work? And do you think we ought to go forward together as one America? Those are the three great questions we have to ask and answer. If people understand that those are the questions, I know what the answers will be, and we'll all be celebrating 2 weeks from tonight.

Thank you, and God bless you.

NOTE: The President spoke at 9:42 p.m. at a private residence. In his remarks, he referred to reception hosts Ronald I. and Beth Dozoretz; and Jim Matheson, candidate for Utah's Second Congressional District, and his mother, Norma. Donald Dunn is a candidate for Utah's Third Congressional District.

Remarks on Departure for New York City and an Exchange With Reporters

October 25, 2000

Budget/Legislative Agenda

The President. Good morning. I want to say just a few words about the budget and the work we still have ahead of us if we want all our children to have a first-class education.

Way back in February, I sent to Congress a budget that keeps America on the path of fiscal discipline. It would strengthen Social Security and Medicare, pay down the debt by 2012, and make key investments in education, health care, the environment, and national security. It would also modernize Medicare with a voluntary prescription drug benefit available and affordable to all seniors who need it.

That was in February. Now we've come to the end of October, nearly a month past the end of the fiscal year, and we still have not seen from Congress a completed budget. Four times they've asked me for an extension of time to finish the work. Today the latest extension runs out, and Congress is about to ask for another. But from this point forward, as I've said, I will agree only to a day-by-day extension, until Congress finishes the job.

From this point forward, Congress should work every day and every night to put progress over partisanship, to make the investments in education our schools need and our children deserve. Congress should pass a budget that reduces class size in the early grades; that contains tax credits to repair old, crumbling schools and build new, modern ones; a budget that invests in after-school programs that mean more learning, lower crime, and fewer drugs. It should ensure the hiring of new, highly trained teachers, and help States turn around failing schools or shut them down and open them under new management. This Congress is not done, and this Congress will not be done until it accomplishes these objectives. We should also work together to pass tax cuts for middle-class Americans.

You know, in budget talks the two sides often wind up talking past each other. It takes a little extra effort to reach across the divide. So that's what I'm trying to do today. I'm sending an offer to Speaker Hastert and Senator Lott that says, let's work together in good faith to achieve common ground on tax relief.

I've identified areas of agreement so Congress can pass a bill I can sign, tax cuts that preserve fiscal discipline, help our people save for retirement or pay for long-term care, help build and repair schools, and boost investments in our new markets, the places that have been left behind in our prosperity. These are tax cuts we should all be able to agree on, tax cuts to help America's working families provide for the things that matter most.

There's also more to do in the last days of this session. Congress should be working overtime to pass a voluntary Medicare prescription drug benefit, to raise the minimum wage, pass a real Patients' Bill of Rights, expand health coverage for the American people, and invest our Medicare resources wisely, not just or overwhelmingly in the HMO's, including those that don't need it, but in teaching hospitals, home health agencies, rural and urban hospitals, and other health care providers.

Congress should also pass a tough hate crimes bill. After all, there's a bipartisan majority for it in both Houses. It's pretty hard to explain why it hasn't come to my desk for signature. And Congress should insist on and provide for fairness for legal immigrants and equal pay for women.

These are our most pressing priorities. We can make progress on all of them. There's a huge piece of new evidence. Just in the last 24 hours, there has been a truly bipartisan and historic agreement on providing much-needed debt relief to the world's poorest countries. This initiative was supported by a broad—in fact, the broadest imaginable—coalition of religious leaders. You all remember when many of them came to the White House just a few days ago.

This enables America to do something that is good and just and manifestly in our interests. It will go a long way toward ensuring our leadership for progress and prosperity in the 21st century world. It is something that will be very important to leave to all of our successors after this next election, something America can build on for years to come.

I am profoundly grateful to the leaders in both parties in Congress for reaching agreement on this. This is something every single American should be very, very proud of. And it is fresh evidence that when we work hard to put our differences aside and find common ground, we can in fact do it. I hope the leadership of the Republican Party will join me and the Democrats to continue to do this, to continue to put progress above partisanship. And we'll get an awful lot done for the American people in the next couple of days. Then they can go home and have a good election over the differences.

