

a chemotherapy treatment which may determine whether you live or not—which is traumatic enough anyway—and your employer has to change providers, you ought to at least finish the treatment.

And all this stuff would cost, they said, two bucks a month. So what harm could it do to give that kind of peace of mind to the country? But the HMO's said, no, so they beat it. Now, I think the HMO's would be better off if America were healthier. I mean, we'd all pay premiums, and they'd get to keep more of them because they wouldn't have to spend as much on hospital bills and surgical bills. It's just what I think.

I believe that we ought to always think about what's best for the largest number of our people and the rest of us are going to do fine. And if you look at the decisions facing us over this budget—the big issues here involve a debate that if I had told you in '92, when you were helping me get elected President, we'd be talking about now, you'd say, "You know, I like that young fellow, but he's crazy." [Laughter] If I had said to you, vote for me and in 6 years we'll be debating what to do with this surplus—you think about it; we had a \$290 billion deficit, we quadrupled the debt in 12 years—I say, "I want you to vote for me because we'll have a huge debate 6 years from now about what to do with the surplus"—you'll say "That kid is too nuts to be President." You will never be for him. Right?

So, we're having the debate. And what they say is, don't let—we seem to have an agreement, although it's not complete, on not spending the Social Security tax portion of the surplus, and putting that against Social Security. And that's a very good thing. I don't want to minimize that—although, the agreement is not complete. But then they say, "Well, we'll spend the rest of the surplus on a tax cut, we'll give the people back their money." It's very appealing—and that their tax cut is bigger than our tax cut.

What they don't say is to fund their tax cut you can do nothing to add a day to the life of the Medicare Trust Fund, with the baby boomers coming down the pike. You will have to have massive cuts in education and other domestic spending. They can't even fund my defense budget, much less the

one they say they're for. And we won't pay the debt off.

What I have done is to ask the American people to think about today, but also think about 10 and 20 years from today—what made us strong. And I just mention three things: the aging of America, the education of our children, and the health of our economy.

The aging of America means that we'll have twice as many people over 65 in 30 years as we do today—twice as many. I hope to be one of them. And we'll have more people drawing Social Security and Medicare and fewer people working. How are we going to bridge the gap? We have to make some changes in the programs, but we also have to put more money into Medicare.

Now, my plan saves most of the surplus for Social Security and Medicare. It also makes some reforms in Medicare that require people to pay more for the co-pay for the lab tests that often are overdone, and a modest increase in the part B premium according to inflation—which is pretty small, anyway—but in return, gets rid of all the co-pay for all the preventive screenings that keep us alive and keep us healthy in the first place, and starts a modest, but important, prescription drug benefit which would pay half the cost of prescription drugs, up to \$5,000, for most beneficiaries, and will give subsidies up to 150 percent of the poverty level and require no co-pay up to 130 percent, and no premium.

Now, I think this is a good thing to do. I think it will save money over the long run. It will keep people out of hospitals. It will keep people out of surgery. It will help people who are going to live longer anyway to live better, as well as helping a lot of people to prolong their lives. And it will relieve—it is not just a program for the elderly, because it will relieve their children of the financial burden of caring for them so they can invest their money raising their grandchildren.

So I believe that we should save Social Security and Medicare first. Then I believe we should continue what we've been doing the last 6 years, our investments in the things that are fundamental to our future, especially the education of our children. You know, by

next year we'll have every classroom in this country hooked up to the Internet. And because of the E-rate we'll be able to subsidize the poor schools, so even the poorest children will be able to take advantage of that. That means that it won't matter as much as it used to if they don't have enough books in the school library. All they've got to have is that hook-up and a printer and they will have just as much access to what is in the great libraries of the world as children in the wealthiest schools in this country. And I think it's important.

We gave this HOPE scholarship, this \$1,500 tax credit for the first 2 years of college, and tax credits for the other years of higher education. And we've got a proposal now that will provide people access to funds for a lifetime of training. And I think we should continue to do this. I think this is important. I don't believe that we, in this time of good economic fortune, should have a tax cut that is so big it would require us to cut education when, plainly, we need to continue to invest in it.

And the third thing I want to talk about is the health of the economy itself. You know, I used to carry around with me a sort of 10 rules of politics. And one of my rules of politics was, when someone tells you it's not a money problem, they're talking about somebody else's problem. *[Laughter]* They're never talking about their own problem. Life is far more than economics and politics is about more, but this is a better country in no small measure because more good people can find work and be rewarded for it. And, therefore, it is important for us to try to keep this economy going and to spread its benefits.

And I would just mention two things in that regard that I think are profoundly important. First of all, this new markets tour I took last week—I went to Appalachia; I went to the Mississippi Delta; I went to the Pine Ridge Indian Reservation, to East St. Louis, south Phoenix, and to East L.A. I saw the urban and rural face of continuing need in America. Secretary Slater was there with me, many others went. I saw all these people who are dying to work, saw a lot of people who are working who are poor. I saw people living in conditions that you would think are unconscionable at a time when homeowner-

ship is at an all-time high and construction is doing well.

