

gas emissions, and do it primarily through market mechanisms. And I believe it's profoundly important, and I intend to work very hard on implementing it this year.

We have an entitlement challenge in this country because the baby boomers are so numerous that we have to make some adjustments in both Social Security and Medicare if we expect to preserve them for the baby boom generation at a bearable cost for our own children. And I think you will see significant progress on that in the next 2 years.

In education, the fundamental problems it seems to me are—I'm very proud of the fact that in the balanced budget act we basically make community college free for people with the tax credits and open the doors of college—we did more for college access than anytime in 50 years, since the GI bill. It's a stunning piece of work that, for some reason, doesn't seem to have acquired a lot of notice in the press. But when I talk to ordinary people about it, they think it's the greatest thing since sliced bread. So that's a big deal.

But what we have to do now is make our schools work again. There's a report just today saying that urban schools basically are performing vastly below suburban schools on all national measures of testing. I've done my best to try to promote a set of structural reforms and high standards and rigorous testing with consequences. The report shows that in Virginia, where they have urban schools that have done much better than the national average, it's because they have specific, rigorous standards; they measure the standards, and there are consequences to the results they find. This is not rocket science. These children can learn. Most of the teachers are fully capable of doing what they need to do. The system is not adequate to meet what the children deserve and the country needs, and we intend to keep working on that.

Well, there are a lot of other issues I can—yesterday we announced the biggest child care program in the history of the country, that we will have to pay for. I think that's a good thing. But it must be paid for with the successful resolution of the tobacco issue, which I hope the Congress will resolve satisfactorily. On the international front, I hope we will approve the expansion of NATO. I'd still like to have more trade authority. And I hope the Congress will pay our debts to the United Nations and we can

resume our global role and I think that will help.

I do believe that we will give some gifts to the millennium. I think you'll see a significant increase in medical research and a number of other things that are of interest to a lot of you in this room. I think '98, even though it's a political year, will be a good year. Some of you asked me about political reform, I will do my best. We have a vote scheduled in the springtime—in March, I think—and both the leadership in both Houses has promised to vote on some kind of campaign finance reform. They've not promised to vote on the bill that I support, McCain-Feingold, but a vote on some kind of campaign finance reform.

And I have said this repeatedly—I'll say it again—I think the trick is, if we're going to have limits on soft money, then the hard money contribution limits ought to be realistic in light of today's cost, number one. And, number two, we ought to have access to free or reduced air time for candidates who observe overall spending limits. The Supreme Court has made clear that you can't control how much money people spend on their own campaigns, because money is speech. I'm not sure I agree with the decision, but there it is, and it's been there for over 20 years.

What's driving the costs of campaigns is the cost of air time, the cost of communicating directly with the voters. If there were some standards for how that could be done, if you got the benefit of free or reduced air time, I think you might see a big turnup in voter turnout because you could have more, if you will, interactive air time—longer programs, call-in programs, townhall meetings, questions and answers. The whole thing could be changed. But we're going to have to have some help on the expenditure side, as well as on the money raising side.

So I think it will be a good year. I'm excited about it. We've already got more than one foot in the 21st century, but we also have some really significant challenges. And when you think about all the medical research that's going on, on the one hand, and the dangers of chemical and biological warfare on the other; when you think about how we're getting along in America with a couple of hundred racial and ethnic groups, on the one hand, and the fights that still go on from Africa to Northern Ireland to the Middle East to Bosnia on the other, you see the