Thank you very much.

Government Shutdown

Q. Mr. President, are you prepared to risk a government shutdown if you don't get what you want?

The President. I don't think it will come to that. I mean, I think this agreement yesterday—this is really big. This will be one of the signal achievements of this Congress. And it shows that, as has been the case since we've been in this unusual relationship with the Republican majority and a Democratic President, that at the end, we can still get a lot done. So I hope it won't come to that, and I don't think it will.

Go ahead.

"Immigration and Latino Fairness Act"

Q. Mr. President—excuse me—the "Immigration and Latino Fairness Act" is something you have been pushing for. It's supposed to come up in the State, Commerce, and Justice appropriations bill. How are the negotiations going on between the White House and the Republicans, and will you veto it, the appropriation, if it doesn't contain what you want?

The President. Well, as I said, I hope we can reach agreement on it. We've made some real progress, and the Republicans have come some way toward our position on this. I don't think it's enough, and I hope we can do more.

Look, this is a very large issue. There are a lot of people in this country who came here in good faith under adverse circumstances. They've lived here, worked here, paid taxes here, established families here. And I believe we ought to go as far as we possibly can get this Congress to go to legitimize their presence and to do the other things that are in our initiative. So I'm working, and I think that's all I should say now. We're in the process of negotiating this.

Situation in the Middle East

Q. In the Middle East, can Yasser Arafat be considered a reliable partner for peace while he is releasing Palestinian militants from jail and actually giving them decision-making roles? Can he be reliable?

The President. Well, as you know, part of what the parties agreed to at Sharm al-Sheikh was a certain specific set of security measures which were, by agreement of the parties, kept confidential. But I think it's quite important that, as I think it was reported in the morning press, that I had a conversation with Chairman Arafat. I talked with him and Prime Minister Barak yesterday. I talk to them several times a week now. And one of the things we need to do is to have people who are interested in violence off the streets and the people who are interested in ending the violence out there doing what they're capable of doing.

A big part of what the parties recognized at Sharm al-Sheikh was that it's impossible to maintain this uneasy status quo, where we've come so far in the peace process, but

the big and most difficult issues remain. We can't expect there to be a reliable peace process unless we can reduce the violence. That's the real answer to your question. We would like to see, and I think that the Israelis would like to see, a resumption of the peace process, but both parties have got to do what they said they'd do at Sharm and get the violence down, so we can open up the possibility of peace again.

Yes.

Social Security

Q. Mr. President, the Democrats are about to launch a concerted campaign effort to discredit Governor Bush's Social Security proposals. I'm wondering if you plan to participate in that effort.

The President. Well, I haven't been asked to do that. To me, the major issue right now—I had hoped we could get agreement on Social Security reform, and I thought that Chairman Archer and I could actually make an agreement. But neither of us had enough support in our caucuses to do that. And this is one of those big issues that I think will have to be resolved in the next 4 years.

So I decided to do the next best thing, which is to make sure we could keep paying the debt down and to offer the option to put about 10 years of savings on interest that we get because we're not spending the Social Security taxes now, which we did from 1983 until a couple of years ago. We're not spending the Social Security taxes now, so they're contributing to debt reduction. That means our interest burdens are lower. And what I think should be done at a minimum is that the interest savings should be applied to Social Security. That way you could take it out to 2054 and get it out beyond the life of the baby boom generation, when, after that, the pressures on Social Security will begin to ease because there will be fewer people retired in relation to the number of people working.

Now, if they want to make other changes, as I learned and as Mr. Archer learned when we tried to argue this through, there will have to be a bipartisan coalition in Congress. And I hope there will be fresh energy when you've got a new President, a new Congress, a new amount of time to work on that.

