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REMARKS BY THE PRESIDENT
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THE PRESIDENT: Thank you very much. You know, for a President who has been derided from time to time on the pages of the Wall Street Journal and other places for being too concerned with diversity, I feel that I should apologize tonight for giving you such an overconcentration of Irish blarney in the last three speeches. (Laughter.) I hardly know what to say. (Laughter.) And even if I do, I'll just repeat something. (Laughter.)

They were wonderful. I want to say, first to Senator Kerry, I thank you for your leadership and your wise counsel to me on so many things; for your occasional constructive criticism, which is always helpful -- (laughter) -- and for always thinking about how we can reach out to people who aren't in this room and who have been vulnerable to the siren's song of the other party. We should do more of that, because we're working hard to represent them, to help them.

I also want to say that when you introduced Theresa tonight I was sitting here thinking that next only to the President of the United States, you're about to become the most over-married man in the whole country. (Laughter.) And I congratulate you both, and I wish you well and Godspeed. (Applause.)

I want to say how elated I was to be a part of a couple of events for Senator Kennedy up here in the last campaign. Whatever labels you put on Democrats, the truth is that all elections are about two things: whether a majority of the people identify with you and think you're on their side, and whether you've got a message for the future.

In this last election, without apology, with great energy and gusto and courage, when all the national trends were going the other way and when no one could any longer seriously claim that Massachusetts was just a different state, Ted Kennedy told the people of this state what he stood for, what he had done, and most importantly of all, why he wanted another term. He made the election about the future and the people of Massachusetts and he won. And if the Democrats will make the elections of 1996 about the people of the United States and the future of our country, we will win as well. (Applause.)

I want to thank Alan and Fred and all the others on the committee. They're the only people I know who are more indefatigable than I am when it comes to trying to push our party's agenda and move this country forward. They're the sort of "Energizer Bunnies" of the National Democratic party, and I am grateful. (Laughter.)

I wish I could put them on television the way Mario Cuomo and Ann Richards were. Did you all see them on the Super Bowl? (Laughter and applause.) I don't know about you, but I've had three dozen bags of Doritos since then. (Laughter.) I can hardly walk. (Applause.) And I want them to stay on. I mean, write Doritos and tell them you ate lots of those Doritos and that's the only way we can get equal time with the Republicans on the air waves. (Laughter and applause.)

I want to thank your party Chair Joan Menard and Reverend Charles Stith, my longtime friend; your Secretary of State, President Bill Bulger; Speaker Flaherty; and the Attorney General; all the others who are here; and a special word of thanks to your wonderful mayor, Tom Menino, for making me feel so welcome here today. (Applause.)

You know, when Senator Kerry and Senator Kennedy and I went with the Mayor to meet with that youth council today and they had a young person from every part of this great city from all different ethnic backgrounds, and, obviously, different sets of personal conditions; and we were sitting there just having a family conversation about what these young people were interested in. And they kept asking me, well, here's a problem. But they didn't ask me, what are you going to do about it. They said, what do you think we can do about it. It was astonishing. Over and over, what do you think we can do about it. And I thought to myself, if we had enough kids like this all over America our country is in pretty good shape. And it's a great tribute to Boston and to the ethic of citizenship and service, which is vibrant and alive and burning here.

I was so glad to -- appreciate what Senator Dodd said about the national service program. I know all of you must be very proud of Eli Segal from Boston for the way he has run that program. It is a brilliant thing that is lining up possibilities all across our country -- immunizing children in south Texas; rebuilding housing projects in Detroit; helping people in all the natural disasters in

California; restocking the salmon in the Pacific Northwest. You cannot imagine what those young people are doing all across this country. And I have to tell you that if it hadn't been for Eli Segal I'm not sure we ever could have done it the way he conceived it and executed it. And the next time he comes home to Boston give him a pat on the back, because he's been magnificent. (Applause.)

I want to thank my longtime friend, Don Fowler, for agreeing to join this team with Senator Dodd. The real reason Don came up here tonight is so there would be two southern rednecks book-ending all these Irish guys when they were talking. (Laughter.)

