

Finally, let me say that there are things that we can do in the Department of Education. We can validate this testing mechanism. One of the problems I had—there are lots of standardized tests in America today, you know. Most kids are tested until the tests are coming out their ears. But what are the relevant tests? These tests shouldn't be IQ tests. These should be effort tests and effort directed in the right direction. The thing that's good about this test is, this test measures whether these young people know what it is important to know in mathematics and science at this point in their life, if they're going to be very successful at a later point in their lives and if their nations are going to be successful. That's the important thing.

So we can help. We can help with the Goals 2000 program. We can help with the charter schools. We can help schools to join in this movement toward setting strong national standards and then to know that if they give the students examinations, that the tests are relevant to what it is they're saying the children should know in the standards. We can do that.

The schools can push ahead. We could have every superintendent in the country prepared to give the speech that we heard this superintendent give today. We can do that. But what really will have to happen is that business leaders and parents and community leaders, religious leaders, people that are at the grassroots level are going to have to demand that this be done and are going to have to say, "Do not be afraid. And if it doesn't come out okay the first time, don't worry." We're going to use that not as a stick to beat somebody to death with but as a spur to lift people up with. That's what we have to say.

And so again I say: The young people in this room today are going to live in the greatest age of possibility, the greatest age of promise ever known. Our obligation as Americans is to give all of them the change to make the most of their God-given abilities, to give all of them the chance to live out their dreams, to take whatever they have and make the most of it. And we will never get this job done unless we do what this First In The World Consortium has done. And if

we do it, sure as the world, America will be number one.

Thank you, and God bless you.

NOTE: The President spoke at 12:08 p.m. in the gymnasium at the Glenbrook North High School. In his remarks, he referred to Mary Hamblet, teacher, Wood Oaks Junior High School; Dr. Paul Kimmelman, consortium coordinator; Mayor Richard M. Daley of Chicago; Nancy Firfer, village president, Glenview; and Mark Damisch, village president, Northbrook; and Chicago Bulls basketball players Michael Jordan and Scottie Pippen. A portion of these remarks could not be verified because the tape was incomplete.

Interview With Al Hunt of the Wall Street Journal in Chicago, Illinois

January 22, 1997

Part I

Q. Mr. President, I want to thank you for being one of our first guests on S-Plus on our second day of broadcast.

The President. Thank you.

Rate of Economic Growth

Q. All right. Let me start off with a question about the economy. You oversaw a very good economy during your first administration, average growth of about 2½ percent a year, and yet there's still not enough money to do some of the things you want to do, and there's still income and wage disparities. Do you think it's reasonable in a second Clinton administration to look for slightly faster growth, say 3 to 4 percent a year?

The President. Well, of course, the conventional wisdom is that it should slow down, but I don't believe that. Let me say what I want to do is to keep a sustained period of growth going. If we could ratchet it up a little bit, it would be even better, but if we could average 4½—let's say 2½ percent for 8 years in a row, that would have quite a compound effect, actually, in our economy.

Keep in mind, when we started, we thought our plan would reduce the deficit by 50 percent; it did by 63 percent. And over the long run, we are opening up investment dollars to help educate people, to help move people from welfare to work, to help invest in science and technology, to help do the

things we need to be doing here, and to make some of the tax changes that will reduce inequality, as well.

Q. But you can do that at 2½ percent the next 4 years?

The President. Well, you can do some of it. For example, in the last 4 years when we had to really do a lot of the hardest work on the deficit reduction, we were able to—because growth took care of part of our deficit problem, we were able to cut spending overall but still increase spending in education and in science and technology, primarily, and then deal with the problems of health care costs.

I think if we can keep growth between 2½ and 3 percent, and if we can avert a huge increase in health care inflation—you know, there have been a lot of disturbing articles in the press in the last couple of days, well, health care inflation is coming back now. If we can avoid that—and we're going to try hard to do that—then I believe we'll have some money for the kinds of investments we need.

I also would point out that in—we won't know until later this year, but in 1996 we saw that in 1995 inequality among working people began to go down for the first time in 20 years, for a number of reasons. Most of the new jobs are coming in high-wage areas, and the impact of the tax changes of '93 on workers with incomes of \$30,000 a year or less was very positive. So I think we may be able to see declining inequality now for several years if we can continue with good new jobs and education.

Wages and Inflation

Q. In that context, the other day Chairman Greenspan of the Federal Reserve worried that wages may be rising so fast that it could threaten a renewed inflation, which would cause higher interest rates. Do you share that concern?

