and thank them for their leadership in hosting this conference, how it is that they see the discussions going, where they think that we can be most helpful in shepherding the countries of the world towards some common ground.

Q There are people that I have talked to in Kyoto --although I am not there myself so I'm not sure about this -- who say that in the plenary sessions the developing countries have been refusing even to open for discussion the subject of their participation; that they say what we are here to discuss is the developed nations, the industrial nations.

Is that the state of play at the moment? Are you discouraged by that?

MS. MCGINTY: I don't want to say that we have had -- that there have been major breakthroughs of any kind yet in these discussions. I think that there is work under way that is increasing the understanding of the various parties of the points of view that have been expressed. But, no, I would not say that there have been major breakthroughs yet of any kind on the various elements that are

being discussed.

Q Am I accurate in saying they are refusing even to have discussion about that? In the plenary sessions the topic is now allowed to be brought up?

MS. MCGINTY: I would certainly say that I'm not aware of any formally expressed position by any country or group of developing countries to the contrary. I am not aware of any. But I do believe that there are some countries within that mix who are more inclined to favorably consider some of the elements of these proposals.

Just to take an example, Costa Rica, for example, has been a proponent of joint implementation and has joined with the United States, for example, in launching various joint implementation projects. So there are individual countries that have been more favorably inclined, but I am not aware of any formal statements by the G-77 as a whole that would break with what has traditionally been their position.

The last thing I would say on this, I want to be clear and underscore again that there is nothing in our proposal which is about saying that the developed countries, the industrialized countries, should not take the lead here. We believe firmly -- the President, the Vice President believes firmly that the United States and the other industrialized countries of the world do need to lead the way. We have been the major contributors to this greenhouse gas pollution, and we need to lead the way in reducing greenhouse gas pollution. So I don't want to confuse that in the emphasis on the point that developing countries nonetheless need to become part of the solution as we work together on the issue.

Q Gene, I wonder if you would be willing to respond to critics who say that the U.S. policy essentially amounts to caving to the interests of the auto industry and big business.

MR. SPERLING: I think too few people have judged -- on both sides, have judged our proposal by actually looking at the merits and the degree of ambition in there. Our proposal would require over 30 percent reduction off the projected baseline by the year 2010. That is a highly ambitious target, and I think that it is not by any means the position that was recommended to us by the auto industry, not even close.

But what we did was we tried to come through with what we felt was a three-stage process of, number one, having a period over these next few years that, regardless of what happens in Kyoto, that we will come forward, as we are working on in our budget right now, with a series of initiatives that will include R&D and technology initiatives as well as tax cuts that will be aimed at reducing greenhouse gas emissions; and that in this period we should be focusing on the type of what we have called win-win opportunities that are out there; and that over the next five years, to review that

and then to get ready for a period where we would allow a period of emissions trading.

So I think what we tried to do was come up with an approach that hit the right balance, that was ambitious in its target and timetable but was market-sensitive in that it relies on market mechanisms and that it allows for a period of up to a decade where our overall focus would be on the type of win-win opportunities that come from using existing technologies, developing -- giving people incentives to use things that are more efficient.

And so I don't think that our -- I think our proposal was one that the President chose by listening to different people in his administration, by listening both to people who more represented the environmentalists, but also listening to what the right means to achieving this were economically from his economic team and from economic interest.

And I think that when you have a very controversial and difficult and challenging environmental issue and you are trying to hit a good balance, you may find people on both sides feeling that you have either not gone far enough or gone too far.

But I think the American people would think that we have hit exactly the right balance, which is an ambitious aspiration for this country in terms of reducing greenhouse gas emissions, but doing it in a way that is thoughtful and that relies on common sense market mechanisms, and that says let's first look at everything we can do through technology and R&D and incentives, but let's make clear that when we get to the period of the binding agreement, 2008-2012, that we do have a system that ensures that we will ultimately reach the target. But let's the give the country and the market and the economy the best opportunity to adjust and prepare and to take advantages of all the possibilities that are out there now.

Q Why does this need to be done now? There is one, by no means, radical school of thought that says if you wait 10 years we will better understand the science, we will better understand the interplay between greenhouse gasses and climate change, and it will be a hell of a lot cheaper to implement the emissions.

MR. SPERLING: Well, let me respond to that. I think that the President and Vice President's view was that the science is compelling enough as to the fact that there is a discernible human influence on climate to compel action at this moment, and that the failure to act now would be irresponsible; that it would allow what is clearly the major environmental challenge of our generation to go on untreated for another decade.

On the other hand, we have put forward a plan that allows us to learn and experiment as to what is the best means of doing that so that by having a period of five-year reviews we are always looking at what is working best, what is being most effective, what we can do in terms of incentives, in terms of technology. So we

are not saying that we have all the answers as to the exact means; we are giving ourselves a period of review to see what works and improve upon that.

But at some point, with any major problem, whether it's Social Security, whether -- you know, anything, you can say that things could work out differently. But as policymakers, you have to judge whether the evidence you have at the time is compelling enough to compel action. And this administration, which had a lot of different views on the means and the methods and the targets and timetables, was rock-solid unanimous that the science was strong enough to compel action at this moment.

Q But at the same time, just to play devil's advocate, in Social Security's case you know the demographics so you know what is going to happen. In this case, over the past five years, according to the economists, the computer models upon which these predictions are based have reduced by half the estimation of long-term increase in greenhouse gasses. At that rate, how can you depend on the models now?

MR. SPERLING: Well, first of all, we saw over the last year that our level of greenhouse gas emissions was 5 percent worse than we had projected in the year, which would suggest that we have had evidence over the last year that this problem requires even more action than would have been projected.

And, again, we are not saying that there is -- what we precisely did not do is say, next year we are implementing a mandatory system of A or B that we are going to use for the next 15 years. We precisely put in a period of strong policy action to be reviewed after five years in light of the science, in light of the effectiveness, and that we would give ourselves up to 10 full years of action, of experimentation, of voluntary efforts, of technology, before our period, the binding period and the trading period, would go in in the year 2008.

So, I mean, anybody who cares about compelling governmental -- compelling public policy issues has to always weigh action in the face of uncertainty. And I think one has to distinguish between the uncertainty as to the magnitude or the speed or the means for dealing with it, with what we feel is strong certainty that the problem is significant, compelling, and getting worse without action. And that requires us to act for it.

And that is -- and I should point out that is a place of which I think you have international agreement, among scientists and among the countries at Kyoto. Again, the differences are more on the exact areas of the mechanisms and the timetables. There really, I believe, is strong international agreement and strong agreement in our administration that the science is compelling enough to warrant action. And really with what we saw was the worst report on emissions over the last year, I think that conviction is held even stronger.

Q Katie, you said the Vice President is not going to negotiate there, but in addition to giving the speech Monday morning he is meeting extensively during the day. Can you tell us a little but about who he is meeting with and what his intentions are in those meetings?

MS. MCGINTY: Well, the meetings will be at the -- in part, at the suggestion of our lead negotiator, Stu Eizenstat, who he believes it would be most helpful and effective for the Vice President to meet with. So we will have to see. We have not, I don't think, finalized a list of countries that we would meet with there.

And I guess the point to be made is that whether he is here or whether he is there, the President and Vice President, of course, are at the top of the policy chain in this government and they singularly and exclusively have their finger on the trigger in terms of the policies we articulate and the decisions we ultimately will make. The meetings that Stu Eizenstat will recommend for the Vice President and participate in with the Vice President are ones which, in his judgment, will help to inform the President and Vice President's decision-making.

MR. SPALTER: Thank you very much, unless there is one last question.

Q When the \$5 billion energy tax cut package was announced in October, Gene, you said the details would be coming forth in December when the budget process is under way. It's December. Do you have any details yet on it?

MR. SPERLING: I said we would make the decisions on it in December when we make our budget. As always, we generally announce our budget and the policies in it around the State of the Union, with a few sprinkles before for interest.

But what we said is that we would have a combination of \$5 billion, at least \$5 billion over five years. That would be a combination of tax incentives and R&D. We have had at least one full-level principles' meeting at NEC and a meeting on the tax incentives. We met with the President's Science and Technology advisors yesterday. One of the things we talked about was what the exact package would be.

But it is like everything else. The next two weeks -- not this week but really the next two weeks are the weeks where, for the fifth year in a row, is the period where we really get to crunch time and make the decisions as to how much we can afford in different areas.

But the one thing we have laid out a commitment on is

that there will at least be five years above what is the -- \$5 billion above the current baseline, in combination of tax incentives and R&D. And we are getting recommendations from Treasury Department on the tax incentives and we are looking very heavily at the PCAST recommendations on the R&D and they will be part of our budget.

Q Well, other than the energy cuts and child care credits the President has indicated would be in the '99 budget, is the administration considering any form of broad-based tax reductions that would simplify the tax code and make it fairer?

MR. SPERLING: I think that we all understand that the issue of how to improve the tax system at IRS is an important issue. It is an issue we are working on, have worked on, have made progress on, and expect to be a significant policy debate over the next few years.

