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are curing the ills that disease may cause: the stigmas, the myths, the barriers to quality care. The concerned citizens on The Mall today show that we are overcoming those barriers, one by one, and at the same time building a stronger and healthier America.

Thank you for listening.

NOTE: The address was recorded at approximately 7:30 p.m. on September 25 at the Fairmont Hotel in San Jose, CA, for broadcast at 10:06 a.m. on September 26. This transcript was made available by the Office of the Press Secretary on September 25 but was embargoed for release until the broadcast.

Remarks at a Democratic National Committee Luncheon in Rancho Sante Fe, California

September 26, 1998

Thank you very much. Well, if I had any sense I wouldn't say anything. [*Laughter*] Thank you, Bill. Thank you, Star. Thank you, Len. And all of you, I can't tell you how much I appreciate you being here. I'm delighted to see Lynn Schenk, and I'm delighted to see Christine Kehoe. And we are determined to see her prevail. If you want to do something for what you just stood up for, send her to Congress. Send her to Congress.

I'd also like to thank all of you who have been my friends over the years, and some of you whom I have just met today, I am very grateful to see you here. I'd like to thank all the people who are responsible for our wonderful meal and the terrific musicians. Let's give them a hand. Didn't they do a great job? Thank you. [*Applause*] The Wayne Foster Group. Thank you so much. Bless you.

It's nice to be here in this humble little house. [*Laughter*] This is the first place I've ever been where the fish are worth more than I make in a year. [*Laughter*] Listen, I want to say, this is really a magnificent home. It's a real tribute to the work that Bill has done over the years and to the feeling that they have for all of us that they open their home to us. And I'm very grateful to be here.

I will be brief. I've had a remarkable couple of days. I was in Chicago yesterday, which most of you know is my wife's hometown. And I got my Sammy Sosa Chicago Cubs baseball shirt, which was promptly taken away from me last night when I met up with Hillary and Chelsea in northern California.

Hillary has been up in Washington and Oregon and San Francisco campaigning, made an appearance last night for Barbara Boxer up there. And I'm here, and I'll be in Los Angeles tonight and tomorrow. I'm going on to El Paso and San Antonio, Texas, and then I'm going back to Washington on Sunday night to try to bring to a closure this session of Congress with some productive action. But I cannot tell you how much it means to me not only as your President but as a person, what you have said here and what I have seen all across this country. And I'm grateful, and my family is grateful, and I thank you.

But there is something far bigger than all of us at stake here, and that is our country, our system, and where we're going. And I tell everybody who comes up to me worrying about this, that the real enemy of our party and our principles and our programs and the direction of the country is not adversity. Adversity is our friend. It inspires us to action. It gives energy. It gives us steel and determination. Our real enemy is complacency, or cynicism.

You know, things are going pretty well for our country now, and I'm very grateful that I had a chance to be President, to implement the policies that I ran on that I talked about 6 years ago, I think, this month, when I was here with Bill and Star at their previous home. I'm grateful that we've got the lowest unemployment rate in 28 years and the lowest crime rate in 25 years and the smallest percentage of people on welfare in 29 years. And in just a few days, less than a week now, we'll have the first balanced budget and surplus in 29 years. I'm grateful for that.

But the question is, what are we going to do with it? I'm grateful that we've opened the doors of college to virtually anybody now who will work for it with tax credits and the deductibility of student loans and more scholarships and work-study positions and that we added 5 million kids to the ranks of those with health insurance, passed the Brady bill and the Family Medical Leave Act. I'm grateful for all that.

But what are we going to do with it? What are we going to do with it? That's really what's at issue here. Our friends in the Republican Party believe they're going to win in the midterms, first of all, because they wanted me——

[*At this point, birds began chirping in the background.*]

I don't mind the birds; it's just background music. [*Laughter*] Believe me, I've had worse background music lately. [*Laughter*]

The Republicans believe they're going to do well in these elections, first of all, because in every single election since the Civil War, with the President in his second term, the President's party has always lost seats at midterm. The second thing they're banking on is money. Even though you've been very generous and you've come here, they always have more money than we do, especially now that they're in the majority. But we have something that money can't buy and that history can't overcome: We are on the right side of the issues for America's future.

