

Apr. 28 / Administration of William J. Clinton, 1998

Memorandum on the Combined Federal Campaign of the National Capital Area

April 27, 1998

Memorandum for the Heads of Executive Departments and Agencies

Subject: 1998 Combined Federal Campaign of the National Capital Area

I am delighted that Rodney E. Slater, Secretary of Transportation, has agreed to again serve as the Chair of the 1998 Combined Federal Campaign of the National Capital Area. I ask you to support the campaign by personally chairing the campaign in your agency and appointing a top official as your vice chair.

The Combined Federal Campaign is an important way for Federal employees to support

many worthy charities. This year our goal is to again raise more than \$38 million. Public servants not only contribute to the campaign but assume leadership roles to ensure its success.

Your personal support and enthusiasm will help guarantee another successful campaign this year.

WILLIAM J. CLINTON

NOTE: This memorandum was released by the Office of the Press Secretary on April 28.

Remarks on Receiving the Report of the Social Security and Medicare Trustees and an Exchange With Reporters

April 28, 1998

The President. Good afternoon. Five and a half years ago, America chose a new course of fiscal discipline and economic growth, balancing our budget and investing in our people. Holding fast to that course, our people have built the strongest economy in a generation.

Success of this strategy cannot be cause for complacency, however. Instead, it offers us an opportunity and an obligation to act boldly to strengthen our Nation for the new century. Above all, we can harness our unsurpassed prosperity to uphold our duty to our parents, to our children, and to each other through Social Security and Medicare.

I've just been briefed by the four Social Security and Medicare trustees for the administration: Secretaries Rubin, Shalala, Herman, and Social Security Commissioner Ken Apfel. The trustees have issued their annual report on the future financial health of these vital programs.

The trustees have told us today that the Balanced Budget Act I signed into law last year has significantly improved the financial future for Medicare. The unprecedented reforms included in that law have cut the so-called 75-year deficit of Medicare in half, even as we

have extended new preventive benefits, provided more health choices for Medicare beneficiaries, and instituted other reforms that extended the life of the Medicare Trust Fund for a decade.

In fact, because of the bipartisan steps taken last year, the long-term prognosis for Medicare is stronger than it has been in over a decade. A bipartisan commission is now at work to craft further steps to strengthen the complex program into the 21st century. I look forward to their recommendations.

The trustees also report that the strength of our economy has led to modest improvements in the outlook for Social Security. They project that economic growth today will extend the solvency of the Social Security Trust Fund by 3 more years, now to 2032.

Today's report is encouraging. It shows we can honor our values and meet our most fundamental obligations, even as we balance the budget. However, these modest improvements only underscore the fundamental challenge we face. We must act to make certain that Social Security is as strong for our children as it has been for our parents.

Above all, let me say again, we must save every penny of any budget surplus, of any size, until we have strengthened Social Security. I've been heartened by the support this approach has received from lawmakers from both parties. But as estimates of the possible surplus have grown, the demand for new tax and spending initiatives that could upend our fiscal discipline have grown as well. Fiscal responsibility created our prosperity. Fiscal irresponsibility could undercut it. So I will resist any proposals that would squander the budget surplus, whether on new spending programs or new tax cuts, until Social Security is strengthened for the long-term. Once more I will insist that we save Social Security first.

In the coming months we will work to build public awareness of the nature and scope of the challenge and to build public consensus for solutions. We must proceed with care, remembering that Social Security offers our people not only a guarantee of retirement security but also a life insurance and a disability insurance policy as well.

Any changes we make now will be far easier than if we wait until the problems of Social Security are at hand. We will strengthen Social Security only if we reach across lines of party philosophy and generation, as we did when we drafted last year's balanced budget. And if we make this year a year of education on Social Security, I'm confident we will come together to take the necessary steps next year.

Finally, let me say that as we continue to take the necessary steps to sustain the growth of our economy, we must look ahead to the challenges that remain. Today, once again, I have asked Congress to strengthen America's commitment to the International Monetary Fund and the U.N. In this new era, the health of our economy will be deeply affected by the health of the world economy, and the security of the United States is clearly affected by the security of the rest of the world. Failure to act on these matters will put at risk both global economic stability, which will affect our own, and the prosperity that has widened the opportunity that we have enjoyed in this country, the very prosperity which has made possible the progress on Social Security and Medicare that I announced today.