We will be pressing very hard for the passage of the IRS reform bill that came out of the House that had strong bipartisan support that was an honest and good faith compromise between Democrats and Republicans. We will be hoping to pass that soon.

In terms of tax cuts and tax simplifications, we are certainly studying a variety of things. But the tests we hold things up to are three: Is it good for the economy, is it fair for working families, and is it fiscally responsible? I think the things we have done, the EITC and the HOPE Scholarship tax credit, child tax credit and IRA have all met that proposal, that test.

I think anybody who puts forward a proposal, whether it's us or Republicans or Democrats, has to be able to hold their proposal against that test and make sure it passes that test before they try to sell it to the American people. And we will be holding any proposal we have internally up to that test as well as external proposals.

I think you have to have a bit of the Hippocratic middle class family test here. You have to make sure any reforms you are doing do no harm to working families, and many of the proposals we have seen in the past would, in fact, have done harm by either raising the tax rates of working families or turning back the progress we have had on deficit reduction.

But we certainly are engaged in a process to see what further steps we can take to complement what we have done in the past that would meet that test.

MR. SPALTER: Thank you very much.

END

3:38 P.M. EST

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

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

This marker identifies a responsive email, already made available within another collection.

Collection: 2007-0143-F

Bucket: WHO

Creation Date: 1997-12-11

Subject: Fact Sheets on Labor-HHS-Education Appropriations
Signing

Creator: Robin J. Bachman CN=Robin J.
Bachman/OU=WHO/O=EOP [WHO]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-DEC-1997 12:10:44.00

SUBJECT: budget issues

TO: Gene B. Sperling (CN=Gene B. Sperling/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: John Podesta (CN=John Podesta/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

Sara M. Latham (CN=Sara M. Latham/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

TEXT:

I know that your schedule has been extremely hectic, so I thought an e-mail on a couple of budget issues would at least get them on your radar screen for consideration. Some of these I forwarded to you previously.

1. School Construction: NEA President Bob Chase met w/ Rubin, Raines about this issue. They are preparing for a campaign to make this happen if it is in our budget proposal. I have asked for the polling data, I should be getting it next week. I will pass it on, if you think it will be helpful. This is a major issue to them.
2. UAW: Steve Yokich has written to the President (and to the House/Senate Leadership (Maj/Min) to renew his request for our support for legislation to exempt from taxation post-secondary tuition assistance benefits provided by employers for dependent children of active, retired and deceased workers. I'll send the background paper to you -- there may be some limited overlap with our HOPE scholarship initiative but this is a great way to provide a benefit to working/middle class children. UAW stats: In the first year since they negotiated this benefit w/ the big-3, 29,737 dependent children have received tuition assistance totaling \$27.9 million.
3. I do not know the impact of this one -- but, building & construction trades and service trades (seiu, here, ufcw) have asked us to consider lifting the Section 415 (pension) cap. Is this something we can look at? Or, have we looked at it, already?
4. Federal employee pay: Ed deSevre, Janice LaChance and I have all met (separately, unfortunately) with federal employee unions regarding the pay comparability law -- we all agree that in August the POTUS may have a problem suspending this law, again, given the extremely positive economic forecast. Ed has a proposal which we will be meeting to discuss next week that may get us out of a difficult box. I understand that Frank has been briefed, so I assume you know about it as well -- just wanted to let you know that we are following up w/ a meeting to discuss the implications and

options --

Finally, as to process -- we should set up a meeting w/ labor public/economic policy folks to either brief them or listen to them about the budget -- depending on our timing. I'd like to get this on your schedule. Please let me know.

Thanks --

I am available if you have need/want to discuss these.

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

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

This marker identifies a responsive email, already made available within another collection.

Collection: 2017-1075-F

Bucket: WHO

Creation Date: 1997-12-19

Subject: Re: Financial assistanced of students

Creator: Leanne I. Johnson CN=Leanne I.
Johnson/OU=WHO/O=EOP [WHO]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: SUNTUM_M@A1@CD@LNGTWY (SUNTUM_M@A1@CD@LNGTWY [UNKNOWN]) (WHO)

CREATION DATE/TIME:19-DEC-1997 13:01:59.00

SUBJECT: 1997-12-19 President's Remarks at Baldrige Awards Ceremony

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TO: US@2=WESTERN UNION@3=@5=ATT.COM@*ELN\62955104@MRX@LNGTWY (1=US@2=WESTERN UNION@3=@5=ATT.COM@*ELN\62955104@MRX@LNGTWY [UNKNOWN])
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TO: Barry J. Toiv@EOP (Barry J. Toiv@EOP [WHO])
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TO: terri tingen@eop (terri tingen@eop [WHO])
READ:UNKNOWN

TO: Lisa Tamagni@eop (Lisa Tamagni@eop [UNKNOWN])
READ:UNKNOWN

TO: Tracy F. Sisser@eop (Tracy F. Sisser@eop [WHO])
READ:UNKNOWN

TO: Michael J. Sullivan@EOP (Michael J. Sullivan@EOP [WHO])
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TO: Darby E. Stott@eop (Darby E. Stott@eop [WHO])
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TO: Aviva Steinberg@eop (Aviva Steinberg@eop [WHO])
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TO: Maria E. Soto@eop (Maria E. Soto@eop [PIR])
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TO: Brian D. Smith@eop (Brian D. Smith@eop [WHO])
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TO: Jake Siewert@eop (Jake Siewert@eop [OPD])
READ:UNKNOWN

TO: David Shipley@eop (David Shipley@eop [WHO])
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TO: Douglas S. Sheorn@eop (Douglas S. Sheorn@eop [WHO])
READ:UNKNOWN

TO: Brooks Scoville@eop (Brooks Scoville@eop [WHO])
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TO: G. Timothy Saunders@EOP (G. Timothy Saunders@EOP [WHO])
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TO: Peter Rundlet@eop (Peter Rundlet@eop [WHO])
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TO: Nelson Reyneri@eop (Nelson Reyneri@eop [WHO])
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TO: Nicole R. Rabner@eop (Nicole R. Rabner@eop [WHO])
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TO: Julia M. Payne@eop (Julia M. Payne@eop [WHO])
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TO: Carole A. Parmelee@eop (Carole A. Parmelee@eop [WHO])
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TO: Peter R. Orszag@eop (Peter R. Orszag@eop [OPD])
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TO: Michael A. O'Mary@eop (Michael A. O'Mary@eop [OPD])
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TO: Elizabeth R. Newman@eop (Elizabeth R. Newman@eop [WHO])
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TO: Steven J. Naplan@eop (Steven J. Naplan@eop [NSC])
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TO: Sean P. Maloney@eop (Sean P. Maloney@eop [WHO])
READ:UNKNOWN

TO: Melissa M. Murray@eop (Melissa M. Murray@eop [WHO])
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TO: Kevin Moran@eop (Kevin Moran@eop [WHO])
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TO: Megan C. Moloney@eop (Megan C. Moloney@eop [WHO])
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TO: Elisa Millsap@eop (Elisa Millsap@eop [WHO])
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TO: Estela Mendoza@eop (Estela Mendoza@eop [WHO])
READ:UNKNOWN

TO: Andrew J. Mayock@eop (Andrew J. Mayock@eop [WHO])
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TO: Tanya E. Martin@eop (Tanya E. Martin@eop [OPD])
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TO: Michael D. Malone@eop (Michael D. Malone@eop [WHO])
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TO: Anne H. Lewis@eop (Anne H. Lewis@eop [OPD])
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TO: Sara M. Latham@eop (Sara M. Latham@eop [WHO])
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TO: Jim Kohlenberger@OVP@EOP (Jim Kohlenberger@OVP@EOP [UNKNOWN])
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TO: Catherine T. Kitchen@eop (Catherine T. Kitchen@eop [WHO])
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TO: Allison J. King@eop (Allison J. King@eop [PIR])
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TO: David E. Kalbaugh@EOP (David E. Kalbaugh@EOP [WHO])
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TO: James M. Teague@EOP (James M. Teague@EOP [WHO])
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TO: Leanne I. Johnson@EOP (Leanne I. Johnson@EOP [WHO])
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TO: Thomas D. Janenda@EOP (Thomas D. Janenda@EOP [WHO])
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TO: Donald Goldberg@eop (Donald Goldberg@eop [WHO])
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TO: Jason S. Goldberg@EOP (Jason S. Goldberg@EOP [WHO])
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TO: Jessica L. Gibson@eop (Jessica L. Gibson@eop [WHO])
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TO: Jeremy M. Gaines@eop (Jeremy M. Gaines@eop [WHO])
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TO: Carmen B. Fowler@eop (Carmen B. Fowler@eop [WHO])
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TO: Elliot J. Diringer@eop (Elliot J. Diringer@eop [CEQ])
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TO: Suzanne Dale@eop (Suzanne Dale@eop [WHO])
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TO: Michelle Crisci@eop (Michelle Crisci@eop [WHO])
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TO: Steven A. Cohen@eop (Steven A. Cohen@eop [WHO])
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TO: David K. Chai@eop (David K. Chai@eop [PIR])
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TO: Phillip Caplan@eop (Phillip Caplan@eop [WHO])
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TO: Barbara D. Woolley@eop (Barbara D. Woolley@eop [WHO])
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TO: Patrick E. Briggs@eop (Patrick E. Briggs@eop [WHO])
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TO: Alexander L. Boyle@eop (Alexander L. Boyle@eop [PIR])
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TO: Marsha E. Berry@eop (Marsha E. Berry@eop [WHO])
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TO: Beverly J. Barnes@eop (Beverly J. Barnes@eop [WHO])
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TO: Kyle M. Baker@eop (Kyle M. Baker@eop [WHO])
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TO: Patrick Aylward@eop (Patrick Aylward@eop [PIR])
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TO: Brenda M. Anders@eop (Brenda M. Anders@eop [WHO])
READ:UNKNOWN

TO: Jeannetta P. Allen@eop (Jeannetta P. Allen@eop [WHO])
READ:UNKNOWN

TO: Sharolyn A. Rosier@EOP (Sharolyn A. Rosier@EOP [WHO])
READ:UNKNOWN

TEXT:

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 19, 1997

REMARKS BY THE PRESIDENT
AT THE BALDRIGE AWARDS CEREMONY

Sheraton-Washington
Washington, D.C.