Don understands what part of our problems are. Everybody talks about change, but Clinton's ninth law of politics is, everyone is for change in general, but against it in particular. (Laughter.) Everybody is for lowering the deficit. The problem is when you have to lower it. That's what Senator Kennedy was talking about. We didn't get much help when we actually had to do it.

It's kind of like everybody is for going to the dentist, but if I tell you I made you an appointment for 7:30 a.m. in the morning, you have second thoughts. (Laughter.)

So to whatever extent I bear a responsibility for some of our party's difficulties because I had a drill to the tooth of America for the last two years, trying to whip this thing back in shape, I regret that. But I don't regret the fact that we do have the economy back on track; we do have the deficit coming down; we do have this country in a position now where we can think about how to give tax relief to hardworking Americans and invest in education, and still continue to bring the deficit down. I don't regret that. It was tough; it was hard. And I thank the people of the Congress who did it. (Applause.)

You know, Don and I come from part of the country where it's been hard to be a Democrat for over 20 years now. And part of it is this whole deal, everybody is for change in general, but against it in particular.

One of my favorite stories from my previous life as governor of Arkansas was going to 100th birthday party of somebody with my junior senator, David Pryor. We went up to this guy. We were amazed at what good shape he was in -- astonished. I said, you know, you have all your faculties. You hear well, you see well, you speak well. He said, yeah. And I said, you're really just in great shape, aren't you? He said, I am. And I said, boy, I bet you've seen a lot of changes. He said, Son, I sure have, and I've been against every one of them. (Laughter.) The more you think about that, the sadder it'll get. But anyway, there it is. (Laughter.)

There is some of that out there. But our people also really do want change. They want us to stick up for the principles of the Democratic party, but they also want us to reach out a hand of partnership. And as your President, I have to be the leader of our party and the leader of our country. I feel very indebted to Chris Dodd and to Don Fowler for being willing to put aside a lot of their other activities to take the time to help to rebuild and reinvigorate and revitalize our party.

I know -- I know in my bones -- I can feel it, that if we can stay true to our principles, and clarify our vision for the American people, and say what we are doing and where we want this country to go, that the fact that we honestly represent and care more about the vast majority of the American people will manifest itself, not simply in Massachusetts, but throughout the United States within the next two years. And that should be our common commitment and our common cause.

The whole purpose of politics, after all, is to improve the life of people. Read the Declaration of Independence. As I said in the State of the Union, nobody's really done any better than that. We pledge our lives and our fortunes and our sacred honor to the idea that all of us are created equal and endowed by God with the rights of life, liberty and the pursuit of happiness -- not a guarantee of happiness, but the right to pursue it; the right to succeed, the right to fail.

For 200 years, we've had to work to refine that phrase like a piece of steel. And we reach a certain point and we realize, oh, we've got a whole new set of circumstances or our understanding was painfully limited. That's what the Gettysburg Address was all about.

I don't know if you read Gary Will's terrific book, "Lincoln at Gettysburg," but he basically argues that Mr. Lincoln rewrote the Constitution with the Gettysburg Address by making the spirit of the Constitution the letter. That's what it was all about. He said, how could we be so dumb to have slavery and say all people are created equal. So from now on, that's what this means.

And you look what happened when Theodore Roosevelt and Woodrow Wilson tried to redefine the obligations of our national government to protect the American people from the abuses of the Industrial Age; or when Franklin Roosevelt ran on a platform of limited government and balancing the budget, but realized that he couldn't let the country go into the tubes, that he had to lift people's spirits and lift their circumstances and give them ways to work together.

If you look at some of our most difficult times, they're the times of transition when we're moving from one arrow to another and people can't give you a clear road map. In the middle of the Depression, I remember my grandfather telling me as poor as people were, there was a certain happiness of spirit people felt after Roosevelt got in and everybody knew that they were working together and they were going somewhere.

I told a lot of people over the last month I'd just been astonished every time I go to California and I see those poor people. They've had an earthquake, they've had floods, they've had fires. Some of the happiest people I've ever met are people in those relief shelters in California. They get together -- all walks of life. I was in one of those flood relief shelters the other day in Northern California in a little unincorporated town called Rio Linda where Mr. Limbaugh had his first radio program. (Laughter.)