We've got a real opportunity here, and a rare one, to act today to provide for our children's

tomorrows. We should seize the moment, and I'm confident that we will.

Thank you.

Criticism From Speaker of the House

Q. Mr. President, Newt Gingrich says your administration postures more and achieves less than any administration in American history. How do you respond?

The President. Well, I think the achievements speak for themselves. And he said a lot of things last night that I don't think it would serve any useful purpose for me to respond to. There is enough negative political talk in Washington every single day without the President adding to it. I want to focus on the challenges facing our country, and that's what I intend to do.

Q. Mr. President, he also said that you should tell your supporters to stop attacking the independent counsel, Ken Starr.

The President. I don't have—I've already told you, Mr. Gingrich said a lot of things last night that I don't think deserve a response, and I think it would not serve the American public well for me to waste my time doing it. I think I need to be focused on the public issues that affect them, and that's what I intend to do.

Q. Do you have any thought of firing Ken Starr? I mean, he made that suggestion.

The President. Of hiring him?

Q. Firing him, sir. [*Laughter*] He said, if you want, you could do it in the morning. I mean, have you ever thought of that?

The President. First of all, that's not what the statute says.

Q. I'm just quoting him, sir.

The President. I know, but I don't want to respond to what he said.

Q. [*Inaudible*]

Q. Mr. President, are you threatening to veto any tax proposals beyond—say, tobacco?

The President. Wait, wait, I'll take both, but—go ahead.

Canadian Prime Minister Jean Chretien's Visit to Cuba

Q. Are you concerned that the Canadian Prime Minister's visit to Cuba is undermining your efforts to isolate Castro?

The President. Well, Canada and most other countries in the world do not agree with the extent of our embargo. But Canada has been a good, loyal ally in the cause of human rights. And I talked to the Prime Minister at some

length, both on the telephone and when I saw him, about the importance of advocating a human rights agenda, and I believe that he will do that. I think he will push for democracy and human rights in Cuba. And if he does that effectively and makes that case—the same case that President Cardoso of Brazil made when we were in Chile, when he said that it would be possible for Cuba to preserve its social contract in health care and education and still make the transition to democracy, and that's what they should be working on now—then it could serve our common goal. We can have different approaches to a common goal, and I think we do have a common goal.

Go ahead, Helen [Helen Thomas, United Press International]. I'm sorry.

Legislative Agenda and Social Security

Q. I was asking, are you threatening a veto for any tax cuts—[inaudible]?

The President. I tried to make it clear that I will do my best to stop any legislation that does not honor the principle of saving Social Security first.

There are lots of good ideas out there that deserve to be evaluated in the coming months about what we should do to promote long-term security and stability for not only our parents but the younger generation, and secure Social Security, and they all ought to be debated. But when we move, we ought to move in the context of Social Security reform. Then after that's out of the way, we can see what the Treasury looks like and what else should be done.

But I think we need to deal with Social Security first. And I still believe that a majority of Members of both Houses in Congress and both parties believe that. I hope they do, and I hope they'll stick with it.

Q. Do you have any ideas of how to save it, yourself? I mean—

The President. Well, sure I do. But as I said in the first forum—and I think I've been proved right—you see Senator Moynihan's got a proposal out there; Senator Kerrey's got a proposal out there; there are many proposals that have been offered by various Republican Members of the Congress. It is important for me to keep this process going and get these ideas out there. And if I were to actually take a position now, it would undermine debate and public education and immediately focus on the specific piece of

legislation, which I think is the worst thing we can do.

We know—every survey of American opinion shows that there's a far different level of understanding about this issue today even than there was a year ago. Nearly everybody knows that something substantial—really substantial—has to be done to reform the Social Security system to accommodate the baby boom generation and then, subsequent, the generations after that. And yet there is a dramatic difference of opinion across the age lines about what exactly should be done and what the facts are.