11:54 A.M. EST

THE PRESIDENT: Thank you very much, Mrs. Baldrige, Robert and Nancy Baldrige, Harry Hertz, the examiners and judges and all those associated with the Baldrige Award Foundation, especially to the winners. We congratulate you all. We're delighted that the Chair of the District of Columbia Control Board, Andrew Brimmer, and Councilwoman Charlene Drew Jarvis are here.

And I want to thank Secretary Daley in spite of the fact that he was making fun of my penchant for animal stories of all kinds. (Laughter.) I mean, I don't come from Chicago -- (laughter) -- I come from the country. But my wife comes from Chicago.

I want to thank Ernie Deavenport, too. Several years ago the Eastman company loaned me an executive when I was governor of Arkansas, and we established the first statewide total quality management program in the country. It was what gave me the idea to start what eventually became the Reinventing Governor project headed by the Vice President, which among other things has now given us the smallest federal government since John Kennedy was here. And I'll give five dollars to anyone in the audience who can honestly say you have missed it. (Laughter.)

I say that because the federal employees have done a very good job of increasing their output and the quality of their service while down-sizing their numbers so that we can take advantage of technology, get the deficit down, and get the economy going again. So we have learned from you.

And I've talked with Ernie many times about the importance of trying to apply these lessons to other areas of human endeavor. You mentioned the two most important, I think, are health care and education. I also think there are applications -- if you look at the success in many law enforcement departments around the country, there are law enforcement applications here because the thing that -- a belief in continuous progress through not only doing the right things, but doing the right things right, gives you is the conviction that you can repeat whatever you're doing right in one place somewhere else. And that is by far the biggest problem government faces.

So I really am delighted to see you here. But, I think, for me, because I have seen this work over and over and over again, in the private as well as the public sector, that is what cries out for application to our public institutions, whether it's in education or health care or in law enforcement.

If the city of Boston could go virtually two and half years without a single child being killed by a handgun, until unfortunately, they had an incident last week, but they went two and half years. No city in the United States that big has been able to

do that. They did. It must therefore follow that if other people did the same thing in the same way, and then you started the kind of contest you have here in the market system so everybody tried to keep continuously improving their process, that we would become a safer country.

In health care, we have all these -- you know, managed care, on balance, has been a good thing for America because we've managed some inefficiency out of the system. But now people are genuinely worried about who's making the decisions about their health care and whether quality will continue to be the most important value in the health care system. I think all of us want it to be, even those of you who may have responsibility in your organization for holding down health care costs, the last thing in the world you want is for your employees not to have access to the health care that they need.

And goodness knows, in education -- I've said this so many times, the poor people in the press who have to cover me get tired of hearing it, but the most frustrating thing about American education today is that every problem in education has been solved by somebody somewhere, and nobody's figured out how to have everybody else follow suit so that you launch the kind of competitive process that you come here to celebrate today.

So, for all these reasons, I love coming here. And I always feels that by the time I get up to speak, there's no point in my saying anything. (Laughter.) I told Mrs. Baldrige I kind of hated to walk out here. You all were so enthusiastic, you should have been outside listening to all this energy being emanated from this room. It's wonderful to be in a place where people don't think it's too corny or too embarrassing to be exuberant about what they do. Can you imagine what would happen in this country if everybody wanted to wave a flag for the place they work every day? (Laughter and applause.) Can you imagine that? I'm sure somewhere in this room there is some cynic saying, this is too hokey; I can't believe they're doing this. (Laughter.)

Where do you spend more time than at work? Why shouldn't you want to wave a flag? Why shouldn't we want to cheer about where we work? We want to cheer about our families, cheer about the places we work, cheer about the clubs we associate with. This country would work a lot better if everybody felt like they could cheer about the place they work. That's why I always try to make these awards, and why I think it was a stroke of genius to establish them, although I bet even when they were established the founders could never have imagined what the far-reaching impact would be -- that most states would follow suit, that countries would follow suit.

There is this idea now embodied in our four winners today -- in 3M Dental Products, in Merrill Lynch Credit, in Solectron, and XBS -- that you can always get better, and that you can organize not only to do the right things, but to do the right

things right, in a way that elevates the people who work for the enterprise, serves the general public better, and obviously supports the bottom line.

It's nice to think that. Otherwise, you would get bored, if you didn't go broke. (Laughter.) So it's sort of better, bored, or broke. (Laughter and applause.) If you get a multiple question like that, it's not too easy to make an A. (Laughter.) And yet we don't. None of us do all the time. But we come here to celebrate what we can do at our best.

I'd also like to thank the Department of Commerce, Secretary Daley, the National Institutes of Standards and Technology for the support that they give to this endeavor. It has been a great partnership. But most of all, I just want to say, just think about where this idea was 10 years ago and where it is today. Think about how many of the ground-breaking reforms that have been recognized in Baldrige Award winners in the past that are now just standard industry practice.

Think about what it would be like if everybody would so shamelessly try to learn what their competitors are doing and do it at least that well, and then figure out how to do it better -- if in every area of human endeavor you did that. I think that this is something that is really worth focusing on. What do we celebrate? The stake the employees have in the company, the flexibility, the innovation, the creativity, the spirit of enterprise. It has brought America back.

When I became President, indeed, when I was running for President, I saw that the 1980s, while they had been very tough on American business, had also produced a remarkable understanding that was widely shared throughout the country about what had to be done to be internationally competitive. And I always saw a big part of my duty here as just to have government policies that would reinforce what is right and get out of the way of what is right, so that we could create the conditions and give people the tools so that everybody could do what you're doing. And we've tried to do that.

I appreciate what Secretary Daley said about the turtle on the fencepost -- that's one of the things I always say in the Cabinet meeting. It took us three months and we didn't have to translate all my aphorisms to people who never had the privilege of living in rural areas. (Laughter.)

We've tried to do three simple things to help you. One, get the deficit down and balance the budget so that we could keep interest rates down, improve interest rates not only for businesses but for individuals and on home mortgages. And two consequences of that are that we have an all-time high rate of home ownership. It's above two-thirds for the first time in the history of America. And we have record levels of business investment, which is becoming very important now because we're able to sustain a little higher rate of internal growth as you see a little turmoil around the world. I want

to say a little more about that in a minute. But it's very important.

When the Congress adopted the balanced budget amendment -- I mean act -- in 1997, back in August, and I signed it, the deficit had already dropped by 92 percent below its high in 1992. It went from \$292 billion a year down to \$23 billion a year. And I want to make a point about that because I'm sure you found this in your company. When you get this award, you can come here and celebrate and you don't even have to think about how hard and often controversial some of the changes you had to make were to get to this point. Right? Well, when we decided we were going to bring the deficit down, it was like pulling fingernails out. And the bill in 1993 passed by one vote in both houses. Now all of us think we're geniuses. If it had gone wrong, half the people that live in town could have said, I told you they were fools. (Laughter.) But it worked. And now we're going to balance this budget and we're going to have a healthier economy. And that's very important because it frees you to do what you do best.

The second thing we've tried to do is to change the conditions in which you operate by opening more of the global economy to American companies. We've had over 200 trade agreements in the last five years -- by far the largest number ever. And the Uruguay Round, finished back in 1993, amounts to the largest tax cut on American goods in history. And now we're the number one exporter in the world again. I think it is very important that we continue to press ahead in that.

I believe very strongly that it was a mistake when we were unable to get enough votes in the House of Representatives to renew the President's Fast Track trade authority to negotiate comprehensive bills. Why? Not because nobody ever loses in trade in America. There are some -- in competition, there are by definition some losers and some winners. But most of the job loss in America comes from technological change and old-fashioned business failure. Some of it does come from change in the trading rules.

What is the answer to that? Well, there are only two answers: you can either say, well, we're just not going to change any more rules and try to pretend that we won't be subject to these global forces; or you could say, we're going to change the rules, create more jobs, raise more incomes, and do a heck of a lot better job than we've been doing in the past with the people who are dislocated through no fault of their own. The second is the right answer, not the first.