The President. Well, so far—I don't yet, but there are two reasons why I don't. Number one, so far, workers have gotten, finally, some real raises, and they should. But you haven't seen a lot of demands for wage increases all out of line with profitability growth in given enterprises. You haven't seen

any kind of demands that people would say are outrageous, even in tight labor markets.

And I think that workers are very sophisticated now, and they're very sensitive to—they want a fair deal, so if their business is doing very well they'd like to participate in that, but they also understand that they can't kill the goose that laid the golden egg. And I think there's a lot more sophistication among working people, both members of labor unions and people who are not members of labor unions but are working in enterprises where they have to make those judgments.

Now, in addition to that, I think productivity increases are continuing to be brisk, and there's now, finally, a lot of scholarship coming out indicating that we may have underestimated productivity in the last several years, especially in the service industries. And I think if that happens, if we can keep the productivity going, and we can keep our markets open—we can keep competing, keep expanding our horizons in competition overseas in trade—that we can have some appropriate wage growth without having inflation. That's the goal, anyway.

Balanced Budget

Q. You mentioned earlier the deficit reduction. What do you think of the odds right now that you can reach an agreement with Congress on a balanced budget by the year 2002?

The President. I think they're quite high.

Q. You do?

The President. I do.

Q. Better than 50 percent?

The President. I do.

Capital Gains Taxes

Q. In that context, I know that you favor a very specific targeted reduction in the capital gains tax rate, just for specific endeavors. But could you envision accepting what the Republicans are advocating, namely a broad-based unconditional reduction in capital gains taxes?

The President. Well, let me say I can envision being more flexible on capital gains. I think it's a mistake to do a very expensive retroactivity provision. It's unnecessary. It doesn't contribute to economic growth. And

it will cause a lot of, you know, problems in other decisions we have to make.

But I've always made it clear that I'm flexible on capital gains. I've never been philosophically opposed, as some of my fellow Democrats are. But I think a lot of us are open to that. What I want to do is to make sure that whatever we do we pay for and that we take care of first things first. And I hope that my education proposals will receive a favorable ear, and I hope that the Congress will be flexible about that. And I've decided to keep all options open.

Yesterday, when I offered Medicare savings that literally were halfway between where I was and where the Republicans were when we broke off negotiations in 1996, I met them halfway. I want to do that as much as I can in every way. So I think we've got very good odds.

Q. Meet them halfway on taxes also?

The President. Well, I want to meet them halfway insofar as I can. On the other hand, we have to ask, you know, how much of a tax cut do they want and how is it going to be paid for and what are we going to do without. So we just have to get to that.

But I'm not in stone on any of these things. I have proposed what I think is best for the country. I want them to propose, and then we'll have to work it out.

Medicare and Social Security Reform

Q. Your Medicare proposal the other day was quite well received by just about everyone on Capitol Hill. But let me ask you, why not go a little bit further, as even Bob Rubin at one point endorsed, and have wealthier senior citizens pay a little bit more for Medicare than middle income and poorer—

The President. Well, as you know, I proposed that back in 1993 as part of our health care reform plan. And I'm not necessarily opposed to that. But I think that we ought to look at that in terms of a long-term fix for Medicare. But if we do it, people are entitled to know that it's not the Tweedle Dee, Tweedle Dum; that is, it's not a tax cut here and a premium rise there.

And what I'd like to do—what I was trying to demonstrate, what I'm trying to demonstrate in my budget here is that through the right kind of disciplined management of

Medicare we can achieve a 10-year life on the Trust Fund and a balanced budget. If we want to do more in that area to lengthen the life of the Medicare Trust Fund, then that's something Congress and I need to discuss in the context of Medicare and Social Security reform.

But I also believe we have an excellent chance to make some decisions which will be helpful to the country over the long run with regard to what happens to the entitlements, not in the next 10 years but in the next 15 to 30 years, when the Baby Boomers like me all come into the system.

Q. Do you think, then, there is a good chance for a major reform of Social Security in your second administration? Let me ask you just one specific on that. As you know, the Social Security advisory commission the other day—they were divided on a number of things, but one thing that they were unanimous on, on Social Security, was that the retirement eligibility age ought to be gradually increased. Do you support that?

The President. Well, let me say—here's what I think they believe. Right now we're increasing the retirement eligibility age to 67. So when you say "increase," there are two ways you can do it. You can bump it up to 68 or 69, but it's happening over a period of very many years. Or you can accelerate, you can move it up instead of 1 month a year, you can move it up 2 months a year or 3 months a year, something like that, and accelerate that coming on.