The central problem here is, there are problems there. And I think that the Vice President and Senator Lieberman and the Democrats in Congress and the experts are perfectly capable of pointing them out. What I'm most concerned about is that we don't get anyone locked into something that would take us back to deficits. And you have to add up the cost of a tax cut and a privatization of Social Security and all the spending programs. And if you do that, and the sum of it is more than $2 trillion, you're in trouble. You're back in deficits. You've got high interest rates.

That's the thing that I've tried to get the American people to focus on. We've got to keep paying down the debt to keep the interest rates down, to keep the prosperity going. But I think on the details of the plan, that's something that should properly be left to the candidates in this election. And I think that Governor Bush can state his position, the Vice President can state his, and the Members of Congress on both sides can argue it out without too much help from me.

Situation in the Middle East

Q. Mr. President, do you think that Chairman Arafat can still retain sufficient influence over his people to stop the violence in the West Bank and Gaza?

The President. I think the violence can be dramatically reduced. I think that there are probably some people within the Palestinian territories, and probably some people within Israel, that are not within total control of Chairman Arafat or even the Israeli Government. But I do think Chairman Arafat can dramatically reduce the level of violence.

The problem, as I have been saying for years and years to the people in the region, is that once you actually start a peace process and people's expectations get built up and you have a commitment to peaceful resolution of these issues, violence is no longer a very good tool to achieve political objectives. It always, in the end, will be counterproductive. Why? Because if you look at the pattern, what you have to do is, you stir the people up—you get the people all stirred up so that they believe that violent reactions are legitimate—and then you can't just turn mass

emotions on and off, like you can a water tap. It's just not that simple.

So I think that it's very important—I think what we did at Sharm was to put at least a speed bump on the road to the dramatic deterioration of the situation. But I don't think that we should ask ourselves whether he has 100 percent control, because the truth is, none of us know the answer to that, and nobody has 100 percent control of any situation. The real and fundamental question is, can the level of violence be substantially reduced by a sustained effort? If the parties do what they agreed to do at Sharm, the answer to that is a resounding yes.

Yes, ma'am.

Q. Mr. President, to follow up on that question and one other question, you said that you do believe he is capable of reducing the violence. So are you saying that he hasn't tried to do that? And secondly, there was a poll out today in Israel that showed that if there was an election today, Netanyahu would beat Barak 2-1. And are you concerned at all that in your attempts to be an honest broker and the way the violence has continued that you've somehow sold out Barak, that he will no longer be a leader in Israel in a few weeks, in a few months from now, and that the peace process will inevitably be over once that happens?

The President. Well, the short answer to your question is no, because he made the decisions that he made—he made very courageous decisions, and he's in a difficult position now because he's getting the worst of both worlds. I mean, he reached out to the Palestinians, and he showed enormous courage in doing so. And we did not get an agreement at Camp David, although it was, on balance, quite a positive thing.

I will say again, you can't maintain this status quo. We either have to shut the violence down and get back to the peace process, or there is going to be at least a level of anxiety, mistrust, and a worsening of relations, which I don't think would be good for anybody.

But I think that—I will say what I said the day the Camp David talks ended. Prime Minister Barak knew what he was doing. He took a big chance. He did it because after years in the Israeli military, he reached the same conclusion that Yitzak Rabin reached, that in the end, the best guarantee of Israel's security is a sustainable peace with all of her neighbors. He knew there would be bumps along the road and that there would be points at which the process would be ragged. He made a decision that he was trying to go for the long-term security of Israel. And events in the next several days will determine whether or not we can get back on that path.

That's my reaction. I think it can be done, and I think the parties can do it, and I'm going to do my best to see what I can do to be helpful. But we've got to get the level of violence down. This peace with the Israelis and the aspirations of the Palestinians can, in the end, only be fulfilled by agreement.

We called at Sharm for a commission to look into what happened, to try to make sure it shouldn't happen again. We can do that, but the critical pillars for a good situation in the Middle East are the absence of violence and the presence of negotiations and continued progress. And those are the things that all the people should be focusing on. Those are the things that I've been working on every day for the last couple of weeks now.