We have 4 percent of the world's people and 20 percent of the world's income. And the developing economies are growing at roughly three times the rate of the advanced economies like the United States, Japan, and Europe. Now, again, you don't have to be a mathematical genius to figure out if you have 4 percent of the people

and you've got 20 percent of the income and you would like to stay roughly as well off as you are, and maybe if you're very clever get a little better off, you have to sell something to the other 96 percent of the people in the world, especially if their growth rates are faster than yours.

Now, that does not mean that we should forget about the people who are dislocated from trade or from technology or even from old-fashioned business failures -- people who have to start again.

That brings me to the third thing that I want to say, which is that in addition to balancing the budget and having sensible economic policies, having an aggressive trade policy, we must have a policy that invests in our people and recognizes that in every company here rewarded, you were rewarded in part because you recognized that by far the most important resource you had were the people who were working for the company. Right? There is no question about that. (Applause.)

With all respect, nobody was up here waving a flag for the Xerox machine back home -- (laughter) -- or the whatever. Whatever the widget is, nobody was doing that. It's a great thing, whatever those machines are. You're waving the flags for yourselves and your colleagues that are here, because you know that basically creativity and continuous improvement requires people who can think and then who are free to act along the lines that they think and work out things together.

The very intellectual processes that you are trying to make permanent and imbed in the daily work of your companies require a level of thinking and reasoning skills that mean that we have to be committed in America to universal excellence in education.

Now, not everybody needs a college degree in physics. But everybody needs more than a high school diploma today, and everybody needs the ability to keep on learning for a lifetime. That's why we have tried to implement the national education goals and to oversimplify it by saying every 8-year-old should be able to read, every 12-year-old should be able to log onto the Internet, every 18-year-old should be able to go to college, every adult should be able to keep on learning for a lifetime. And we're trying to set up a system where that will be true for every American, because it will help more companies to do what you have done. And I think that's very important.

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In this last balanced budget, I think 30 years from now when people look back on it, they'll say, aside from the fact that we balanced the budget for the first time in a generation, the most important thing about that bill was it opened the doors of college to every American who would work for a college education. With a tax credit called the HOPE Scholarship, that virtually makes the first two years of college virtually tax-free to every American, and other

tax incentives and more Pell Grants. That's very important that we are setting the stage for promoting a comprehensive reform of America's schools -- kindergarten through 12th grade -- based on national standards and accountability for them and real production so that all schools will be organized for performance for all the children.

And I want to compliment Secretary Daley's brother on the remarkable work that has been done in Chicago to try to totally change the culture of education there to make it more like a continuous quality operation -- systematically in the way that all of you have achieved. So we're trying to do that. And as I said, we also have to do that for people who lose their jobs or who are drastically underemployed.

What else do we have to? We want to set up -- we've doubled funds for dislocated workers in the last five years to invest in their training. The systems don't work very well -- or at least not nearly as well as they can. I'd like to see us consolidate all these government programs and give the workers a skills grant. Most people who are out of work have got enough sense to figure out what they could learn to get a better job or to get a new job. And I'd like to see anybody that qualifies just get a skills grant that they can take to the nearest educational institution of their own choosing and get the education they need to become a productive member of society and have a great chance to get a good job in an organization like the ones we honor today.

I'd like to see us, when a community is hard hit by a big plant closing, go in there like we did when the military bases closed. What's the difference? People are out work and you have great capacity. They deserve a chance to have everybody work together to get them started again.

So we need to do more on that. But that's the right answer -- not to run away from the global economy, not to say we're not going to trade. The right answer is to do more, more quickly for the people that are dislocated.

I guess what I'm saying is, we're still trying to get it right here. We're still trying to make our operation one that is continuously improving. But at least we know what the objective is. The objective is to give every American the chance to live up to their God-given capacity and live out their dreams. The objective is to give people the power they need to not only have successful careers, but to build strong families and strong communities. The objective is to help people balance the demands of work and family -- a problem that I hear in every place I go. The objective is to help our country balance our obligation to grow the economy and preserve the environment -- something we have proved, repeatedly, we can do over the last 30 years. The objective is to reach out to the rest of the world and get the benefits of the global economy, while meeting its challenges instead of pretending they don't exist. We are, whether we like it or not, all interconnected, one with another,

in this country, and increasingly, beyond our borders.

I've spent an enormous amount of time in the last month -- enormous -- trying to help come to grips with the financial difficulties you're reading about every day in the Asian markets. Why? Because a huge percentage of our exports go to Asia. They are

our neighbors now, for all practical purposes. And it is in our interest that those countries be able to be stable, growing, increasingly healthy countries from which we not only buy but to which we sell; countries that together we can build a stable future, instead of have a part of the world in the 20th century that called Americans there to fight and die in three wars. Better to be a part of the world that participates in -- three new stages of the global economic revolution in the 21st century. We still have a lot of challenges out there.

Technology is not a un-mixed blessing. It bothers me some of the things little kids can see on the Internet at night. It bothers me that people who know how to do it can figure out how to build bombs and have access to dangerous weapons just by having the technological availability of it. There are a lot of things that bother us about it. There are troubling questions of our competitive laws and how they should apply to new technologies that have to be worked out. That's why we all have to be committed to the idea that we can continuously improve. Or in the language that was quoted from David Kerns (phonetic), that our endeavor is a journey without an end. That's frustrating to some people; they always want to get there. But the older I get, the more I like the journey. (Laughter and applause.)

So I thank you. I thank you for making America a better place. I thank you for your enthusiasm and for being a model for other American workplaces. And I ask you, when you go home, to share with your friends and neighbors who may not work with you the idea that this country is like where you work. America is still around after 220 years because we have a Constitution which said, if you want the country to always get better, you have to make it possible for people to always get better. And you have to give them the freedom to fail and mess up. I mean, that's what the Bill of Rights is all about. That's what the Constitution is all about -- limiting the powers of government and mandating, in effect, partnerships. That's what the flexibility of the Constitution is all about, so we could change over time to adapt to new circumstances without giving up our values. That's the kind of country you live in.

And if it's going to be everything it ought to be in the 21st century, it has to do as a nation what you're trying to do every day at work. And you have to ask yourself, do you think America is on a journey without an end, do you think we can always get better. I think the answer, because of your example and that of millions of others, is an unequivocal yes.

Thank you very much and God bless you. (Applause.)

END

12:16 P.M. EST

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:19-DEC-1997 09:40:39.00

SUBJECT: budget issues

TO: Jacob J. Lew (CN=Jacob J. Lew/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TEXT:

Jack --

These issues are on Gene Sperling's radar screen, but Podesta wanted me to make sure you had them as well. Call me w/ any questions-- I am trying to track what we are/are not doing on these--thanks

----- Forwarded by Karen Tramontano/WHO/EOP on 12/19/97
09:38 AM -----

Karen Tramontano
12/13/97 12:10:37 PM
Record Type: Record

To: Gene B. Sperling/OPD/EOP
cc: John Podesta/WHO/EOP
Subject: budget issues

I know that your schedule has been extremely hectic, so I thought an e-mail on a couple of budget issues would at least get them on your radar screen for consideration. Some of these I forwarded to you previously.

1. School Construction: NEA President Bob Chase met w/ Rubin, Raines about this issue. They are preparing for a campaign to make this happen if it is in our budget proposal. I have asked for the polling data, I should be getting it next week. I will pass it on, if you think it will be helpful. This is a major issue to them.

2. UAW: Steve Yokich has written to the President (and to the House/Senate Leadership (Maj/Min) to renew his request for our support for legislation to exempt from taxation post-secondary tuition assistance benefits provided by employers for dependent children of active, retired and deceased workers. I'll send the background paper to you -- there may be some limited overlap with our HOPE scholarship initiative but this is a great way to provide a benefit to working/middle class children. UAW stats: In the first year since they negotiated this benefit w/ the big-3, 29,737 dependent children have received tuition assistance totaling \$27.9 million.

3. I do not know the impact of this one -- but, building & construction trades and service trades (seiu, here, ufcw) have asked us to consider lifting the Section 415 (pension) cap. Is this something we can look at? Or, have we looked at it, already?

4. Federal employee pay: Ed deSevre, Janice LaChance and I have all met (separately, unfortunately) with federal employee unions regarding the pay comparability law -- we all agree that in August the POTUS may have a problem suspending this law, again, given the extremely positive economic forecast. Ed has a proposal which we will be meeting to discuss next week that may get us out of a difficult box. I understand that Frank has been briefed, so I assume you know about it as well -- just wanted to let you know that we are following up w/ a meeting to discuss the implications and options --

Finally, as to process -- we should set up a meeting w/ labor public/economic policy folks to either brief them or listen to them about the budget -- depending on our timing. I'd like to get this on your schedule. Please let me know.