I think what we need to do is get together in some sort of bipartisan fashion—either a bipartisan representation of Congress with the affected groups or a commission, but a commission that would have a very short time span. Because last year, you know, Senator Kerrey and Senator Danforth looked at a number of these things, explored a number of these options, so we have their work.

Q. You're talking about an entitlement commission, not just a Medicare commission?

The President. Yes, correct. And now we've got the work that the Social Security commission has done, although they couldn't agree, which shows you how difficult it is. And a lot of people even on Wall Street have reservations about whether this idea of put-

ting more of the present Social Security savings into the stock market is a good one or not.

Q. Let me just close this. You said there were two ways to go. Does either way seem effective to you now on increasing retirement age?

The President. Well, I think—we discussed a couple of years ago whether it would be an appropriate thing to kind of, to accelerate the timetable from a month a year, 2 months a year, whatever, what would that look like.

I would have to see more evidence on raising the years, simply because I don't know—you know, I could work until I'm 68. And one of the reasons I went to law school is so no one could ever force me to retire, so I'd be able to work until I drop because I'm a workaholic and I enjoy it and I think it is a good thing. But I don't know how many people out there work in jobs that are physically or emotionally so stressful that we would really be putting them under a lot of difficulty should we do that.

And so I just need—that's why I've said over and over again, I'm prepared to make these decisions with the Congress, I'm prepared to take responsibility for them, but we need to agree upon a process that is bipartisan and fairly quick. I think that from beginning to end, whatever we do, we need to be finished by the middle of next year.

Senator Trent Lott

Q. Mr. President, the chief Republican in any bipartisan negotiations this year, almost everyone on Capitol Hill says, will be Senate Majority Leader Trent Lott. What are your relations like with Senator Lott? How do you two southerners deal with one another?

The President. Well, I think we understand each other. And I like him. I like dealing with him. He has—as of this date he has always been very straightforward with me. If he couldn't do something, he would tell me, "I can't do that." If he disagreed with me, he would say, "I disagree." If he thought we could work something out, he would say, "Let me see," and he'd always get back to me and say yes or no. And I have tried to treat him in the same way.

I think we have some similarities in our upbringing and, obviously, in the culture in which we grew up. I feel very comfortable relating to him, and I do like him, personally. And I think that he's a man who—he has his strong political convictions, but I believe he loves our country, and I believe that it really—he measures himself in no small measure by what he achieves, and whether he actually gets something done for the country.

So, if we can keep the kind of atmospherics that existed in the last month or 2 of the last Congress in this Congress, I think we're going to do just fine.

Q. It sounds like different chemistry than you had in the beginning of the last Congress with Republican leaders. Is that fair?

The President. Yes, although I developed—all I had to do to have a good chemistry with Senator Dole was just spend some more time with him. In the first 2 years of my Presidency before he became majority leader, when he was minority leader, I think he had an understandable reluctance to be at the White House very much and to spend a lot of time with me or with our people, because he knew he was going to run for President and because he thought it didn't matter so much because he was a minority leader.

Once he became majority leader he understood that we had to meet and work together, and we fairly quickly established a pretty good rapport.

Part II

Chicago Bulls

Q. Let me turn to a couple of sports questions. We are in Chicago right now.

The President. Home of the Bulls.

Q. Not only the home of the Bulls, but there's one Chicago Bull from a little town called Hamburg, Arkansas.

The President. Hamburg, Arkansas. Scottie Pippen.

Q. Tell us what you know about that Chicago Bull.

The President. He's a remarkable man. I really admire him very much. And you know, we don't know each other well, but in Arkansas everybody knows everybody else. [Laughter] You know, it's a small State.

But he came out of a small town. He went to a fairly small school in Arkansas.

Q. The Razorbacks didn't even recruit him?

The President. No, he went to a division II school, and he didn't make that team as a freshman. And then I watched him go from a sophomore, sort of making the team. And then by the time he was a senior he was the best player in his division in the United States. I mean, just—and then of course he was drafted in the pros. And then every year he just got better and better and better, you know, for 5 or 6 years he was just exploding in his capacity every year.

So I think of all the people playing for basketball today you would have to say that he was a little bit of a late bloomer, but he exploded when he got going. I mean, for a man who—he literally started sort of from his sophomore year in college, and he just kept, whatever the ball was he always reached it and went over it. And he's still doing that.

Q. Do you see him play in college?

The President. One time. And he was good. He was really good. And, you know, now it's not even the same. I mean, he's like on another planet now.

