

Remarks on the National Economy and an Exchange With Reporters September 27, 2000

National Economy

The President. Good morning. Yesterday I announced that household income has reached an all-time high and the poverty rate has fallen to its lowest level in 20 years. Today there's more good economic news.

Eight years ago, our future was at risk. Economic growth was low; unemployment was high; interest rates were high; the Federal debt had quadrupled in the previous 12 years. When Vice President Gore and I took office, the budget deficit was \$290 billion, and it was projected this year the budget deficit would be \$455 billion.

The American people, thankfully, chose a better future. They put their support behind a new economic direction of fiscal discipline, greater investment in our people, expanded trade in our products. It's given us the longest economic expansion in history and the strongest fiscal turnaround in memory. Record budget deficits have given way to record surpluses. And this has enabled us to do something that would have been impossible just 8 years ago. We've actually begun to pay down the debt.

Today we received more good news that our strategy is working. According to the Office of Management and Budget, this year's budget surplus will be at least \$230 billion. With this surplus, we've been able to cut the debt over the last 3 years by this figure.

[At this point, the President wrote the number on a chart showing the deficit.]

The President. Three hundred and sixty billion dollars in debt reduction over the last 3 years.

This year alone we've cut the debt by at least \$223 billion, the largest one-year debt reduction in the history of the United States. Like our Olympic athletes in Sydney, the American people are breaking all kinds of records these days. This is the first year we've balanced the budget without using the Medicare Trust Fund since Medicare was created in 1965. I think we should follow Al Gore's advice and lock those Trust Funds away for the future.

We've come a long way since then and a long way since 1993. But we can go further still. If we stay on the path we're on, we can

pay this debt off entirely by 2012, for the first time since Andrew Jackson was President in 1835. Paying off the debt will benefit America, just as paying off credit cards benefits the average family. It frees up money for things that matter, and it keeps interest rates lower. That will mean more investment, more jobs, lower mortgage payments, car payments, and student loan payments. This is all terribly important.

Already the benefits of debt reduction have meant about \$2,000 a year—or deficit reduction, and then debt reduction has been about \$2,000 a year in lower interest payments for home mortgages, about \$200 a year in lower interest payments for cars, about \$200 a year for lower interest payments on college loans. And if we stay on this path, rather than go back and spend all the surplus and get back into the Social Security funds, it will keep interest rates about a point lower over the next decade. That will be worth, in home mortgages alone, over \$300 billion.

So this is a very important thing to do. And I hope that we will see a continuation of this trend in this year's final end-game budget negotiations. However, the fiscal year is almost over, and Congress still has sent me only 2 of the 13 spending bills. We need to put our priorities in order and put the broad national interest above special interests.

The key to fiscal discipline, to these kinds of results, is maintaining it each year, year after year. If you look at what's happened in the last 8 years, Federal spending today as a percentage of the economy is the lowest it has been since 1966. The Federal civilian work force is the smallest it's been since 1960, down 377,000 from the day I took office.

I am concerned, frankly, about the size and last-minute nature of this year's congressional spending spree, where they seem to be loading up the spending bills with special projects for special interests but can't seem to find the time to raise the minimum wage or pass a Patients' Bill of Rights or drug benefits for our seniors through Medicare or tax cuts for long-term care, child care, or college education.

And first and foremost, they haven't found the funds for education, for continuing to hire

100,000 qualified teachers to reduce class size, to build and modernize schools, to provide after-school for children who need it, and to have real accountability for failing schools, requiring them to turn around or shut down or be put under new management.

These are the things that need to be done, and I certainly hope they will be. We can finish this year in good shape. We can maintain our fiscal discipline. We can get this country out of debt and still make the right investments and have the right kind of tax cuts, but we have to work together to do it and avoid just throwing money away simply because we're close to an election.

These results today—paying off \$360 billion of the national debt, something that would have been unthinkable just a few years ago; continuing the longest economic expansion in history; knowing that we can get this done, that we can actually get the country out of debt—ought to be an inspiration for all of us to stay on the path that got us here now and in the years ahead.

Thank you very much.

Middle East Peace Process

Q. Mr. President, do you think there will be a final peace settlement in the Middle East before you leave office?

The President. I don't know. We're working on it.