Thanks --

I am available if you have need/want to discuss these.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: root@whitehouse.gov@INET@EOPMRX

CREATION DATE/TIME:22-DEC-1997 09:54:00.00

SUBJECT: scanner results

TO: binns_m (binns_m@A1@CD) (WHO)
READ:22-DEC-1997 11:13:51.52

TO: horn_s (horn_s@A1@CD) (WHO)
READ:NOT READ

TEXT:
SCANNER RESULTS

time of year you take it upon yourself to come visit the
soldiers serving your/our country in Bosnia. This gift alone
is one of the greatest that you could ever do to the soldiers
serving in the Armed Forces. I wanted to go to Task Force
Eagle to see you but, I let one of my subordinate soldiers go.
I am proud to say that you were the best Governor that the
State of Arkansas has ever had. The work that you did was

MESSAGE BODY

From nobody@www1.whitehouse.gov Mon Dec 22 09:52:51 1997
Received: (from uucp@localhost) by WhiteHouse.gov (8.7.1/uucp-relay) id IAA01571 for
<President@WhiteHouse.GOV>; Mon, 22 Dec 1997 08:30:30 -0500 (EST)
Received: from storm.eop.gov/198.137.241.51 via smap
Received: from DIRECTORY-DAEMON by STORM.EOP.GOV (PMDF V5.1-7 #6879)
id <01IRGLQCV600005MXC@STORM.EOP.GOV> for President@WhiteHouse.GOV; Mon,
22 Dec 1997 04:03:28 EST
Received: from SCAN-DAEMON by STORM.EOP.GOV (PMDF V5.1-7 #6879)
id <01IRGLQBTXCG005JDB@STORM.EOP.GOV> for president@Whitehouse.GOV; Mon,
22 Dec 1997 04:03:27 -0500 (EST)
Received: from www1.whitehouse.gov ([198.137.240.91])
by STORM.EOP.GOV (PMDF V5.1-7 #6879)
with SMTP id <01IRGLPNXDEU003ZMU@STORM.EOP.GOV> for president@Whitehouse.GOV;
Mon, 22 Dec 1997 04:02:55 -0500 (EST)
Received: by www1.whitehouse.gov (951211.SGI.8.6.12.PATCH1042/940406.SGI.AUTO)
for president@whitehouse.gov id EAA17791; Mon, 22 Dec 1997 04:04:20 -0500
Date: Mon, 22 Dec 1997 04:04:20 -0500
From: "SFC JOHN R. SHEEKS" <JSHEEKS@hotmail.com>
Subject: Inbound-White_House_WWW_MAIL => PRESIDENT
Apparently-to: president@WhiteHouse.Gov
To: president@WhiteHouse.Gov
Errors-to: The Postmaster <postmaster@www1.whitehouse.gov>
Reply-to: "SFC JOHN R. SHEEKS" <JSHEEKS@hotmail.com>
Message-id: <199712220904.EAA17791@www1.whitehouse.gov>
MIME-version: 1.0

Content-type: TEXT/PLAIN; CHARSET=US-ASCII

Keywords: WWW-Correspondence; ; Extend invitation to visit or speak; Government or Constitution; Civil Servant or Armed Forces Member;

Comments: Forwarded from White House WWW

Comments: This message scanned by SCAN version 0.1 jms/960226

[Connection Information]

CLIENT: 206.39.14.116[206.39.14.116]

BROWSER: Mozilla/2.01 (Win95; U)

URL: http://www.whitehouse.gov/WH/Mail/html/Mail_President.html

[Sender Information]

PERSONAL-NAME: SFC JOHN R. SHEEKS

EMAIL-ADDRESS: JSHEEKS@HOTMAIL.COM

ORGANIZATION: HHT, 2/2 ACR Operation Joint Guard, APO AE 09789

RELATIONSHIP: Medical Platoon Sergeant

STREET-ADDRESS: HHT 2/2 ACR, Operation Joint Guard, Camp Dobol

CITY: APO AE 09789

STATE-PROVINCE:

ZIP-CODE: APO AE 09789

COUNTRY: Bosnia

[Message Information]

PURPOSE: Extend invitation to visit or speak

TOPIC: Government or Constitution

AFFILIATION: Civil Servant or Armed Forces Member

SUBJECT: Lauded comments on a job well done.

[Message]

Mr President.

I am from Arkansas and am proud of it. It is evident that this country of ours is one of the greatest in the world. In this time of year you take it upon yourself to come visit the soldiers serving your/our country in Bosnia. This gift alone is one of the greatest that you could ever do to the soldiers serving in the Armed Forces. I wanted to go to Task Force Eagle to see you but, I let one of my subordinate soldiers go. I am proud to say that you were the best Governor that the State of Arkansas has ever had. The work that you did was exemplary and sets you above all others. I only wish that you could have come and visited my unit. The 2d ACR is the best unit that I have ever served in. The history of this unit goes without saying as the most deployable unit in the history of the Cavalry. The chain-of-command is the best. They believe in providing great Army training and ensure that soldiers are taken care of. My commander, LTC Littel is responsible for the success of this and his officers are doing a great job.

Sir, it has been a pleasure serving in the Armed Forces and I will probably retire in June of this year of 1998. I heard you

speak about the Hope Scholarship at the Augusta University,
 the inspirational mood that you set was exceptional. Again
 sir, I am truly sorry that I couldn't get to see you. John
 Sheeks SFC, USA

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 ===== ATTACHMENT 1 =====
 ATT CREATION TIME/DATE:22-DEC-1997 09:54:00.00

ATT BODYPART TYPE:D

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)
 id <01IRGXYRESR4001OJ1@PMDF.EOP.GOV>; Mon, 22 Dec 1997 09:53:51 -0500 (EST)
 Received: from storm.eop.gov (storm.eop.gov)
 by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IRGXYOLSK0013LV9@PMDF.EOP.GOV>; Mon,
 22 Dec 1997 09:53:47 -0500 (EST)
 Received: from WhiteHouse.gov ([198.137.241.30])
 by STORM.EOP.GOV (PMDF V5.1-7 #6879)
 with ESMTP id <01IRGXY1715W003CT9@STORM.EOP.GOV>; Mon,
 22 Dec 1997 09:53:16 -0500 (EST)
 Received: (from root@localhost) by WhiteHouse.gov (8.7.1/uucp-relay)
 id JAA05166; Mon, 22 Dec 1997 09:53:15 -0500 (EST)

=====
 ===== END ATTACHMENT 1 =====

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dag Vega (CN=Dag Vega/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:23-DEC-1997 06:22:04.00

SUBJECT: Re: question

TO: Jill M. Blickstein (CN=Jill M. Blickstein/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TEXT:

Inside Politics

Aired December 22, 1997 - 4:00 p.m. ET

(BEGIN VIDEO CLIP)

BILL CLINTON, U.S. PRESIDENT: Who knows? I have heard all about the wonderful cuisine. We're going to have dinner. And who knows, maybe I'll even get near beer and vegetable lasagna.

(LAUGHTER)

JUDY WOODRUFF, CNN ANCHOR: The commander in chief jokes with U.S. troops in Bosnia and talks tough to local leaders about keeping the peace. A former Clinton rival went along to help send a message back home.

BOB DOLE, FMR. SENATOR: I'm also here to support the president in this effort. I believe it is worthwhile.

WOODRUFF: Plus, we flash back to America's longest war.

There is new evidence it might have ended sooner, if JFK had lived.

ANNOUNCER: From Washington, this is INSIDE POLITICS with Judy Woodruff.

(END VIDEO CLIP)

WOODRUFF: Thanks for joining us. We begin with the president's visit to Bosnia today, specifically, the timing. The quick trip came just days before Christmas, and just days after Mr.

Clinton extended the U.S. military mission there. It also comes as

our new poll shows for the first time, more Americans
approve of
the U.S. troop presence in Bosnia than disapprove.
The numbers,
in a moment.

First, our Eileen O'Connor is traveling with the
president.

(BEGIN VIDEOTAPE)

EILEEN O'CONNOR, CNN CORRESPONDENT
(voice-over): The president came to greet troops in
Tuzla this
Christmas season and to convince America and its
allies their
mission is not yet over.

CLINTON: I think it is imperative that we not stop
until the peace
here has a life of its own, until it can endure
without us. We have
worked too hard to let this go.

O'CONNOR: Traveling with the president was Bob Dole,
showing bipartisan support for the mission here. The
president
took a tour of the troops' tents with his daughter
Chelsea at his
side. Mr. Clinton talked to troops and their
commanders, saying he
is still deciding the mission and size of the force.
For specialist
Jennifer Smith, the need is there.

JENNIFER SMITH: If you look around at some of the
areas and
some of the people, you can see that there is still a
need for our
presence.

O'CONNOR: But it was the streets of Sarajevo and its
people
that meant the most for the U.S. president on this
trip, a tearful
thank you for American help in forging the Dayton
Peace Accord.
A tour of one of the most deadliest areas of town, a
Sarajevo rose
embedded in the street marks the spot where so many
fell. Over
200,000 killed in the ethnic bloodshed. At his
meeting with the
Muslim Croat and Bosnian Serb members of the

presidency, Mr.

Clinton delivered a strong message: it is up to them
to forget the
past, to make compromises necessary for peace.

CLINTON: You have seen what war has wrought, now you
know
what peace can bring. So seize the chance before you.
He can do
nothing to change the past, but if you can let it go,
you can do
everything to build a future.