Medicare Legislation

Q. On the tax package, the Republicans yesterday said they are considering including an increase in the minimum wage, which you want, and a scaled-back school bond proposal, which you also support.

The President. A scaled-back what?

Q. A scaled-back school bond proposal. But they are also considering including the Medicare giveback, which you've threatened to veto. Would that veto still hold if the tax package includes these provisions which you support?

The President. Well, it depends what the Medicare thing looks like. The only thing that bothered me about the Medicare issue is that we were working along in a bipartisan way. We had some differences. They want to give what I think is too much money to the HMO's. They say they need to do it because the HMO's are dropping people, dropping Medicare folks from coverage in their HMO's. But if you look at the provision, the

money goes to the HMO's without any guarantee of continued coverage for Medicare patients who may have serious problems.

So the thing that bothers me about it is, you have a lot of other—look, we all have acknowledged that in the Balanced Budget Act of 1997, to achieve the savings we targeted we had certain specific changes in the Medicare program which, number one, produced greater savings than we estimated, or than the Congressional Budget Office estimated, and did so at a cost to the health care providers which was unacceptable; and that there were substantial difficulties for urban hospitals, for rural hospitals, for the teaching hospitals, for nursing homes, home health providers, hospice services, the whole range of things.

And I have no objection to the HMO's being given consideration in this bill. The only point I tried to make is that if you give them as much money as the Republicans do, you severely short the urban and rural hospitals, the teaching hospitals, and these other providers that I just mentioned.

So the question is, can we achieve some balance here? I hope we can. This is a very important thing. I sympathize with the Republican leadership in not wanting to let the cost of this bill balloon out of control. And I offered to work with them on that. That is something—a goal that we both share. But this should be a question that's decided strictly on the merits. This is not a political issue with me. You have all these folks; they have people they have to care for. We made a decision in '98 to sign a balanced budget bill, and they made a decision to pass it, which had specific changes in the Medicare program designed to produce an amount of savings. The savings were greater, and accordingly, the loss to the providers was greater, and the quality of health care is, therefore, strained.

So what we need to do is just take this on the merits. So I don't want to turn this into a big political fight. I just think this is one where the facts should get out, and we should do what the facts indicate is the best balanced thing to do with the money we have available for all the providers. And I simply don't think that their proposal does that or even comes close. So I hope we can reach agreement on it.

Thank you. I've got to run.

NOTE: The President spoke at 10:55 a.m. on the South Lawn at the White House. In his remarks, he referred to Chairman Yasser Arafat of the Palestinian Authority; Prime Minister Ehud Barak and former Prime Minister Binyamin Netanyahu of Israel; and Republican Presidential candidate Gov. George W. Bush.

Remarks at a Reception for Representative Gregory W. Meeks in New York City

October 25, 2000

Thank you very much. Thank you. Let me say, first of all, I am delighted to be here with Greg and Simone-Marie and their beautiful daughter. Chelsea and I were glad to come by, remembering when Chelsea was that age. Didn't she do a good job of sitting through her daddy's speech? I thought it was fabulous. [*Laughter*] Right in the middle of the speech, she was looking at him. She said, "Daddy." So your name recognition is high where it needs to be. [*Laughter*]

I am honored today by the presence of the Manhattan Borough president, Virginia Fields, and Assemblywoman Vivian Cook and Senator Malcolm Smith and our members of the council, Archie Spigner, Tom White, and Juanita Watkins. Let's give them all a big hand. [*Applause*] Thank you for being here.

I feel a great deal of gratitude today, and every day these days—I'm very grateful to the people of New York for being so good to me and Hillary and Al and Tipper Gore, for your support in 1992 and 1996. I'm very grateful for Greg Meeks. He is an outstanding Congressman. He has supported our economic initiatives, our education initiatives. He's been a real champion for building one America, and I think he has a brilliant and limitless future in the House of Representatives.

Let me say to all of you, I know whenever I do an event like this, in the parlance of my faith, I'm always preaching to the saved, or you wouldn't be here. But I think that it's important in the last 2 weeks of this election that we reach out to other people, to