And I was in a little Methodist church talking to all these people and this old gal came up to me and put her arm around me, and she said, Mr. President, I'm a Republican, but I'm sure glad to see you. Like I was going to fall out or something. Why? Because they were there, they didn't care what their party was or their philosophy. They were there trying to do something good. And they felt that they were part of something bigger than themselves.

In a period of transition like this, we're going from the Cold War era and the Industrial Age to the post-Cold War era and Information Age. We're going through enormous changes in the way work is organized and the way the society works. We've got all these cultural tensions in our country just eating people up. In times like this, people tend to be disoriented and out of focus. And it is difficult for them to do the work of citizenship and to believe that we can come together and do the things we ought to do. And we have to find ways to recreate in ordinary, normal circumstances the spirit that I see when adversity strikes America. That's what the mayor did by bringing those kids into that youth council today. And that's what we have to do as Americans.

The Democrats need to forthrightly say, we believe, even in the 21st century, even in the Information Age, even when we trade in our mainframes for our PCs, there is a role for us working together as a people; that the market is a wonderful thing and we want it to work, but it won't solve all the problems; that we still need the public sector to expand opportunity even as it shrinks bureaucracy; to empower people to make the most of their own lives, no matter what their circumstances; to enhance our security at home and abroad.

And we don't have all the answers because a lot of the problems are new. But we know that if we are guided by what I call the New Covenant, the idea that we will create opportunity and challenge the American people to be more responsible, and that's how we'll build our communities and restore citizenship, we can do quite well.

It's amazing how many things I've had to do as President that I knew would be unpopular. Like that economic plan. It wasn't unpopular in Massachusetts because Ted Kennedy defended his vote. And if everybody else had done that, they'd have found the results more satisfactory. (Applause.)

I remember when -- but we had to do that. We couldn't just keep ballooning the deficit. We'd never have gotten interest rates down in 1993; we would never have gotten this economy going again. We had to do it. And we have to continue to do things that are unpopular.

It was unpopular to say that the time had come for the dictators in Haiti to go, but it had to be done. We had to stand up for freedom in our hemisphere. We couldn't deal with the consequences of walking away from that and the commitment we had made. We had to do it. (Applause.) It was unpopular, but it had to be done. (Applause.)

And I know the surveys say that by 80 to 15, or whatever they said, the American people either didn't agree or didn't understand what in the world I'm up to in Mexico. But I want to say to you, it might be unpopular, but in a time of transition it's the right thing to do. Today, two weeks and a few days after the Mexican crisis presented itself, after meeting with the leaders of both parties in the Congress, I decided to commit to a loan guarantee of \$20 billion, not \$40 billion, from the Emergency Stabilization Fund -- something within the control of the President, with the support of the leaders of Congress of both parties.

We've now gotten countries, other countries through the International Monetary Fund to kick in about half what we need, which is a good thing. But we couldn't wait for two more weeks of congressional debate. I don't blame the congressmen for wanting to ask questions. I don't blame them for not wanting to vote on this; it's a hard sell. It's pretty hard to explain in south Boston or up in Dover, New Hampshire, why this is a good deal for people in New England. But here's the basic problem.

Those folks got into a little economic trouble, but they didn't deserve as much as they got because a lot of the international financial markets today are controlled by a hundred thousand different forces, and when a speculative fervor starts in one direction, sometimes it's hard for it to stop when there's been some proper economic balance struck. But they've got a good democracy. They believe in free market economics. They buy tons of our products. They're our third biggest trading partner.

Why is this in the interest of the people of New England? Well, New Hampshire's unemployment rate was 7.4 percent when I took office, and it's 3.8 percent now. And a big reason is they're exporting more. (Applause.) That's just one example.

So our third biggest trading partner is in trouble. And they didn't ask us for a grant; they didn't ask us for a loan; they didn't ask us for a bailout. They said, would you cosign this note? And by the way, if we get in trouble and can't pay, we've got a whole bunch of oil and we'll give you some; you can sell it and put the money in the bank. That's pretty good collateral. Near as I can figure, even 10 years from now we'll still be burning oil. We'll be able to use it. We'll be able to turn it into money. It will be worth something at the bank.