Q. Any progress?

The President. I don't know. They're working, and they're working hard, and they're trying, and we're working as hard as we know how. But I can't say there will be; I can't say there won't. We can do it, but it will require what these difficult things always require, a remarkable convergence of both sides willing to make difficult decisions and kind of leap off into the future together. I hope we can do it.

Hate Crimes Legislation

Q. Mr. President, on hate crimes, Republican leaders have indicated there really isn't much of a chance of a bill passing this year. If that's the case, do you intend to make the issue one of your nonnegotiable priorities in the final budget talks with the GOP? And how much is your speech later in Texas designed to put pressure on Republicans on this issue before the elections?

The President. Well, I think there should be hate crimes legislation. I think they made a mistake in Texas not to pass it, and I think it's a mistake for Congress not to pass it. But we all know what the deal is here. This is not complicated. The Republican majority does not want a bill that explicitly provides hate crimes protections for gay Americans. And I think they think it will split their base or something.

All the surveys show that over two-thirds of the American people believe that no one should be subject to a crime because of who they are. And I just hope and pray we can do it. If we can't do it, what did that Senate vote mean? Was it just some stunt? I mean, they voted for it 57–42. It's not a complicated piece of legislation. It could be put on anything.

So I wouldn't give up yet. I think a majority of the House and a majority of the Senate are for it. So if it doesn't get on, it will require an effort of the leaders to keep it off. In other words, minority rule not majority rule in the Congress. I believe there's—there are Republicans in the Senate and the House who genuinely support this. I don't know how many, but enough, as you saw in the Senate vote, to get a majority, unless the leaders keep it from happening. They'll have to actually keep it from happening.

Possible Lieberman-Farrakhan Meeting

Q. Mr. President, is it realistic for the American public to expect a book on race from you before you leave office? And also, what are your thoughts about Joe Lieberman expecting to meet with Minister Louis Farrakhan to heal the racial divide between the Jewish-American community and the African-American community?

The President. I didn't understand. What did you say about Joe Lieberman and Louis Farrakhan?

Q. Joe Lieberman told me yesterday that he wanted to meet with Minister Louis Farrakhan to help ease the tensions between the Jewish-American community and the African-American community, and also to try to change what he said, the misguided statements that he made at the beginning of Joe Lieberman being announced as the Democratic Vice Presidential running mate.

The President. Well, if anybody has got the standing to do it, he certainly does. That's my objective—I don't know about the other question.

Go ahead.

President's Book on Race

Q. What about the race book, though?

The President. I don't know. I'm working hard.

Yugoslav Elections

Q. Mr. President, how do you assess the situation in Yugoslavia and the likelihood of a run-off election?

The President. Well, Mr. Kostunica and his forces apparently have said at the present time they don't plan to participate in a run-off because they're confident they got a majority. The Government's official election commission has no credibility, whatever. There are no opposition party members on it. There are no independent observers that have monitored its work. And the opposition believes it clearly got over 50 percent, and at least another NGO and other independent observers believe it did, too.

So they have to decide how to respond to this. And I think what Europe and the United States should do is to support the express will of the Serbian people, and it certainly appears from a distance that they had a free election, and somebody is trying to take it away from them. And so we'll just have to see what happens. But whatever we do, I think, should be consistent with the wishes of the majority of the people there.

Legislative Agenda/Possible Vetoes

Q. Mr. President, given what you've said today, why not just tell Congress that you won't sign appropriations measures that grant you more funding than you even requested, as they seem prepared to do?

The President. Well, first of all, the President should never be in a position of, in effect, usurping the Congress's authority. They always add something to what I spend. I have consistently shown more fiscal discipline. But this is a question of the dimensions of it. And the Supreme Court said that I didn't have the authority for the line-item veto, and so I have—the only option I have is a meat-axe option now. And we'll just have to see whether I will be able to sustain those and what the consequences would be, and my main concern here is all the things that are left undone, all this money they're spending, but they still have an inadequate commitment, in my judgment, to

education—at least based on what I've seen so far—and all these other things. The priorities of the Congress strike me as strange. I mean, look at what their—their first priority for tax cuts was something for the wealthiest 2 percent of Americans, and they still haven't done anything for long-term care or college tuition tax credits or child care for average Americans, and they still haven't done anything to raise the minimum wage.

So this is a question of priorities and balance. In terms of whether I would veto one, it depends on how much extra money they spend in the end and what it looks like. So I can't say that. I'd have to study the bills first.