O'CONNOR: The Sarajevo Symphony played an unfinished
work by Schubert, symbolic of the work here, also
as yet
unfinished.

The president brought along members of Congress on
this trip,
hoping to show them the progress of peace here, but
also showing
them just how fragile a peace it is.

Eileen O'Connor, CNN, Tuzla.

(END VIDEOTAPE)

WOODRUFF: A former member of Congress may have been
the
president's most powerful ally in making the case for
the Bosnian
mission to lawmakers and voters back home. When Bob
Dole and
his wife Elizabeth went along with Mr. Clinton to
Bosnia, they put
aside their '96 campaign rivalry to support the
troops and their
mission.

DOLE: We're here for a couple of reasons. And one is
to say hello
to you on behalf of all Americans, all grateful
Americans and on
behalf of our delegation and others who are concerned
about your
well being and concerned about the future of Bosnia,
concerned
about our role in the world as the preeminent leader.
So we want
to wish you all the best. I'm also here to support
the president in
this effort. I believe it is worthwhile. And I hope
you believe the

effort in Bosnia is worthwhile.

WOODRUFF: Many Americans apparently agree with Dole.

Our new CNN-U.S.A. Gallup poll show more Americans than ever, 49 percent approve of the U.S. troop presence in Bosnia. That is up 10 points since June. Forty-three percent asked approve of Mr. Clinton's decision to keep troops in Bosnia indefinitely. But 50 percent do not. And 60% say Mr. Clinton does not have a clear Bosnian policy.

Bill Schneider joins us now with more interesting results from our year end poll. Bill, what's the headline?

BILL SCHNEIDER, CNN POLITICAL ANALYST: The headline I think is the big news, Vice President Gore. He's taken some hits this year. And it shows up in our poll. Gore's favorability rating has dropped from 60 percent in January to 50 percent now.

That's quite a drop, especially considering the fact that Bill Clinton's ratings have held pretty steady this year. The president started the year just before his second inaugural at 58% approval. He ends the year at 56, just about where Ronald Reagan was at this stage in his presidency. Does the public believe Gore is qualified to be president? Only 37% say yes. A majority say no, he isn't, even though there is, as we know, no controlling legal authority that says he violated the law.

Gore's problem is not character. Most Americans still believe that Gore is honest and trustworthy, while people remain divided over whether President Clinton is honest and trustworthy. But not as many people like Gore. He's sort of George Bush to Clinton's Ronald Reagan.

going for WOODRUFF: But the Vice President has the economy
him, doesn't he, Bill?

number of SCHNEIDER: Indeed, he does. Let's take a look at the
excellent people who say economic conditions in the country are
only 13 or good. It's gone up every year since 1992. In '92,
it's almost percent thought the economy was in good shape, now
down to the 50 percent. The number who say the economy is the most
are important problem facing the country is way down,
is down, lowest level since before the 1990 recession. So what
concern about Americans concerned about? Crime? nope. That number
and Dick too, along with the crime rate. We're seeing more
may be poverty and homelessness. Democrats like Ted Kennedy
here's a Gephardt are talking about the fairness issue. And it
striking a responsive chord with the voters. But now
warning sign.

Americans thought At the beginning of this year, only 31 percent of
year. Now the stock market was likely to crash during the next
that figure is up to 40 percent.

Americans The enormous volatility of the stock market is making
almost nervous. This economic recovery has been going on for
Judy? seven years now. People wonder how long can it last.

Schneider, WOODRUFF: A lot of people are wondering. Bill
on Thanks. And we will continue on an economic note next
when it INSIDE POLITICS. What is Mr. Clinton's battle plan
Gene comes to taxes? We'll ask his top economic adviser
Jeffrey Sperling, and we'll get reality check from journalist
Birnbaum.

(COMMERCIAL BREAK)

WOODRUFF: Republicans have made it clear. They plan to make tax cuts a major issue in the upcoming congressional election year.

The Clinton administration has been pondering how to respond to tax

cutting pressures and the strong economy while at the same time pursuing a balanced budget and democratic gains on Capitol Hill.

The director of the National Economic Council Gene Sperling joins us from the White House to talk about taxes and politics.

Gene Sperling, will there be tax cuts proposed by the president next year?

GENE SPERLING, DIRECTOR, NATIONAL ECONOMIC COUNCIL: Well, as the president has said often,

anything that he proposes on tax cuts has to meet his test of being fair to working families, maintaining our fiscal discipline and being good for the economy. I think the things the president succeeded in doing,

which is the hope scholarship tax credit, the \$500 child tax credit, the earned income tax credit for families under \$30,000, all of those have met those three tests. As we go forward, we're going to apply those same principles.

Let me be very specific what we plan on doing. Number one, in

our state of the union, you will see targeted tax cuts that will be fully paid for and in line with the fiscal discipline set out in the

balanced budget agreement. Number two, we will press very hard

to pass the bipartisan IRS reform provisions that both the president

and Speaker Gingrich have agreed on to give taxpayers better

protection, more rights, better service, better customer service.

Number three, as to sweeping overhauls of the tax system, the president will not be announcing any such plans in the state of the union or over the next couple of months.

But I do want to say that the economic team will continue to analyze and review such options over the next several months, and I don't want in any way to rule out that it's possible that there will be further action on tax reform at some point if we can come up with a proposal that meets the president's test.

WOODRUFF: So you're not ...

SPERLING: And finally -- finally let me say, to those out there who have other proposals that we should consider, it's time to put the rhetoric aside and come forward with what are the specifics? What would the impact be on average families? Would it raise taxes on some people? Would it get rid of the mortgage deduction and other popular deductions? And most of all, is it going to blow a hole in our fiscal situation and set us back from the tremendous gains this president has made in the last five years in turning our fiscal situation into a situation where now we may actually be in surplus for the next few years.

WOODRUFF: Gene Sperling, aren't there already several specific plans on the table? Dick Armey has one. There are several others that are out there and floating around. What are you saying? Are you saying you don't have enough specifics on these flat tax proposals? The national sales tax proposal and so forth?

SPERLING: Well, I think that some of the proposals on the table that we have looked at clearly do not meet the president's test. Many of them would set back the progress we have made

in deficit reduction,
and cost in fiscal discipline. That would raise interest rates
homeowners money. It would hurt investment.
deductions Secondly, many of them would take away very popular
essentially raise the like the home mortgage deduction that would
-- excuse me, would actually lower the value of many
people's homes. And finally, many of them would have very many
negative effects. There would be many losers, as well as
winners. So, I think when we've looked at look the proposals, many
of them either seemed to raise taxes on middle-income
families or they have a very negative fiscal situation, and we need to
see if there's something that can meet the president's test of being
both fair and fiscally solid.

about the WOODRUFF: Just in the short time we have left, what
been talking so-called progressive flat tax that Dick Gephardt has
about?

be analyzed, SPERLING: Well, I think proposals like that need to
deduction for but even that proposal would probably get rid of the
health insurance and pensions, charitable deductions.
Those are very serious issues that need to be discussed. And
Congressman Gephardt's idea is certainly to be complimented for
being more progressive than the others, but it has some very
serious issues that need a full discussion.

getting the WOODRUFF: How do you keep the Republicans from
Gene upper hand on this tax reform issue, though Gene --
Gallup Sperling, when our poll, this latest CNN/"USA TODAY"
poll shows 95 percent of the American people favor

significant

change in the tax code?

an IRS

SPERLING: I'll tell what you people want. They want

rights and they want

that's more friendly to them, that protects their

they get the

a tax code that's better for their interest. And when

that the

\$500 child tax credit, the \$1,500 education tax cut

are going to say

president put in, those are the type of things they

raise a family.

makes their life better, makes it easier for them to

Armey

What people have to do is show, you know, Congressman

all the

and others have to show their proposals. All of them,

fiscal progress,

details, whether it adds up, whether it will hurt our

keep

and people have to make a judgment. We're going to

proposals meet the

looking. We don't think the current Republican

president's test at this time.

Gingrich's

WOODRUFF: And just quickly in a word, Speaker

and come

proposal over the weekend that the president go ahead

year.

out with an early plan to balance the budget next

five years and we

SPERLING: You know, if we stay on the course of fiscal discipline that the president has set over the last

there's a very

don't spend money we don't have yet, then I think

could lead to

good chance that the budgets that we are presenting

who knows,

the economy performing stronger than expected. And

we may get a balanced budget sooner than expected.

WOODRUFF: So you're saying it may happen.

the president

SPERLING: I think if we keep the fiscal discipline

cuts in

has set. I don't think we need to go making drastic

the fiscal

education or other programs. I think we need to keep

discipline that's in the balanced budget agreement.

WOODRUFF: All right, Gene Sperling at the White House. Thank you very much.

SPERLING: Thank you.

WOODRUFF: And now a non-partisan take on the economy and tax cuts. Jeffrey Birnbaum is Washington bureau chief for "Fortune" magazine. He's written extensively on the politics of taxes and the Clinton White House. Jeff, tell us what we just heard there. Gene Sperling isn't ruling anything out, but he is laying down some fairly clear parameters.