The history we want to make tomorrow and the next day and the next 10 or 20 years is the right history for America. And all we have to do is to get enough of our people to understand that, to get enough energy out there, to get enough people to show up on election day, and all the history in the world won't make a difference, and all the money in the world they have won't turn the tide. Because people now know that when it came to the budget vote in 1993, which reduced the deficit by 93 percent before we had the bipartisan Balanced Budget Act, we didn't have a single Republican vote. They know we barely had any votes for the crime bill when we banned assault weapons and put 100,000 police on the street, or for the Brady bill. They know that we had almost all—and Democratic votes, barely any Republican votes, for the family and medical leave law.

And if you look at the last year, when this country has had lots of challenges, and we had the resources to meet them, what has happened in this Congress in the last year? They've killed the tobacco legislation, to which Bill alluded. They've killed campaign finance reform. They have taken no action on my education program. The other night, in a breathtaking move, the Republican leader of the United States Senate actually had to shut the Senate down and make people go away for 4 hours because it was the only way to keep them from voting on the Patients' Bill of Rights. And he knew if we ever got a vote, one of two things was going to happen. It was either going to pass, or they were going to be punished for killing it—for the insurance companies that wanted to kill it. So what did they do? They shut the place down. Unprecedented!

Now, what this is really about, this election, is not what's going on in Washington, DC; it's what's going to go on in the lives of the people in San Diego and El Paso and Racine, Wisconsin, and the Northeast Kingdom in Vermont and all the places in the country where the people live who send people to Washington, DC. That's what really matters.

And there is a very clear choice about what to do with this moment, and I think—if you just think about the things we need to do right now to prepare for America's future—I'll just mention five very quickly. Number one, we're going to have a balanced budget and a surplus on October 1st for the first time in 29 years. They voted in the House and may vote in the Senate for a tax cut to start spending the surplus right away.

Now, I remind you, we quadrupled the debt of the country between 1981 and 1993, when I took office. These surpluses in the years ahead—they say, ''Oh well, we know we're going to have them, so we can spend some now, and it's 4 or 5 weeks before the election, and won't that be popular to just dish out a tax cut right here before the election.'' And it's the Democratic Party that's standing up for fiscal responsibility and saying, no, and I'm saying no. And I'll tell you why.

First of all, we have waited for 29 years. We have worked for 6 years to get out of this terrible hole. I would just like to see the red ink turn to black and watch the ink dry for a minute or two before we run another deficit. Wouldn't you like to see that? Wouldn't you just like to see the ink dry? [*Applause*] You know, they didn't want to wait a day just to enjoy this incredible achievement. Now, why is that important?

Because we've got a lot of trouble in the world today in the world economy. I was up in Silicon Valley last night where they understand how dynamic things are. They live in a perpetual state of change there. But so do we all, and we dare not forget it. We forget it at our peril.

We have to set a standard if we want to keep growing this economy that America, of all the countries in the world, is the most solid, the most sensible, the strongest country in the world.

The second reason we shouldn't spend that surplus right now is that, before you know it, the baby boomers will begin to retire, starting in about 10 years. I'm the oldest of the baby boomers. People between the ages of 34 and 52, when we all retire, there will only be about two Americans working for every American drawing Social Security. Unless something totally unforeseen happens to the birth rate or the immigration rate, it will be about two to one.

The Social Security system today alone keeps half of the seniors in this country out of poverty; that is, without it, 50 percent of the seniors in this country would be in poverty, even with their other sources of income. Now, if we begin today and make modest changes, we can preserve the universal character of Social Security in the sense that it's a bottom line safety net for people that don't fall into poverty. But we can increase the returns, make some other changes, and avoid putting an unconscionable burden on our children and grandchildren.

I'm telling you, everybody I know my age is worried about this. I was home a few months ago and I had a barbecue about 6 o'clock in the evening with about 20 people I grew up with—most of them are just middle class Americans, don't make much money. Every one of them said they were plagued with the thought that their retirement would be a burden to their children and their grandchildren. They're not wealthy people. They know they're not going to have enough. But they are plagued with the thought that they will have to take money away from their children and grandchildren.

