

The President's Radio Address *July 22, 2000*

Good morning. Today I want to talk about securing our economic future by keeping our prosperity going and extending its benefits to all Americans. For more than 7 years now, our Nation has stuck to a course of fiscal discipline. We've made tough choices, paid down the national debt, invested in our people. The strategy is clearly paying off, with the longest economic expansion and the largest budget surplus in our history. Now we have the chance to pass responsible tax cuts as we continue to pursue solid economic policy.

But instead of following the sensible path that got us here, congressional Republicans are treating this surplus as if they'd won it in the lottery. Although it took 7½ years to put deficits behind us, Congress has already drained more than \$900 billion of the projected surplus on tax breaks, most of it in just the last few weeks. And they've promised to do even more, working from numbers that are nothing more than estimates from the future.

Taken together, the tax cuts passed last year and this year by this Congress would completely erase the entire projected surplus over 10 years. The majority seems to have forgotten that projections in a report are not the same as dollars in the bank.

Think of it: If someone asked you, "What is your projected income over the next 10 years? Now we want you to sign a contract committing you to spend every single penny of it right now," would you do it? Would you spend all your money now and save nothing for retirement or emergencies or educating your children? Well, that's exactly what congressional Republicans want us to do—sign away a budget surplus we don't yet have and may not get.

In good conscience I cannot sign one expensive tax break after another without any coherent strategy for safeguarding our financial future. At this rate there will be no resources left for extending the life of Social Security or Medicare, a real Medicare prescription drug benefit, investing in education, much less getting us out of debt, which is so critical to our continued economic health.

What's more, the Republican cuts provide relatively few benefits for the vast majority of our

working families. They will provide more relief to the top one percent of taxpayers than to millions of working people who make up the bottom 80 percent of taxpayers. These tax breaks spend hundreds of billions of dollars and give one percent of Americans \$17,000 a piece, while most Americans get less than \$200 each. And tax cuts this large will stop us from paying down the debt, thereby raising interest rates, which will more than take away the tax cuts most Americans get in higher mortgage and interest payments.

Now, we should have tax cuts this year, but they should be the right ones, targeted to working families to help our economy grow, not tax breaks that will help only a few while putting our prosperity at risk.

That's why I've proposed a program of cuts to give middle class Americans more than twice the benefits of the Republican plan, at much less cost. Two-thirds of the relief of our proposal will go to the middle 60 percent of Americans, including my carefully targeted marriage penalty relief. My tax cuts would also help send our children to college, care for sick family members, pay for child care, ease the burden on working families with three or more children. And because my tax plan will cost substantially less than the tax cuts proposed by Congress, we'll still have enough money to provide a Medicare prescription drug benefit, to strengthen Social Security, modernize Medicare, and stay on track to be debt-free in 2012.

In a way, being debt-free is the biggest tax cut of all. If we can just keep interest rates one percent lower over the next 10 years, that's worth about—way over \$250 billion in lower mortgage payments, \$150 billion in lower car payments, \$100 billion in lower student loan payments. That will benefit all Americans.

We have the resources. What we need is a common vision that extends beyond the November elections and a commitment to benefit all Americans, not just a few. That's why I've asked Congress to work with me on a balanced framework for tax cuts, investments, and debt reduction.

Throughout our history, America has been at its best when we looked to the future, when

July 22 / Administration of William J. Clinton, 2000

we chose the right way instead of the easy way. How we respond to this unprecedented moment of prosperity is just as great a test of our values and judgment as how we respond to adversity. Today, the right thing is for Democrats and Republicans to put election politics aside and work together to craft a 21st century budget, a framework for targeted tax cuts, responsible investments, and getting us out of debt.

This surplus comes from the hard work and ingenuity of the American people. We owe it

to them to make the best use of it—for all of them, and for our children's future.

Thanks for listening.

NOTE: The address was recorded at 1:45 p.m. on July 21 at the Manza Beach Hotel in Okinawa, Japan, for broadcast at 10:06 a.m. on July 22. The transcript was made available by the Office of the Press Secretary on July 21 but was embargoed for release until the broadcast.

Statement on Proposed Marriage Penalty Tax Relief Legislation

July 22, 2000

While I strongly support targeted marriage penalty relief, the marriage penalty bill promoted by Republicans in Congress is one part of a costly, poorly targeted, and regressive tax plan. This plan would risk our fiscal discipline and continued prosperity while giving more benefits to the top one percent of taxpayers than to the bottom 80 percent of all Americans. At the same time, the Congress has ignored tax

cuts I have proposed for college tuition, long-term care, savings, and child care. This latest bill just passed by the Congress is even more costly than the earlier versions passed by the House and Senate. In the interest of fiscal responsibility, I will veto this and any subsequent legislation that threatens our ability to pay down the debt and strengthen Medicare and Social Security.

Statement on Senate Confirmation of Norman Y. Mineta as Secretary of Commerce

July 22, 2000

I am grateful that the Senate has acted expeditiously to confirm Norman Y. Mineta as Secretary of Commerce, and am pleased that he was sworn in to office today.

As a Member of Congress for 21 years, Mr. Mineta was a leader on trade, technology, and other issues critical to the emerging digital economy. He brings to his new post not only an in-depth understanding of American business and the needs of our high-tech economy but also a deep concern for people—especially those not yet fully participating in this economy. He will play a crucial role in keeping our economic strategy on track, opening trade around the

world, investing in our people, promoting high technology, and bridging the digital divide.

Mr. Mineta also has been a passionate voice for opportunity and justice for all. Stirred by his experiences as a young boy during World War II, when he and his family were relocated to a Japanese-American internment camp, he has fought tirelessly to ensure that others are spared such injustice. I am proud to welcome him as the first Asian-Pacific American ever to hold a post in the President's Cabinet and congratulate him on his confirmation.