JEFFREY BIRNBAUM, "FORTUNE" MAGAZINE: Yes, what he's not telling us is whether the president will say or won't say in the state of the union that he favors some sort of major tax reform, which means probably some major tax overhaul. And that is still actually being litigated inside the White House. There's some dispute about whether he should ...

WOODRUFF: Well, he said there wouldn't be any sweeping overhaul announcement in the study.

BIRNBAUM: No, but if he says, as he did earlier just last week in his press conference that he would be open to simplification, at least doffing his hat to the need, or rather to the huge overwhelming political desire, popular desire for restructuring the tax code. He may need to do that in order to -- as your question indicated, in order to stay ahead, or at least even with the Republicans who are pushing for a major reform of some kind.

Now clearly, Gene -- Gene Sperling is saying that the president doesn't want to do that because of the many pitfalls to any of the major plans. But he may have to move in that direction in order to

prevent the political wave from crashing down on top of him.

WOODRUFF: Is it smart the way the White House is playing this from a purely political context?

BIRNBAUM: It's very hard to say. I mean, I can tell what you they are doing is, they are looking at all of the plans and they are each flawed in important ways. Some are very regressive, that is they give a big tax break to rich people and disproportionately hurt poor people. Some lose a lot of money compared to current law which would widen the deficit. A lot of them would get rid of very popular tax breaks. Even as Sperling pointed out here, Gephardt's plan takes away a few. So by playing defense, they think they might be able to hold back this -- this flood of interest in tax reform. My guess is, though, that they will have to say a bit more about it because of ...

WOODRUFF: In January.

BIRNBAUM: In January, at the end of January in the state of the union, I think the president may have no choice but to say a few lines about the need for restructuring the tax code, while saying -- the leading option is for him to say what needs to be done is simplification, which avoids some of these other problems, but allows him to move further if the political will demands that he do so.

WOODRUFF: Just quickly, Jeff. How long do you think they can wait before they are more specific?

BIRNBAUM: I think they can wait a long time. They have to address in the meantime though, I think tax cuts. There's going to be a very important fight on tax cuts. The president

has daycare
and he wants some environmental tax cuts. The
Republicans want
some changes in the marriage penalty and also capital
gains, maybe
estate taxes. That I think will be the ground on
which we'll fight in
1998.

WOODRUFF: Jeff Birnbaum, "Fortune" magazine, thank
you very
much.

BIRNBAUM: Thank you.

WOODRUFF: And INSIDE POLITICS will be right back.

(COMMERCIAL BREAK)

WOODRUFF: It appears that United States involvement in
Vietnam might have gone differently if John F.
Kennedy had not
been assassinated. Our world affairs correspondent
Ralph
Begleiter has details as some newly declassified
documents.
Ralph?

RALPH BEGLEITER, CNN WORLD AFFAIRS
CORRESPONDENT: Well Judy, ever since John F. Kennedy
was assassinated, his aides and historians have
argued about
whether if he had lived, Kennedy would have withdrawn
U.S.
military personnel from Vietnam instead of escalating
the war.
Those newly declassified U.S. government documents
confirm that
Kennedy had approved, just before he died, a plan to
withdraw
1,000 of them. More than 16,000 so-called military
advisers in
Vietnam.

RONALD SPECTOR, GEORGE WASHINGTON
UNIVERSITY: Because Vietnam was such a disaster and
because Kennedy was so popular, it's natural to say
well, if only
Kennedy had lived, everything would have been all
right.

BEGLEITER: Less than two months before Kennedy was
killed,
documents now publicly confirmed he ordered all

military planning
of all to prepare South Vietnamese troops for the withdrawal
1965. The special assistance units and personnel by the end of
Robert documents confirm that Defense Secretary McNamara,
more than a McNamara who later supervised the mobilization of
a faster half million troops to Vietnam in May 1963 argued for
chairman of pullout. In October, '63, the documents now confirm
passed along the Joint Chiefs of Staff General Maxwell Taylor also
to the White House order to immediately execute the plan
1963. The withdraw 1,000 U.S. military personnel by the end of
South U.S. then had more than 16,000 so-called advisers in
Vietnam.

Lyndon Johnson But after Kennedy's assassination, his successor
to take discovered the South Vietnamese Army was in no shape
over the war and allow Americans to get out. Johnson,
U.S. McNamara, and the Pentagon escalated U.S. involvement,
eventually sending more than 500 troops there. The
eventually got out of Vietnam in 1975 and the commerce
government of the north took over.

with Hanoi, and Today, the United States has diplomatic relations
is moving toward full economic relations, too. Judy?

answered, but WOODRUFF: All right, Ralph Begleiter. Questions
still some questions left in the air.

the air for BEGLEITER: There will be a lot of questions still in
many years to come.

WOODRUFF: Thanks again.

I'm Judy And that is all for this edition of INSIDE POLITICS.
Woodruff.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:23-DEC-1997 10:36:39.00

SUBJECT:

TO: Michelle Crisci (CN=Michelle Crisci/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

REMARKS TO THE NATIONAL GOVERNORS , ASSOCIATION
JANUARY, 1998

[Acknowledgments] Gov. Voinovich, Chairman, Gov. Carper, Vice Chairman:

As you know, my relationship with the NGA goes back to my days as Governor. Over the years, I have enjoyed our engaging and thoughtful discussions, especially the opportunity to learn of the new, creative ideas developed by my colleagues around the country. This is my 20th visit with the NGA as President and am proud of all that we have accomplished, working together.

Five years ago, I came into office with a simple, but important strategy: Keep the American dream alive for everyone who is responsible enough to work for it; keep America the world's leading force for peace, freedom and prosperity; and bring our own people together across the lines that divide us.

Together, we have made progress: we have the strongest economy in a generation, crime is down five years in a row and the welfare rolls have seen the largest drop in history. Our social fabric is mending.

This hasn't happened by accident. For years as a Governor, I listened to the debate about whether government should do nothing or do everything. On the budget, we were told that you were for either cutting the deficit and nothing else or more and more spending with no concern of its implications for our children. On crime, the issue was limited to either tough punishment or prevention. On welfare, you believed everyone on welfare didn't want to work and tough requirements were necessary, or you wanted to give people a hand out but were reluctant to push them to move up.

I believed we had to move beyond false choices. We proved that you could cut the deficit dramatically and still invest in the health, education and training of our people. On crime, we proved that we could be both tough and compassionate. On welfare, we have all proved that we could be tough on work and still be supportive of children and families.

We have also seen what happens when we work together for the good of the country. The balanced budget I signed last summer included the largest increase in higher education since the G.I. Bill in 1945 and the most significant investment in children's health since the creation of Medicaid in 1965. This is, indeed, a remarkable time in America. But this is not the time to rest. It is a time that demands action.

Today is Martin Luther King Day. If Dr. King were alive today, he would be proud of the progress we have made. A record number of African Americans are graduating high school and going on to college. The African

American unemployment rate is at its lowest level in two decades. Family income for Hispanics increased more last year than any other year on record. Through our initiative on race, we are honestly and forthrightly trying to deal with the problem of racism in America.

But Dr. King would recognize that we have more to do. Many families today are struggling to keep their children away from drugs and violence. Too many kids out there aren't getting the support and encouragement they need. Our schools are more racially, culturally and linguistically diverse than ever before. This is a source of our current and future strength. But if we don't address the challenge diversity presents us with, we risk losing what makes us great. We don't have a person to waste and when we give every child opportunity, we grow stronger as a people and stronger economically.

Already, too many of our students are graduating high school without the right skills to secure a good job or succeed in college. In a recent survey, over 50 percent of manufacturers reported that current workers lack basic math, writing and comprehension skills. The demand for skilled workers will only intensify. From now until 2005, an average of 700,000 new computer scientists, system analysts and programmers will be needed.

Our collective challenge is to ensure that all Americans can benefit from these new opportunities. One of the best ways to do this is to embrace national academic standards. In 1989, I joined President Bush and 49 Governors at the University of Virginia for an education summit to grapple with and articulate for the first time our nation's education goals. I had the honor of being the Democratic Governor chosen to draft these goals, which ranged from early learning to college opportunity to lifelong learning.

I am proud that since I became President, we have done much to make these goals more of a reality. In early learning, we increased Head Start and WIC each by over \$1 billion, helping thousands of more children and families participate. But we know from the Zero to Three Childhood conference earlier this year that we need to do much more to get our children ready to learn.

We have opened the doors of college to anyone willing to work for it. We reformed the student loan program, signed into law a Lifelong Learning Tuition Tax credit to give workers the opportunity to upgrade their skills as well as the HOPE Scholarship to make the 13th and 14th years of school as universal as high school is today. Now, we need to let our students in middle school know that if they put forth the effort, the opportunity to attend college will be there for them.

Through GOALS 2000 and education technology, we are spurring grass-roots reform in our schools to improve standards and moving forward towards our goal of connecting every school and library to the Internet by the year 2000. But we know that many of our children are still not learning what they need to live out the American dream. We know that too many of our schools are failing our children.