Now, we have worked for 29 years for this. It's the right thing to do, anyway, right now because of all the instability in the world, for us to stay strong and have this strong economy and have this little surplus. But secondly, it's the right thing to do before we—I'm not against tax cuts. We have some tax cuts in our budget, but they're all paid for. But before we get into that surplus for tax cuts, before we spend a penny of it for new programs, we ought to save the Social Security system for the 21st century, so that we do not either run a lot of seniors into poverty, or undermine the welfare of their children and grandchildren. It is terribly important.

That's a big issue that affects people who live outside Washington, DC. The second big issue—it's very important—again related to the economy, is I'm doing everything I can to limit the financial turmoil in Asia now, to begin to reverse it, and to keep it from spreading to Latin America which are our biggest markets, our fastest growing markets for American goods and services—everything I possibly can to sort of right this instability in the international financial system that you see most pronounced in Asia and Russia now but could affect our welfare. Alan Greenspan said the other day, more eloquently than I could, America could not forever be an island of prosperity. For us to grow over the long run, our friends and neighbors all across the world, on every continent, who are doing the right thing and working hard need to be doing better as well. That's what this International Monetary Fund issue is all about.

For 8 months I have been pleading with Congress just to pay our fair share of the International Monetary Fund so we'll have the money to stop the financial virus before it spreads across the globe and begins to bite us. That's a big issue, and it hasn't been done yet.

The third thing I want to say is we will never be permanently secure in this kind of economy until we can say not only that we have the best system of higher education in the world, but that every one of our children, without regard to race or income or neighborhood, has access to a world-class elementary and secondary education.

And for 8 months I have had before the Congress, fully paid for in the balanced budget, a bill that would lower class sizes to an average of 18 in the early grades and put another 100,000 teachers out there to teach

them; that would build or repair another 5,000 schools because the schools are overcrowded; that would hook all the classrooms in the country up to the Internet by the year 2000; that would build 3,000 more charter schools—an issue that California has been on the forefront of—that would, in short, keep us on the forefront of education. It would also reward school districts that have poor performance and a lot of kids in trouble if they adopted high standards, accountability, no social promotion, but actually helped the kids, and didn't denominate them as failures when they're young and they are no such thing.

I was in Chicago the other day. Chicago used to be the poster child of a bad, failing, urban school district. I went to the Jenner Elementary School, where every single child lives in Cabrini-Green, one of the toughest public housing projects in all of America. In the last 3 years, their reading scores have doubled and their math scores have tripled. Chicago has a ''no social promotion'' policy, but if you fail, they don't just say you're a failure. They say you didn't pass the test, and you have to go to summer school. The Chicago summer school now is the sixth biggest school district in America. [*Laughter*] Guess what's happened to juvenile crime in Chicago. There are now 40,000 kids in that city that get 3 square meals a day in the school. So that's also in our plan, funds for other troubled districts to follow that model.

We also have funds for 35,000 young people to pay for their college education, and then they can go out and work it off by teaching in underserved areas. This is a good program. That's an issue in this election. It matters to you and to your future and to your children's future and to your grandchildren's future whether we can rescue, revive, and make excellent the public educational opportunities of every child in this country.

So those are three things: saving Social Security, stabilizing the global economy, putting education first.

I'll just mention two others. Number one, one of the biggest fights I have all the time, convincing people on both sides, is that America has to find a way to protect the environment and grow the economy, and that if we have to choose one or the other, we're in deep trouble. We have spent hundreds of thousands of dollars complying with subpoenas from a congressional committee that doesn't want me to give tax incentives and spend research and development dollars to figure out how to grow the economy and reduce CO_2 emissions. And that's out of step with the rest of the world.

I was in San Bernardino County not very long ago with the head of the National Association of Home Builders at a low-income housing project, where they had solar reflectors on the roof that are so thin now they look like ordinary shingles, and glass that keeps out 40 percent of the heat and cold and dramatically reduces the power cost. And it improves economic growth. It creates jobs and improves the environment—big issue.

But believe me, the budget I'm about to get, unless they change their tune, is going to be riddled with things designed to deny that and to weaken our environment.

