

we will stand shoulder to shoulder, citizens and law enforcement, and do what we know works to lower the crime rate, catch criminals, and punish them appropriately. If every law-abiding citizen will raise a voice against crime and violence, that is the beginning of wisdom and progress.

So I ask you all today, never forget that the overwhelming majority of people in this country honor you, value you, care for your welfare and the welfare of your families. But never forget, until our job is done we must live with the burning reminder of the heartbreak of the families here today, and we must do our duty. No turning back. And we must not let any group in this country say that they don't have responsibility for improved law enforcement and a lower crime rate, that they don't have a responsibility to help, that they can ignore what you know works to save lives and build a better future.

You can be very proud of the progress which has been made in the last couple of years, not just here in Washington with the crime bill, the assault weapons ban, and the Brady law but on your streets, on your streets where in place after place the crime rate is declining. But we are a long way from home.

The happiest day in the lives of people in law enforcement will be the day when we can come here and have not one single solitary heartbroken family to honor.

Thank you, and God bless you all.

NOTE: The President spoke at 12:49 p.m. at the West Front of the Capitol. In his remarks, he referred to Dewey Stokes, national president, Fraternal Order of Police, and Karen Lippe, president, Fraternal Order of Police Grand Lodge Auxiliary. The related proclamation designating Peace Officers Memorial Day and National Police Week is listed in Appendix D at the end of this volume.

## Remarks on Budget Proposals and an Exchange With Reporters May 16, 1995

*The President.* First of all, I want to welcome the Members here for this meeting. And as you know, we're going to be discussing the budget. And we'll just make a couple of observations.

I have just returned, as you know, from my trip, and I look forward to having the opportunity to study in detail the budget resolutions passed by the Senate and the House—or offered by the Republicans in the Senate and the House.

Obviously, I believe that deficit reduction is good for our economy. It lowers interest rates. It promotes growth if it's done in the right way. We're using 7-year figures now. The last Congress reduced the deficit about a trillion dollars over 7 years, or about as much as the Republican proposals recommend.

I am concerned, as I have said repeatedly for months now, about three things. I do not believe that we should cut Medicare deeply, cut long-term care for the elderly deeply to pay for tax cuts for upper income citizens. I believe that we have to slow the growth of Medicare. I am glad to hear the majority in Congress acknowledging that, after 2 years of denying that

there is a crisis in Medicare; I agree that there is. But the proper way to do it is within the context of health care reform so that we can consider the implications on the health of our people, the welfare of our people, as we do this.

And the third thing I would say is that we have two deficits in the country that are hurting us badly. One is the budget deficit; the other is the education deficit. The most significant thing about America in the last 15 years is the stagnant wages of working people and the growing inequality among middle class people because they do not have the skills they need to compete in the global economy. So I don't think we should cure the budget deficit by enlarging the education deficit.

Those are my three preliminary observations. And I look forward to having the chance to study this and to work with them and with the Democrats in the Congress to continue to bring this deficit down. We must do that. We all agree with that. But there's a right way and a wrong way to do it, and we're going to be discussing that in greater detail today.

### Budget Proposals

Q. Senator Dodd says it may be time to drop all proposals for a tax cut right now and to focus instead on deficit reduction. Are you willing to drop your middle class tax cut proposal if the Republicans drop theirs?

*The President.* Well, first of all, I believe that we can pay for something in the range that I have proposed with a dramatic—[inaudible]—deficit reduction. I think you could—I think we can achieve that. But I—I want to—that's my position, but I want to have a chance to meet with these folks today and hear from all of them, and we'll be talking more about this.

I believe that what I recommended is the right course. I'm prepared to hear from anybody else who's got any other ideas. My concern is, I don't want to see us just jump off the deep end on Medicare cuts without understanding what the implications are to pay for huge tax cuts which we plainly can't afford and which mostly go to upper income people. I do not believe that we can fix Medicare unless we have some idea of how the system is going to be reformed and what the consequences will be. And I don't believe that we should be eviscerating the education budget and making it harder for people to go to college and stay there, for example.

Now, other details and other issues—I'm going to review their proposals and evaluate them, and then we'll be glad to work with them and go forward.

### Japan-U.S. Trade

Q. [Inaudible]—go in effect today. [Inaudible]—when you meet with Prime Minister Murayama you'll be able to resolve this matter and avoid a trade war with Japan that could affect security and other strategic interests as well?

*The President.* I certainly hope that we'll be able to resolve this. And as you know, we—the way this issue works—the Trade Ambassador, Mr. Kantor, will announce the details of what we propose. They won't actually go into effect if we can avert the disagreement with the Japanese. But if you look at the special problem of autos and auto parts and how long we have labored over them and how reasonable the United States has been for years, even for more than a decade, I believe that this is something we have to go forward on. The Japanese Government has acknowledged that we have important security interests and other interests in common and that we cannot let our entire relationship be left by this. That is a welcome observation by them, and I agree with them. But we can't anymore deny this or sweep it under the rug. We've got to go forward; we're going to do that.

NOTE: The President spoke at 9:04 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders. A tape was not available for verification of the content of these remarks.

## Remarks on the National Performance Review May 16, 1995

Thank you very much, Mr. Vice President, Secretary Reich, Mr. Dear, to our friends from Maine, all of them, for the fine work they have done. Congresswoman Norton and members of the DC City Council and others who are here, we're glad to be in the District of Columbia and in one of the most interesting workplaces I've been in in a while. I want to thank the folks who work here for making us feel welcome and for taking a little time off from work to let us come in and interrupt the flow of events. I'm sure that's not a terrible burden. [Laughter] I want to thank Mr. Gawne for having us here.

Mr. and Mrs. Gawne made us feel very welcome when we came in, and they didn't waste much time in establishing the productivity of their leadership by pointing out that they have 6 children and 14 grandchildren, and most of them are here today. [Laughter] I'd also like to say a special word of appreciation to the Vice President's reinventing Government team who worked so hard on this. Elaine Kamarck is here and many others who worked so hard on it; I thank all of them.

We have taken this business of trying to make the Government work and make sense very seri-