Nearly a year ago, I challenged every state and every school to adopt high national standards and by 1999 to test all fourth graders in

reading and eighth graders in math to ensure standards are being met. In that time, seven states -- California, North Carolina, Maryland, Massachusetts, Michigan, Kentucky and West Virginia -- have answered the call for educational excellence along with fifteen of the largest school districts. This year's budget provides \$16 million to support the testing plan and allows for pilot testing to begin next Fall.

This is a big step forward. As Governor and as President, I have spent more time dealing with education than almost any other issue and I have learned one undeniable fact: Every child has the capacity to learn regardless of circumstance -- economic or social.

I understand that some will argue that national standards are nothing more than a federal government power grab. They believe our kids aren't prepared to be told what they don't know. They ask how can we afford to put down the children who most need to be lifted up?

But I just disagree with those arguments. The United States is the only industrialized country in the world that does not have high, clear national standards of excellence in core subjects in public education. We need national standards -- not federal government standards. These tests are voluntary. No state or school district has to participate. The federal government provides the funding to develop these tests, but the independent, bipartisan National Assessment Governing Board (NAGB) is responsible for test policies and development.

Martin Luther King knew the value of education. He often spoke of how education spurred excellence, and excellence equality. But Dr King also argued that intelligence is not enough. He understood that, intelligence plus character -- that is the goal of a true education. School uniforms, truancy enforcement and curfews are all ways we can promote character, discipline and respect in our schools.

But one of the best ways to instill character is to adopt national standards which help bring out the best in our children. Research shows that students work harder and achieve more when they are challenged to achieve higher expectations. High academic standards join parents, teachers and school leaders in a common vision of preparation and achievement. And national standards tell all kids -- kids who come from the most difficult and challenging backgrounds -- you have no choice, but to measure up, to push yourself -- and your school will be there every step of the way with you.

The need has never been more urgent. A recent report found that A students in high-poverty schools perform about as well as C students in low-poverty schools in the same math test. I believe that the poorest of our kids need national standards more than others because they look to the schools to give them the opportunities their own parents lacked. These kids need to be held to the highest expectations. I think Dr. King would agree that when we lower the bar for any child, we sacrifice their dreams, their self-esteem and the future of this country.

It's a good thing when students, parents and teachers know exactly what is required to succeed in school and in life. It's a good thing when parents take an activist role in their children's education. It's a good thing when we are all held accountable for what our kids know and don't know. It's a good thing when teachers challenge our children with more vigorous lessons and teaching strategies. It's a good thing when we know our kids are doing well and where they need improvement. And lastly, it's a good thing that we know our kids are prepared to move out

into the rapidly-changing world equipped with the right skills and realize their God-given potential.

Let us work towards the goal Martin Luther King challenged us to meet: intelligence with character. Let us give a new meaning to moving from one grade to another. Let us challenge not just our children, but our schools, our teachers, our parents and ourselves. Let us give our children a chance to succeed. Martin Luther King would have accepted nothing less.

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READ:UNKNOWN

TEXT:

Mike may also want to take a quick look at this. Gene specifically answered the Gephardt and Gingrich questions as well.

WOODRUFF: But the Vice President has the economy going for him, doesn't he, Bill?

SCHNEIDER: Indeed, he does. Let's take a look at the number of people who say economic conditions in the country are excellent or good. It's gone up every year since 1992. In '92, only 13 percent thought the economy was in good shape, now it's almost 50 percent. The number who say the economy is the most important problem facing the country is way down, down to the lowest level since before the 1990 recession. So what are Americans concerned about? Crime? nope. That number is down, too, along with the crime rate. We're seeing more concern about poverty and homelessness. Democrats like Ted Kennedy and Dick Gephardt are talking about the fairness issue. And it may be striking a responsive chord with the voters. But now here's a warning sign.

At the beginning of this year, only 31 percent of Americans thought the stock market was likely to crash during the next year. Now that figure is up to 40 percent.

Americans The enormous volatility of the stock market is making
almost nervous. This economic recovery has been going on for
Judy? seven years now. People wonder how long can it last.

Schneider, WOODRUFF: A lot of people are wondering. Bill
on Thanks. And we will continue on an economic note next
when it INSIDE POLITICS. What is Mr. Clinton's battle plan
Gene comes to taxes? We'll ask his top economic adviser
Jeffrey Sperling, and we'll get reality check from journalist
Birnbaum.

to make WOODRUFF: Republicans have made it clear. They plan
election year. tax cuts a major issue in the upcoming congressional
respond to The Clinton administration has been pondering how to
the same time tax cutting pressures and the strong economy while at
Capitol Hill. pursuing a balanced budget and democratic gains on
Sperling joins The director of the National Economic Council Gene
politics. us from the White House to talk about taxes and

president Gene Sperling, will there be tax cuts proposed by the
next year?

anything that he GENE SPERLING, DIRECTOR, NATIONAL ECONOMIC
fair to working COUNCIL: Well, as the president has said often,
good for the proposes on tax cuts has to meet his test of being
in doing, families, maintaining our fiscal discipline and being
child tax credit, economy. I think the things the president succeeded
\$30,000, all of which is the hope scholarship tax credit, the \$500
we're going to the earned income tax credit for families under
those have met those three tests. As we go forward,

apply those same principles.

Let me be very specific what we plan on doing. Number one, in our state of the union, you will see targeted tax cuts that will be fully paid for and in line with the fiscal discipline set out in the balanced budget agreement. Number two, we will press very hard to pass the bipartisan IRS reform provisions that both the president and Speaker Gingrich have agreed on to give taxpayers better protection, more rights, better service, better customer service. Number three, as to sweeping overhauls of the tax system, the president will not be announcing any such plans in the state of the union or over the next couple of months.

But I do want to say that the economic team will continue to analyze and review such options over the next several months, and I don't want in any way to rule out that it's possible that there will be further action on tax reform at some point if we can come up with a proposal that meets the president's test.

WOODRUFF: So you're not ...

SPERLING: And finally -- finally let me say, to those out there who have other proposals that we should consider, it's time to put the rhetoric aside and come forward with what are the specifics? What would the impact be on average families? Would it raise taxes on some people? Would it get rid of the mortgage deduction and other popular deductions? And most of all, is it going to blow a hole in our fiscal situation and set us back from the tremendous gains this president has made in the last five years in turning our fiscal situation into a situation where now we may actually be in surplus for the next few years.

WOODRUFF: Gene Sperling, aren't there already several specific plans on the table? Dick Armey has one. There are several others that are out there and floating around. What are you saying? Are you saying you don't have enough specifics on these flat tax proposals? The national sales tax proposal and so forth?

SPERLING: Well, I think that some of the proposals on the table that we have looked at clearly do not meet the president's test. Many of them would set back the progress we have made in deficit reduction, in fiscal discipline. That would raise interest rates and cost homeowners money. It would hurt investment.

Secondly, many of them would take away very popular deductions like the home mortgage deduction that would essentially raise the -- excuse me, would actually lower the value of many people's homes. And finally, many of them would have very many negative effects. There would be many losers, as well as winners. So, I think when we've looked at look the proposals, many of them either seemed to raise taxes on middle-income families or they have a very negative fiscal situation, and we need to see if there's something that can meet the president's test of being both fair and fiscally solid.

WOODRUFF: Just in the short time we have left, what about the so-called progressive flat tax that Dick Gephardt has been talking about?

SPERLING: Well, I think proposals like that need to be analyzed, but even that proposal would probably get rid of the deduction for health insurance and pensions, charitable deductions. Those are very serious issues that need to be discussed. And

Congressman

being more
serious issues that
Gephardt's idea is certainly to be complimented for
progressive than the others, but it has some very
need a full discussion.

getting the
Gene
Gallup
significant
WOODRUFF: How do you keep the Republicans from
upper hand on this tax reform issue, though Gene --
Sperling, when our poll, this latest CNN/"USA TODAY"
poll shows 95 percent of the American people favor
change in the tax code?

an IRS
rights and they want
they get the
that the
are going to say
raise a family.
SPERLING: I'll tell what you people want. They want
that's more friendly to them, that protects their
a tax code that's better for their interest. And when
\$500 child tax credit, the \$1,500 education tax cut
president put in, those are the type of things they
makes their life better, makes it easier for them to

Armey
all the
fiscal progress,
keep
proposals meet the
What people have to do is show, you know, Congressman
and others have to show their proposals. All of them,
details, whether it adds up, whether it will hurt our
and people have to make a judgment. We're going to
looking. We don't think the current Republican
president's test at this time.

Gingrich's
and come
year.
WOODRUFF: And just quickly in a word, Speaker
proposal over the weekend that the president go ahead
out with an early plan to balance the budget next

five years and we
there's a very
SPERLING: You know, if we stay on the course of fiscal
discipline that the president has set over the last
don't spend money we don't have yet, then I think

good chance that the budgets that we are presenting
could lead to
the economy performing stronger than expected. And
who knows,
we may get a balanced budget sooner than expected.

WOODRUFF: So you're saying it may happen.

SPERLING: I think if we keep the fiscal discipline
the president
has set. I don't think we need to go making drastic
cuts in
education or other programs. I think we need to keep
the fiscal
discipline that's in the balanced budget agreement.