Q. I know your favorite team is the Arkansas Razorbacks. But you and Patrick Ewing also share an alma mater together.

The President. Yes, Georgetown.

Q. Do you follow your former Georgetown Hoyas?

The President. I do. I always root for the Razorbacks and the Hoyas. I keep up. Georgetown is having a little bit of a tough season this year, but over the long run it's hard to think of a program that's done more than John Thompson's has to produce both good basketball teams and college graduates. And I think that's—I wish more people would model the Georgetown program.

Q. Let me ask you about that. You talked in your Inaugural speech about personal responsibility, you talked about the need for a more civil discourse and you mentioned role models. What effect do you think it has on kids when famous athletes like Dennis Rodman engage in those well publicized antics? Does it worry you?

The President. It does. It worries me more now than it used to, than it would have

20 years ago, because, first of all, all of us know the pervasiveness of the media in our culture. It means that we all know everything like that when it happens, instantaneously.

And secondly, there are an awful lot of young people out there, particularly young boys and young men, who don't have immediate, positive male role models who can contradict a lapse by an athlete. And I say this, I'm a big Dennis Rodman fan. I mean, I think he's an extraordinary athlete, and he's a very interesting man. And I don't mind at all some of the more unusual manifestations of his personality. But I think when he does a destructive thing like that, it's a bad thing. I'm sure in his heart of hearts he really regrets it.

You know, we all would hate to be judged on what we did in the darkest hour of the darkest day of our lives. And, unfortunately, when athletes are under all this pressure, they're also being watched all the time, when they're under the most stress and most likely to do or say something they wish they hadn't. And I'm sure in his heart of hearts he regrets doing that. But I would hope that at some point, in addition to paying this enormous fine and also trying to pay the gentleman that he kicked—which I think is a good thing—that he'll find a way to say, "I shouldn't have done it, and I really regret it."

Because I think it will only make him bigger, it will only make his fans think more of him. And it will send who knows what signal to some young person out there who, like Dennis Rodman, has enormous abilities and a terrific imagination and is a little bit different from the run of the mill person and therefore really identifies with Dennis Rodman. There's lots of kids out there like that, real smart, real able, a little bit different. And they've got to be fascinated by him. So I hope he'll find a way to say that—and I say that as I'm a real admirer of his basketball talent, and I find him a fascinating man. But he might be able to help some young people if he just says, "That's something I shouldn't have done and I'm not going to do that anymore."

Q. You are a genuine basketball aficionado. Who is the greatest basketball player you've ever seen?

The President. Oh, Jordan.

Q. Is he?

The President. Oh, yes.

Q. In a league by himself?

The President. I wouldn't say that. I've seen some great players. I saw Michael Jordan play when he was a senior in college and North Carolina came to play Arkansas, and they were ranked first and were, I don't know, fifth or sixth or something. And we beat them by one point. But it was a fascinating game. And he just is—you know, he's a wonderful player. But basketball, I suppose next to golf, is my favorite sport, although you can tell by the way I'm built and move around I have to be a spectator more than a player. [Laughter]

I have never been much of a player, but I love it. And the thing that I find exciting about pro ball is that it's played at such a high level that it seems to me that year-in, year-out on the whole, the group of players is getting better. I believe that is accurate. And so I think some day, you know, Michael may have the kinds of things that we—you know, he scored 51 points last night. His team has a bad night, and it happens to be on the night he's having a good night—you know, he can do something like that. Someday we may take it for granted that level of achievement. Some day there may be 20, 30 players in this league who can do that, just because of the level of competition they're bringing out of one another—you know, the way they're growing and going. But——

Q. I'll never have time for anything else if that happens, Mr. President. I'm just going to go to those games.

The President. No, it's just fascinating to watch. But I think, for me, he's the—because he has both offensive and defensive skills and a level of physical mobility and control, the combination of those things that I've never seen it before.

Super Bowl

Q. Let me ask you one final question. You will never run again for national office. You're going to retire undefeated from that. So you don't have to worry about Wisconsin's 11 electoral votes or Massachusetts' 12. Who's going to win the Super Bowl on Sunday, Packers or Patriots?

The President. [Laughter] I still have feelings for those places. [Laughter] I'll give you an analysis. I won't call it.