And they said, would you help? So we got a \$40 billion trading arrangement. It's jobs for Americans, folks. Those who say, well, Clinton is just bailing out rich investors on Wall Street, most of them will do just fine. But if we lose markets, if we lose possibilities -- a lot of people here have built factories and shut them down. They're hard to start up again when you've shut them down. You've got to go through up and down times, but it's an important thing; it's American jobs.

We share a vast border down there. We have problems along that border -- illegal immigration and narcotics trafficking. This government's trying to help us with both. If you have an economic and a political collapse we have more illegal immigration, more narcotics trafficking, more misery on the streets of America, more anxiety for American taxpayers.

This is the right thing to do, and I was glad to take responsibility for it. And I know it's not popular, but in a time of change not all decisions which have to be made when they have to be made can possibly be popular. So I hope you will support it anyway. It's in the interest of building the future of the United States. (Applause.)

Thank you. Thank you. Thank you very much. (Applause.)

So much has been said tonight, there's not much more for me to say. But I want to make a couple of points about what I hope to achieve this year in this new environment for all of our people. And I'd like to begin by telling you a story.

When my last Secretary of the Treasury Lloyd Bentsen was at his last Cabinet meeting, preparing to go home to Texas after more than three decades of public service, to a well-deserved retirement, with the reputation of being not only one of the wealthiest members of my Cabinet, but one of the most conservative -- a man who inspired great confidence all over the world for his policies and his personal strength -- he said to us as he left: You know what I'm most worried about -- here I am in my 70s, having had the chance to work for my country all these years, having enjoyed all the successes America could bring in the private sector and the public sector. You know what I'm most worried about? I'm worried about the growing inequality in America in the fact that so many Americans are working harder and harder and harder and falling behind. And I don't know how we can preserve our country as we know it unless we can figure out a solution to this problem. And I wish that I had left you with one before I retired.

Everybody in that Cabinet room was just almost dumbstruck. What did he mean? He meant that something has changed since President Kennedy said, "a rising tide lifts all boats." It doesn't.

I'm honored that by the fact that in 1994 we had the best growth in 10 years, the best personal income growth in 10 years, the lowest combined rates of unemployment and inflation in 25 years. That is a very good thing. We should be proud of that. And the economic management and discipline of this administration certainly had something to do with it. And the dramatic improvements in productivity of American businesses and working people had the lion's share to do with it.

And the fact that we're opening new trading opportunities had something to do with it. And the fact that our Commerce Department and others, as has been said, are trying to sell American products and services. It all had something to do with it.

But the hard, cold fact is -- people say, well, why doesn't the administration get credit for this? Senator Kennedy alluded to it. Well, one reason is a lot of people are still working a longer work week than they were 15 years ago; they're spending more for the essentials of life, but their wages haven't kept up with inflation. Another million Americans in working families lost their health insurance last year, once again making us the only -- and I reiterate -- the only advanced country in the world with a smaller percentage of working families with health insurance today than had health insurance 10 years ago.

There was even a study last week that said the average working adult is spending an hour a night less at sleep. So if you have less time for leisure, if you're not sure you can even afford a vacation, much less send your kids to college, and you keep reading how great the statistics are, and all the rest of your information you get from some more negative source, it's not hard to understand how people are a little disoriented. Plus, the fundamental fact is we are moving from one time to another, and we aren't there yet -- in our minds and in our experience.

Therefore, it should not be surprising, and we should not complain if those of us in public life sometimes become the object of resentment when we can't figure out how to explain in clear, unambiguous terms that cut through the fog of the national debate what is going on and what we are trying to do about it, and what the people have to do about it.

That is the great challenge we face today. But we should be optimistic about it. With all my heart, I believe the best days of this country are ahead of us. But we have to find a way for the American tide to lift every boat in America. We have to find a way for everybody willing to work hard to do well. We have to find a way to keep the American Dream alive for everyone; to grow the middle class and shrink the underclass. We have to find a way to rebuild our sense of security.

