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My response would be twofold. Number one, I think that New York will gain far more from a stable, credible deficit reduction plan and the other business incentives that we are putting into the law than you will lose by a restriction on the entertainment deduction. Number two, when the entertainment deduction was reduced before from 100 to 80 percent, the same claims were made against the reduction. And afterward a study concluded there was no loss of jobs. I believe the American people will continue to travel, and I believe more and more American people will continue to eat out as more families have two income earners and work longer hours. I think there are large social forces at work here which make it highly unlikely that a job loss will occur.

Yes, sir.

Deficit Reduction

Q. Chairman Greenspan the other day said that $500 billion of deficit reduction was about the right size as a first installment, that you have to revisit this issue. Do you expect to be proposing another deficit reduction plan of this magnitude in your first term here?

The President. Well, I think that we will point the way toward eliminating it altogether. And let me explain what I mean by that. Chairman Greenspan and I have discussed this at great length, and we discussed whether there was an analogy here to what Japan did from the mid-seventies to the mid-eighties when they had a comparable operating deficit to ours. And they took it down to zero and actually began to run a surplus. But they took, as I recall, somewhere between 9 and 11 years to do it. I can't remember exactly. But I saw a chart in one of the papers here represented, I just can't remember which one, which showed how long they took.

I believe that in order to move the deficit down beyond where it is now, if you look at it, it's clear what you have to do. You have to pass a health reform plan that brings health care costs in line with inflation plus population growth. That's what you have to do. If you go back and look at this budget, if you look at discretionary domestic spending, it's flat for 5 years now. That is, everything we increase in education, in technology, in defense conversion, we cut in some other area. Defense goes down. The only thing that's really going up in this budget besides cost-of-living increases for Social Security and much more modest pay increases for military and civilian employees, is a 9 percent increase in health care costs, which is down from the projected 12 percent per year increase in the budget before I took office. So Greenspan is right. If you want to get this deficit down, the next thing is to bring health care costs down to inflation plus population.

The other point I would make is there is the chance that this deficit reduction will be greater than we think because of lower interest rates, if we can keep them down long and if we can have good economic growth. I noticed the other day in an article in the Philadelphia Inquirer, a lot of budget analysts were interviewed on the validity of this plan, and the one for Price Waterhouse said that this was the most honest budget plan presented to the Congress in more than a decade, and the only thing I might be off on is it might well produce more deficit reduction. So we just don't know.

Deputy Counsel Vincent Foster, Jr.

Q. Can we just ask you about Mr. Foster? Is there anything more——

The President. No.

Q. Have you learned anything at all?

The President. No, and I don't think there is anything more to know. His family, his friends, his coworkers, we've been up real late two nights in a row now, remembering and crying and laughing and talking about him. I don't think there is anything else.

NOTE: The President spoke at 3:54 p.m. in the East Garden at the White House. He was introduced by the Vice President. A tape was not available for verification of the content of these remarks.

Remarks to the American Legion Girls Nation

July 22, 1993

The President. Thank you very much. Thank you. Please be seated. It's wonderful

to have you in the Rose Garden today. As I think all of you probably know, I, myself, owe a great deal to the American Legion for sponsoring this wonderful program that teaches our young people so much about our country and the responsibilities of citizenship. Boys Nation made a major impact on my life and very much inspired the career that I subsequently pursued in public service. Like many of you, I was just a high school student from a fairly small town—I had never been to Washington before, and I never knew whether I'd ever get to come—when I stood here, right over there in that corner 30 years ago this week and had the opportunity to hear President Kennedy speak.

I was reviewing an article in a paper from that week before I came out here to speak with you, and I noted that when President Kennedy spoke to our group, he actually got into some hot water by saying that our group, in adopting a civil rights resolution in the early sixties, had acted more responsibly than the Nation's Governors who were meeting at the same time. He said we had shown more initiative than the Governors. Well, we loved it, but somehow the Governors didn't.

And so I would say to you, I don't want to make any other group mad, but I hope you today will leave here with a real sense of initiative. It's very important not only that we have convictions and feelings and concerns but that we act on them. Every program that I have pursued, every challenge I have laid down has been animated by a desire to get the American people to assume more responsibility for themselves and their neighbors, to offer more opportunity to all people, and to rebuild a sense of community, a sense that we are all in this together, that we share a common destiny, and that we will be more likely to achieve our individual capacities if we work together.

With the help of young people all across the country, we were able to pass and we had a wonderful signing ceremony on the motor voter bill, which many of you will be familiar with, which makes it much easier for people to register and vote. Together with other groups of young people, again from all over America, we are on the verge of passing an historic bill for national service that will make it possible for millions of young people to get much lower interest college loans and pay them back on more favorable terms and, over the next few years, for hundreds of thousands of them to work off a portion of their loans by giving some service to their community, either before, during, or after college. This will help to build America by strengthening the bonds of community, offering people the chance to take more responsibility for their own lives, and really creating opportunity that wasn't there before.