Q. All right.

The President. I think, first of all, there's an enormous psychological energy coming out of Green Bay. They've waited a long time to get back to the Super Bowl. They had this proud heritage. And it really is a home team. They don't have the kind of—they never worry about the team moving. They don't have to worry about the franchise leaving if you don't build a new stadium. They don't have to worry about building a sky box for wealthy people—you know, keep the money coming in. And it's always going to be sold out, because it belongs to the community and the leaders of the community.

And I think that, plus the fact that they played a very tough NFC schedule and ranked first in offense and third in defense and they've got great wide-outs and great tight-ends and a good running program. You know, that's a very rare thing to see that. I think that gives them a lot going.

Now, the flip side is the New England team has come alive defensively in the last five games in a way that's highly unusual. You rarely—if something funny—something fundamentally different has happened to them. And it's the one thing that makes me believe that—you know, the last several Super Bowls, the NFC team has won fairly handily. But if you look at the fact that the Patriots have a very skilled quarterback, a fabulous coach who is very savvy in circumstances like this——

Q. And has been there before.

The President.——and been there before. And something happened, it was almost like a transformation of their defense in the last half dozen games of this year. I think you have to say that this could be the most interesting Super Bowl we've had in a long time.

Q. You're not going to predict the winner. Will you predict a close game?

The President. Yes, I will. I think that this is likely to be a—I think it is likely to be a closer game than the last four or five we've seen. The problem has been, you know, that the NFC basically has been beefier. So when a team—when the Cowboys or the 49er's

come out of it as they have tended to come out the last several years, not only do they have this great reservoir of talent, but this great reservoir of talent was tested in a steady way during the year. So that when the best team came out of the AFC, they even—not only have they had—very often they weren't as strong pound for pound, particularly in physical strength. That was the thing that the Cowboys had, you know, on both sides of the line. In the end they would win at the end on their just brute strength as much as anything else. But the AFC teams hadn't been subject to that level of competition on a sustained basis.

I think this may be a little different. And as I said, you've got to ask yourself what happened to this team that turned it into a, literally, a brilliant defensive team in the last third of this year. There's something there. And I think it's—we've got a chance to see an exciting game.

Q. We'll watch on Sunday. And on that note, Mr. President, I want to thank you very much again for being one of our first guests on S-Plus.

The President. Thank you.

Q. Thank you, sir.

NOTE: The interview began at 5:06 p.m. at the Chicago Cultural Center. Mr. Hunt conducted the interview for television channel WBIS in New York, NY. This interview was released by the Office of the Press Secretary in two parts: part I was released on January 22; part II was released on January 24. In his remarks, the President referred to Chicago Bulls basketball player Dennis Rodman. A tape was not available for verification of the content of these remarks.

Statement on Senate Confirmation of the Secretary of State and the Secretary of Defense

January 22, 1997

I applaud the Senate for acting so swiftly on the nominations of Madeleine Albright and William Cohen. In confirming both Ambassador Albright as Secretary of State and Senator Cohen as Secretary of Defense by unanimous votes, the Senate has recognized the extraordinary capabilities of these two outstanding individuals.

Equally important, the Senate has sent a strong signal to the world of its determination to work in a constructive and bipartisan spirit with the administration on our Nation's foreign policy and national defense. I welcome that resolve. Nothing is more important for maintaining America's leadership in the world than preserving the bipartisan consensus on national security policy that was so vital to our success in World War II and the cold war. I look forward to a continuation of that spirit of bipartisan cooperation as the Senate takes up the nominations of Congressman Bill Richardson to be Ambassador to the United Nations and Anthony Lake to be Director of Central Intelligence.

Remarks at the Swearing-In of Madeleine Albright as Secretary of State and an Exchange With Reporters

January 23, 1997

Welcome. Mr. Vice President, Secretary-designate Albright, members of your family, Senator Helms, Senator Mikulski. Is Congressman Hamilton here? Under Secretary Tarnoff. I'm very pleased to preside at Madeleine Albright's swearing-in today. I thank the Senate for its swift and unanimous approval of her nomination. That reflects the confidence that all of us have in this remarkable American. It also sends a strong signal of the Senate's willingness to work with us to fashion a constructive and bipartisan foreign policy to advance the national interest of America.

This is a time of great hope and opportunity. If we are going to realize its promise, we must recognize that our global leadership is essential. In the next century, no less than this one, America must continue to be the world's greatest force for peace and freedom and prosperity. Madeleine Albright has the strength and wisdom to help ensure that America remains the indispensable nation.

Arriving on our shores as a refugee from tyranny and oppression, she worked her way up with determination and character to attain our Nation's highest diplomatic office. She knows from her life's experience that freedom has its price and democracy its rewards.