I can think of no better way to explain it than what I have been trying to say for three years now: Our job is to create more opportunity and to challenge the American people to assume more responsibility. We have tried to do that. We are now in a position where it is my judgment that what we need to do in this coming session of Congress is, first of all, to keep the recovery

going; secondly, not to let the deficit explode; thirdly, not to permit the fever for cutting government and cutting regulation undercut the fundamental social compact in this country.

One of the reasons people are so torn up and upset is they're not sure what the deal is anymore. The harder they work, the more insecure they feel.

So I say, you want to cut spending, to our friends in the Republican Party, let us have at it. We have cut \$255 billion in spending. I'm going to send you another \$140 billion in spending cuts. I am all for it. But let's not cut Head Start for children, or the school-to-work program for the non-college bound kids. (Applause.) Let's not cut the nutrition programs and the food programs that keep our people alive. Let's don't do that. (Applause.)

You want to cut taxes? That's all right. I'm for that. But let's not cut more than we can pay for. Let's not play funny numbers. Let's not pay for tax cuts by cutting Medicare. Let's cut spending that we can do without. (Applause.) We can do that. Let's do that. (Applause.)

And more importantly, in my judgment, is let's not fool people. What we're trying to do is to raise incomes. A tax cut raises incomes in the short run. We ought to do it in a way that raises incomes in the long run. That's why I favor -- in this education state, it ought to be popular -- finally giving the American people a tax deduction for all education expenses after high school. (Applause.)

Why? Because that lowers taxes and raises income in the short run, but far more important, it raises income in the long run. And not only the incomes of the people claiming a tax deduction, but the incomes of every, single American because we have to do a better job of getting more education for everybody.

We also ought to raise the minimum wage. (Applause.) Senator Kennedy is right about that. Now, I just want to say a word about this. I know that there's a conventional theory that, well, most people on the minimum wage are young people in middle-class households going home to nice homes at night and they don't need a raise. Well, the statistics show that about 40 percent of the gains of the minimum wage go to people in the middle 60 percent. But about 45 percent go to people in the lower 20 percent of our incomes brackets. There's a lot of women out there raising children on a minimum wage, and people can't live on \$4.25 an hour. (Applause.)

And the other night on our television in Washington there was a little snippet on some people who working in a factory in a rural area not very far from Washington. And a television interviewer went out and interviewed these ladies that working in this operation. And this wonderful woman was interviewed, and he went through all the economic arguments against raising the minimum wage -- they say they're going to, if raise the minimum wage take your job away and put it into a machine. And she looked at the camera, and she said, honey, I'll take my chances. (Laughter and applause.) And I'll tell you what, I'll bet you if anybody in this room were working for \$4.25 an hour, you'd take your chances. Let's give them the chance. What do you say? I think we ought to. (Applause.)

I want welfare reform. I met last Saturday with Republicans and Democrats. Senator Kennedy was there. We talked about the welfare system. People that hate welfare most are the people that are trapped on it. I may be the only president that ever had the privilege of spending hours talking to people on welfare. It doesn't work.

But what should our goal be? Should our goal be to say we are frustrated, we think there are a lot of deadbeats on welfare and we want to punish them? Or should our goal be to say, there ought to be a limit to this system; we want to move people from welfare to work and we want people to move to the point where they can be good parents and good workers, and the system we have has all the wrong incentives; let's change them? That's what our goal ought to be.

We can liberate people. If we're going to shrink the underclass, we have to reform the welfare system, but the goal of it ought to be how to train for a job, how to get a job, how to keep a job, and how to be a better parent. And that is going to be what drives me in this debate. (Applause.)

So that's what I hope we'll do. Go to the Middle Class Bill of Rights, pass the minimum wage, pass welfare reform. Let's keep cutting the size of the government.

You know, if we don't do anything else -- I got tickled when Senator Kennedy was up here talking about it -- but if we don't pass another law, in three years the federal government will be the smallest it's been since John Kennedy was President of the United States because of reductions voted by Democrats 100 percent. And I'm proud of that. (Applause.)