So we have to—we really need to continue this effort we're making in this calendar year to educate the public and to get all the ideas out there and to encourage all the proposals to be viewed against the backdrop of how it fits into the overall scheme of things. And then I think what you'll see is—and what I certainly hope you'll see—is very rapid action early next year. I have a plan. We're going to end up in December with a conference here. We're going to meet with the leaders of both parties in Congress, and I'm going to do my best to hammer out a plan, which then will be a centerpiece of what I recommend to the American people and the Congress early next year.

International Monetary Fund and United Nations Funding

Q. Mr. President, on the Iraqi report at the U.N.—

Q. May I ask on the U.N. and the IMF, sir? Despite what you said, it seems unlikely Congress will pass funding this year. Can you spell out in more detail what you think will happen if there's not funding? Do you have any other mechanism to give—

The President. Well, let me just make it clear that Secretary Rubin has done a good job, I think, managing a difficult situation. But let's just look at Asia, for example. There's been a lot of talk about whether the IMF should be active in Asia, what it should be doing. The United States has had a good deal of success over the last 5 years by exercising economic leadership to open more markets to American products and services on terms that were fair not only to ourselves but to our trading partners. About a third of our economic growth has come as a result of that increase in trade. Just under a third of our exports are going to Asia. Now, I think, therefore, it is clear that it is in our

long-term interest for the IMF to be involved in trying to stabilize those Asian economies and help them to recover.

In our personal interest—how can we expect to be the leader of the world and also to benefit personally, economically from a system that we won't contribute to and we won't pay our fair share on? I think virtually every American now believes—or at least a huge majority—when it comes to the United Nations, that in this interdependent world we should share responsibilities. I think people liked it when we shared responsibilities in Haiti, when we shared responsibilities in Bosnia.

And we're saying to the world, "Yes, we want to continue to lead the world toward peace and freedom. We understand this is an important part of our security and our prosperity, but we're having a little political spat in the United States, and we don't think we ought to pay

our dues to the U.N. We think that different rules apply to us, and we have a right not to pay our way, so we can have this fight over an issue that is unrelated to our U.N. responsibilities or our IMF responsibilities." I don't think that is a responsible, mature message to send to the world by the leading country in the world.

I think that if we want to lead, we ought to lead, and we ought to lead by example, by paying our way. That's what I believe, and I hope that I'll be able to prevail upon Congress to make some progress in that direction.

Thank you.

NOTE: The President spoke at 1:55 p.m. in the Rose Garden at the White House. In his remarks, he referred to President Fernando Cardoso of Brazil.

Letter to Congressional Leaders on International Monetary Fund and United Nations Funding

April 28, 1998

Dear Mr. Speaker: (Dear Mr. Leader:)

I am writing with respect to the treatment of International Monetary Fund (IMF) and United Nations (UN) funding in the pending supplemental appropriations conference.

I am pleased that both Houses have approved needed funding for domestic disaster relief and defense. I urge Congress to approve this funding as I requested it, without violating the "fire-walls" agreed to in last year's balanced budget deal or including objectionable extraneous measures.

However, I am deeply concerned that the conference report may not include the funding I have requested for the IMF. Delay or failure to approve the full IMF requests could undermine our capacity to deal with threats to world economic stability and could leave us unable to protect American workers, farmers, and businesses in the event of an escalation or spread of the Asian financial crisis or a new crisis.

I am also deeply concerned by the possibility that the conference will not include payment of our UN arrears. The failure to provide the full request in this bill could jeopardize our

chance to affect negotiations starting in May on lowering U.S. dues and would undermine U.S. leadership in the international community.

Some would link passage of IMF funding and UN arrears to legislation related to international family planning. There are deep convictions on both sides of this debate, which should be settled on its own merits—and not used to sidetrack other legislation on matters vital to our nation's well-being.

I urge you in the strongest possible terms to include the full requests for the IMF and UN arrears in the bill now in conference.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives; Trent Lott, Senate majority leader; Thomas A. Daschle, Senate minority leader; Richard K. Armey, House majority leader; and Richard A. Gephardt, House minority leader.