We're also trying to improve your future by cutting the Federal deficit by $500 billion over the next 5 years. In 1980, the entire debt of our country amassed since George Washington became President was $1 trillion. From 1980 to 1992, that debt grew to about $4 trillion, quadrupling in only 12 years. Now, when a problem like this gets that severe, you can't solve it all at once. The spending cuts and tax increases it would take just to do away with the deficit in 4 years would be so severe as to undermine our economic recovery. But we're in a box. If we don't move on the deficit now, we can't have any economic recovery, either. And because of the progress which has been made, interest rates are coming down, and we're moving forward.

You should know that you're not only moving into a time when the global economy offers you unparalleled, exciting opportunities but where it also presents some mysteries to us that no one quite understands. For example, almost all of the wealthy countries are having difficulty creating new jobs, even when their economy is growing and certainly when the economy is not. And so this economic program that I have offered not only seeks to reduce the deficit by cutting spending and raising taxes, 70 percent of which will fall on people with incomes above $200,000, it also seeks to help people to create jobs. Ninety percent of the small businesses in America will be eligible for a tax cut under this plan if they invest more money in their businesses to create jobs—new opportunities for people to avoid higher income taxes, but only if they invest in companies that will create jobs. We have got to find a way to make sure that if all of you go to college and all your classmates go to college and everybody plays by the rules, there will be

something for them to do when the effort is over.

Thirty years ago, when the delegates from Girls Nation came to the White House in the same summer that I was here, my next-door neighbor represented our State at Girls Nation. It was a great thrill for me, and she's still one of my closest friends. Just last week when I went home, she got some of our high school friends together, and they and all their children, there must have been 30 of us in her home having dinner together. And when she was here where you are, President Kennedy told the young women there assembled that it might be possible for one of them to become President, but it was not likely. And almost as a consolation prize, he said, ''At least I'm sure I'm talking to a future First Lady.'' Well, today a lot of things have changed. First of all, I think that it is a very honorable thing to be the First Lady. Some day there will be a First Man. And I think it is not unlikely that 30 years from now the delegates from Girls Nation may well be in the Rose Garden being addressed by a woman President who is in this crowd today.

Again, let me wish you well, and thank you for coming here. Let me tell you that the 30 years that have passed since I sat where you are today have passed in the flash of an eye, that I hope for all of you a rich and full life, and I would encourage you to focus on the point I made earlier: You came here to learn about your country, your history, your opportunities, and your responsibilities as citizens. None of it matters very much unless you not only think and feel but also act.

Good luck, and God bless you.

Let me also say, I'm going to embarrass somebody who's here maybe a little bit. There are other things in life after a Girls Nation or Boys Nation than being President. I just learned that my military aide came to Girls Nation. Raise your hand. This is Major Michelle Johnson, the United States Air Force. She is from Iowa, graduate of the Air Force Academy, Rhodes scholar, terrific athlete. I told her someday I was sure I'd be saluting her and calling her general. So that also is something that you might do with your life that you couldn't have done perhaps a few years ago.

I'd like to now ask Joann Cronin to come up and take over the program.

[*At this point, the President was presented with gifts.*]

I saw the first resolution was the sex education one. That's one I said I was for. You may know that tomorrow the hearing begins on the appointment I made of an African-American doctor, the director of the department of health in my home State, to be the Surgeon General of the United States. And we caused a lot of controversy because we tried to promote comprehensive family education, parenting education, and we did our best to reduce the scourge of teenage pregnancy in our State, not by denying it but by embracing the challenge. And I appreciate the resolution that you sent. I will also review the other resolutions.

On Saturday—you mentioned 30 years from now—Saturday your counterparts from Boys Nation will be here, and we're going to have a 30-year reunion of my class Saturday at noon when they're here. So I'm looking forward to it. One of the things that happens when you run for President is that the people you haven't seen in a long time show up, and that's mostly good. So I'm looking forward to it.

Now are we going to take a picture? Is that the way we're going to do it? And then aren't we going to take a group photo also? Okay, great.

NOTE: The President spoke at 4:47 p.m. in the Rose Garden at the White House. In his remarks, he referred to Joann Cronin, national Girls State director. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to a Meeting With Chairman Stanislav Shushkevich of Belarus

July 22, 1993

Surgeon General Nominee

Q. Mr. President, are you confident that Dr. Elders has the answers to the questions she'll be asked tomorrow?

The President. I think she'll do very well.