We should never be the party of yesterday's government. We should never be the party of undue regulation. We should never be the party of things that don't make sense. The average person, when they pay money in April thinks that they don't get their money's worth when they send their check to the federal government. That's what they think. And too often they have been absolutely right. We shouldn't defend that. We should be in the forefront. But when we are, as we have been for the last two years, we shouldn't keep it a secret. We need to tell it. We need to make sure people know it. (Applause.)

But I also will tell you that I have challenged the Republican leadership in Congress to make some move on health care. We lost another millions of Americans last year. The health care costs have moderated, thanks to what a lot of you in this room are doing who are in health care. But we still have serious problems with the costs going up more rapidly than inflation and we still cannot continue in the face of plain evidence that every year we'll go on being the only successful country in the world to lose working people from the rolls of the health insured. We can't continue to walk away from this problem.

So maybe we did bite off more than we can chew last year. But as I said so many times, I'm still proud of the First Lady for trying to give health care to everybody in this country. And I don't think we should be ashamed of it. (Applause.) So I think we've got a lot to do.

Let me close with reminding you of this: The most important work of all still must be done by citizens. You know what we're doing here tonight? We're celebrating the right of citizens to have a say in their government. That's what this fundraiser is. And most of you are unselfish. You know darn well if you were at one of their fundraisers, it probably would get you a bigger tax cut. Most of you are here because you believe in your country; because you want everything to go better for everybody; and because you know you'll do better in the long run if we have the discipline to bring the deficit down, to put in sensible economic policies, and to take care of the children of this country. That's why you're here.

You're here because your view of your self-interest goes beyond tomorrow or the next day. You're here because for whatever reason, you haven't become so disoriented in this time of change that you're stopping thinking about the long run. And I value that; I thank you for that.

What we've got to do is to spread that to other people. The spirit I saw of those young children in the Mayor's Council today, we have to spread that to other people. We can't allow resentment to take over. I don't know if you saw the -- I was very gratified by the results of the public opinion survey today about Massachusetts voters. It was in the press today or yesterday, whenever it was. But -- (applause) -- before you clap, let me tell the rest of it. (Laughter.) But that's a fascinating commentary. You know, my wife took a lot of hits when she fought for health care, and a lot of people said, well, she's got no business doing that, and all that stuff you heard.

And so the survey said there's a dramatic difference between what women and men thought, particularly working women thought about what she had done. Now, why is that? Why would there be such difference? Because we're going through a period of real change and people are disoriented, and it's tough out there. And this so-called angry white male phenomenon -- there are objective reasons for that. People are working harder for less and they feel like they're not getting what they deserve. They worry whether they're letting their own families down.

And it's easy to play on people's fears and resentments. It's easy to build up people's anger. The hard work, the right thing to do, what we have to do is to channel all that frustration and anger into something good and positive. What we have to do is to say, okay -- what we say to our children, okay, be mad, be angry, scream, let off steam, but what are you going to do? What about tomorrow, how are you going to change your life? What are we going to do together?

That is our job -- every one of our jobs. And no President, no Congress, no program, nothing can change what citizens can change if we are determined to see one another as fellow citizens instead of enemies. Even when we're opponents we shouldn't be enemies.

So I ask you -- there's enough brain power and education and understanding in this room to move Boston all the way to Washington. There's enough energy and innovation and creativity here. And I thank you for being here, and I thank you for supporting us. But tomorrow and the next day, look all your fellow citizens in the eye -- when you drive to work and drive home, when you walk the streets, seek out people who are different, who have different views. Imagine what their lives are like.

This is a difficult time. We're moving from one place to another. And we need to find our bearings. We cannot do it with division. We cannot do it with demonization. We cannot do it with the politics of destruction. We cannot do it just by giving vent to frustration. We have to build. Every time this country has gone through a period like this, every time, we are simply doing the work that has been done for 200 years: We are redefining what we have to do so that all of us can pursue life, liberty and happiness.

We should be proud that we have the chance. We shouldn't be deterred by momentary adversity. If we keep our eyes on the prize, which is the human potential of every, single American, we're going to do just fine.

Thank you and God bless you all.