And finally, to me the thing that embodies as much as anything else the great philosophical difference that's at stake now in Washington is the debate over the Patients' Bill of Rights. Now, let me set the stage. There are 160 million Americans in managed care plans. I have been a supporter of managed care. Why? Because when I became President, health care costs were going up at 3 times the rate of inflation. It was unsustainable. We were going to bankrupt the country. There wouldn't be enough money left to spend on anything else.

But it's like anything else—if the bottom line is just whether you save money rather than the bottom line of saving as much money as you can consistent with the health of the people that are being treated, you get in trouble.

And now many, many managed care plans have health care decisions made by insurance company accountants, and you have to appeal to two levels up or more until you finally get to a doctor. Our bill, which has the support of 43 managed care companies who are doing this anyway and are being punished for it, says this—it says simply, if you get in an accident, you ought to be able to go to the nearest emergency room, not one that's 5 or 10 miles because that's the only one that happens to be covered by your plan. Number

two, if your doctor says that he or she can no longer treat your condition and you need to see a specialist, you ought to be able to see one. Number three, if you work for a small business who changes providers, health care providers, at a given time during the year, you still shouldn't have to change your doctor if you're in the middle of a critical treatment.

Now, let me just graphically demonstrate what that means. This happens. These things happen. You remember when you had your first child. How would you feel if you were 7 months pregnant and your employer says, "I'm sorry, go get another obstetrician"? If anybody in your family has ever had chemotherapy—I've been through that—if your family member needs chemotherapy, you sit around thinking; you try to figure out ways to make jokes about it. My mother stood there thinking, "Well, maybe I won't lose my hair, or when I do, maybe I will finally get a wig." I never had to—you think—you try to be funny about it. And then you wonder whether you're going to be too sick to eat, right? In the middle of a chemotherapy treatment, do you think somebody would say, "I'm sorry, go get another doctor"? That's what this is about—basic things.

Our bill also protects the privacy of your medical records, which I think is very, very important and will become more important in the years ahead.

Now, the House of Representatives, the Republican majority passed a bill that guarantees none of these rights and leaves 100 million Americans out of what little it does cover. The Senate wouldn't even vote on the bill because they didn't want to be recorded, so they shut down business.

That's what this election is about. Don't be fooled about a smokescreen. This election is: Are we going to have a Patients' Bill of Rights? Is our policy going to be to grow the economy and preserve the environment? Are we going to put education first? Are we going to stabilize the global economy, so we can continue to grow? Are we going to save Social Security first? That's what it's about.

And if we go out and say, we are Democrats, this is what we're running for; we believe elections should be about the people that live outside Washington, not about who's crawling on whom in Washington, DC—everything is going to be fine. So I ask you, go out there and make sure that's what it's about.

Thank you very much.

NOTE: The President spoke at 3:35 p.m. at a private residence. In his remarks, he referred to luncheon hosts William S. and Star Lerach; Leonard Barrack, national finance chair, Democratic National Committee; Lynn Schenk, candidate for State attorney general; and San Diego City Council member Christine Kehoe, candidate for California's 49th Congressional District.

Statement on Social Security

September 26, 1998

The Republican tax plan drains billions of dollars from the surplus before we have done the hard work of strengthening Social Security. First things first. I will insist that we reserve the entire surplus until we have seized this historic opportunity to save Social Security, and veto any bill that doesn't meet that principle. While it is regrettable that this plan survived today, I am heartened by the strong commitment to fiscal discipline and Social Security shown by those who opposed it.

Remarks at a Unity '98 Dinner in Los Angeles, California

September 26, 1998

Thank you very much. I hate to begin with a request, but if there was any way to turn down some of these lights, I would like it. I can't see any of you out there. Can you turn these lights down? It's not a nightclub act. But I'd just like to know that you're out there, you know? [*Laughter*] Thank you.

Let me begin by telling you how very grateful I am for the warm welcome you have given me tonight, to those of you whom I saw earlier. I thank you especially for the personal messages you had for me and for Hillary. You know, even Presidents and their families have to be people, too, and that means a very great deal to us. And I thank you more than you will ever know.

I want to thank Haim and Cheryl for having me back in their home and having all