Now, one of the big debates we have in the White House and in the Treasury Department is, how can you keep this economic growth going with unemployment under 5 percent for 2 years in a row without inflation? One way is to extend that to the areas that haven't felt it—because you get more workers and more consumers and, therefore, you won't have inflation. You'll just be literally adding to the whole rounded economic picture.

So I have asked the Congress, yes, to fund a second round of the empowerment zone program the Vice President has done such a brilliant job of running; but also to pass laws which would give people the same financial incentives to invest in the poor areas of America we give them today to invest in poor areas overseas—from the Caribbean to Latin America to Africa to Asia. That is important. And that's something we ought to do. And our friends in the Republican Party ought to be for this. They always say they want tax incentives to do everything—this is one where I agree with them, because we should lower the relative risk of taking a chance in a place that has not known this recovery. But anybody who analyzes it will tell you this is the number one opportunity we have to keep this economy going.

And the last thing I want to say about that is, if you adopt our plan for saving the surplus, most of it—for Social Security and Medicare—we cannot only provide a tax increase for families that's worth hundreds of dollars a year—to save for retirement, for child care, for long-term care—we can actually make America debt-free in 15 years for the first time since 1835.

Now, you ask yourself, why would the progressive party of America care about that? Because in the world in which we live—as opposed to the world we lived in 60 years ago, when Franklin Roosevelt had to help spend us out of the Depression—in the world in which we live the interest rates are set globally and money can cross the globe in the flash of an eye. Just think about it. If we keep paying this debt down until we're out of debt, what does that mean? That means lower interest rates; that means more

investment, more jobs, more money for wages at low inflation. It means working people have lower interest rates for house payments, car payments, credit card payments, college loan payments. It means that when there's a global financial crisis, as there was in Asia 2 years ago, we will be less affected by it. And it means the people we sell things to around the world will be able to borrow the money they need at a lower cost, too, because we won't be in there taking it away to fund our bad habits. I'm telling you, it is a gift we could give our children. It would save the lives—the lives of working people by keeping interest rates low for a very long period of time.

Now, I think we have to say, yes, America should get a tax cut, but we should save Social Security and Medicare first, and we ought to do it in a way that allows us to pay off the debt and continue to invest in education, in defense, in the environment, in the things that we have to have to keep this country going. And it will keep us coming together.

Now, I believe that is the right thing to do. But like I said, it's not just an argument anymore. Look at the evidence. Look at the evidence. When you think about all these people that are out there that are still looking for a chance, if we give them a chance, the rest of us will do better. That's what I believe.

Let me just close with this story. I went to Iowa a couple of days ago, had a great time. They had this big crowd of folks. I said, "You all ought to be glad to see me, I'm the only person that's been here in months not running for anything." [Laughter] But I was in Iowa, and I was reminded of two things—in 1993 I went to Iowa when they had that flood—you remember the flood we had along the Mississippi—500-year flood. And there I was in Des Moines, all this flood and the water everywhere. And I went over and I was stacking those sandbags and visiting with the people that were doing it. And I looked down and there was this tiny child who was 13 years old, but was the size of about a 6- or 7-year-old. And I noticed that her bones were bulging everywhere. It turned out she has that brittle bone disease that some children are born with—some children never get out of bed with it—she was

up and walking but there around people stacking sandbags, actually working.

And she had had, I think, 12 or 15 operations already, and was—never had been able to grow—and the knots where her elbows were and in all of her joints because her bones had been broken so many times. The child's name was Brianne Schwantes, I'll never forget her. And I said, "What are you doing here?" I said, "Do you live here?" She said, "No, sir, I live in Wisconsin." But she said, "You know, I saw this on television and I told my parents we ought to go down there and help those people." And I said, "Aren't you afraid of getting hurt?" She said, "Yes, but you know, I could get another break at home. I want to be part of what my country is doing." She said, "These people need all the help they can get."

Last year I went to American University to give a speech. There was Brianne Schwantes, 18 years old, a freshman at American University, with all of her friends. I brought them to a radio address, let them come see me. But what I want you to know is, every year from that year, the time I first met her till then, she kept coming to NIH getting help. NIH—paid for by taxpayers. Well, my daughter—thank God—didn't have brittle bone disease, but I think I'm better off that I live in a country that gives a child like that a chance to grow up and go to college.

I was giving a speech in Iowa, and I looked out, and there was this beautiful African-American girl smiling. The first time I saw her she was a baby, in 1992, in Cedar Rapids, Iowa. I spoke at this rally in front of the Quaker Oats plant. I was working my way through the crowd and there's this real tall white lady holding this African-American baby. And I said, "Where did you get that baby?" She smiled and she said, "That's my baby." I said, "Well, where did you get the baby?" She said, "This baby was born in Miami with AIDS and abandoned, and no one would take her. So I thought I should."

So I got so interested in this woman and I figured, well, gosh, it's nice that a nice middle class lady in a place like Iowa would do this. Guess what—this woman had been abandoned by her husband, was raising two children on her own, living in an apartment