Strategic Petroleum Reserve

Q. Mr. President, 8 months ago, Vice President Gore said he thought it was a bad idea to tap the Strategic Petroleum Reserve. You spoke with him last week before announcing your plans in that regard. What's your take on his change in position?

The President. Well, I think the circumstances are quite different. I didn't tap the Strategic Petroleum Reserve 8 months ago either. And as you know—I think it's been reported in the press—we had a very long and serious discussion about this, and we discussed all the pros and cons and decided that after OPEC had set a target range of \$22–28 a barrel—which most of us, certainly me and the producing countries, thought was a reasonable range; that is, we didn't want to go back down to 13 or 12 or 10 again because that was also disruptive—that the accumulated decisions were not going to come near that target and that there seemed to be a trendline going quite high.

And so Secretary Richardson and his experts at the Energy Department argued for a couple of weeks, based on their experience and their understanding of the supply situation, that among the various options we considered—and there were three or four of them, including doing nothing right now, and others—that the most prudent thing to do is what we did.

So I essentially took the advice of Secretary Richardson and the experts at the Energy Department, after discussing it extensively with our whole economic team, including the Vice President.

Thank you.

NOTE: The President spoke at 9:55 a.m. in the Rose Garden at the White House prior to his departure for Dallas, TX. In his remarks, he referred

to Yugoslav opposition candidate Vojislav Kostunica.

Remarks at a Gay and Lesbian Leadership Council Luncheon in Dallas, Texas September 27, 2000

The President. You've got to calm down now. We've got work to do. *[Laughter]* But I thank you for that welcome. And I want to thank Chuck and Jim for welcoming us. This is a really beautiful place. I love the art. I love the architecture. I love the light. This is the first time I've ever gotten to give a speech under Bette Davis eyes. *[Laughter]* I bet I hear about that one. *[Laughter]*

Thank you, Julie and Kay. I'd like to thank Ed Rendell for agreeing, after he left the mayor's job, to do this old part-time job as chair of the DNC. And my friend of many, many years Andy Tobias, who has really done a wonderful job in more ways than most people know. Thank you, Elizabeth. I thank Julian Potter, my White House liaison, and the others who are here from the White House today.

I also want to thank Brian Bond, who is the director of the Gay and Lesbian Victory Fund. And we have one very important candidate for Congress here, Regina Montoya Coggins—*[inaudible]*. And Molly Beth Malcolm, thank you for being here, for getting on that—what was that talk show you were on last night, taking up for our side? That guy just talks louder when he starts losing arguments. You hung in there really well. *[Laughter]* You did a good job.

I want to say to all of you that this is an interesting time for America. It's a time of enormous progress and prosperity but a time of real ferment, too. And people are trying to come to grips with all the currents of change that are running through America: The Fort Worth City Council voted to extend discrimination protection to gays and lesbians; gay Dallas city councilman changes party. Good deal. Regina wants to represent the community, and the Congressman says he doesn't—not sure he does. *[Laughter]* It's a big deal. We're debating all these things.

I'm honored to have had the chance to be President at a time when all these issues were coming to the fore, and to have a record number of members of the gay community in my administration. We are fighting for the hate crimes bill, and basically, we now have a bipartisan majority in both Houses for it. We've got all the Democrats but one, and about—I don't know—12 or 13 Republicans in the Senate voted for the hate crimes bill. And we have 41 Republicans in the House who voted with about 200 of our crowd to instruct the conferees on the defense bill to leave it in there.

I was asked just before I left Washington—a couple of you mentioned it to me that one of—someone in the leadership of the Republican Congress said that he didn't think this would get to be law this year. Well, if it doesn't get to be law, it's because the leadership doesn't want it, because we've got a majority of the votes for it. So I would urge you do to whatever you can.

There's been a sea change movement. Gordon Smith, who is the Republican Senator from Oregon and an evangelical Christian, gave an incredibly moving speech in the floor of the Senate for it. I don't know if you saw it, but there was a Republican State representative from Georgia who gave a decisive speech in the Georgia legislature for the hate crimes bill. And I don't know if you've circulated that, but it's an overwhelmingly powerful speech. And I think it could have, if we can get it around, an impact on some more Members in the House, but we've got the votes. It's just a question of whether the leadership of the Republican Party in the Congress stays to the right of the country on this issue.

The same thing is true of the employment nondiscrimination legislation. I actually hope that we might pass that this year. There are big majorities across the country for this. It is