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and I, too, am concerned about the language of Wall Street not being clear so that the average investor can understand what's going on. And we talked to Chuck Schwab about that. And Wall Street has got to understand that fancy footwork, when it comes to financial instruments, needs to—need to be totally open and transparent, so everybody understands what's happening.

And you're right about making sure that the average investor feels confident in what he or she reads. A lot of folks in this part of the world aren't real—I would call it suspicious about some of the fine print. And there needs to be better disclosure so that people feel confident that they're not being led down the primrose path of fancy financial footwork, let me put it to you that way. And the Government can do some of this, but the industry itself, the investment advisors, and the people—I call them Wall Street—they need to—there needs to be some self-policing mechanism as well, so that people are confident in the numbers.

More and more people invest. A lot of Doug's workers invest—all of a sudden become pretty sophisticated relative to their father and forefathers. But you can't be that sophisticated if you're fighting off lawyers and accountants that are trying to put the dark cloud over reality. And that's one of the things we've got to just make sure does not happen anymore. Part of it is to put these people in jail. But part of it is to insist that the advisory world not have conflicts of interest and everybody understands what's going on. And I think you're going to find some pretty interesting ideas come out of this summit along those lines.

But anyway, thank you all for coming. Hope you've enjoyed central Texas. You're 45 minutes away from Crawford. [*Laughter*] No Albertsons yet, but we do have a stoplight. [*Laughter*]

Thank you all for your time.

NOTE: The President spoke at 9:23 a.m. in the Baylor Law Center at Baylor University. In his remarks, he referred to Phyllis Hill Slater, president, Hill Slater, Inc.; Douglas J. McCarron, general president, United Brotherhood of Carpenters and Joiners; and Charles R. Schwab, chairman of the board and co-chief executive officer, Charles Schwab Corp.

Remarks at the Corporate Responsibility Session of the President's Economic Forum in Waco

August 13, 2002

[*Commerce Secretary Donald L. Evans welcomed the President and summarized the discussion to that point, including the remarks of Truett Cathy, founder and chief executive officer, Chick-fil-A, Inc., concerning why his company never offered public shares. Secretary Evans then introduced Dick Holthaus, president and chief executive officer, National Association of Investors Corp. (NAIC), who asked NAIC members in the audience to raise their hands.*]

The President. Great.

[*Mr. Holthaus described NAIC's activities as an organization of investment clubs.*]

The President. Dick, thank you. First of all, I want to thank you all for coming. This is—it's really a fine seminar because the quality of—the people are great. Wait until you see who's here when you go to lunch. It's really—impressed. And this is a topic that is a vital topic for the country, and that's trust. You know, how do we make sure people can trust what they see, can believe what they hear, can understand—understand that they're being told the truth when it comes to numbers, and make sure the fine print, you know, is fully exposed?

I want to thank Dick from the New York Stock Exchange for helping set the tone for policing themselves. You know, the Government can only do so much. And I can assure you we're going to hold people accountable. If they lie, cheat, or steal, they're going to be prosecuted—they just are. But there's a lot others need to do as well, and the New York Stock Exchange set a very good example, starting a process that will regain the trust of, you know, of just the average citizen in America. That's what we've got to do, and that's what we've got to hit head on.

As the man who heads Albertsons in the previous seminar said, CEOs need to get out front. They don't need to hide during this period of time; they need to be out front.

He's starting tomorrow by signing a letter that will verify the truth and verify reality.

But I want to thank you all for coming. I can assure you that even though I won't be sitting through every single moment of the seminars—nor will the Vice President—we will look at the summaries, and we will look at any ideas that come out, as to determine whether or not there is more Government can do. In the meantime, I'm going to be calling upon the leaders in our communities, all across our communities, to do their job as responsible citizens.

So thanks for coming. This is an important day, and I think, for those who are watching on C–SPAN, I think they are going to find that there's a lot of Americans like themselves who are deeply concerned about the future of this country. And I think you are going to find that a lot of us are very optimistic about the future of the country, because we are a fundamentally strong nation, full of great people.

Welcome to central Texas.

[*Secretary Evans introduced Harry Alford, president and chief executive officer, National Black Chamber of Commerce, who stressed the need for honesty and integrity in corporate leadership.*]

The President. Well, I can assure you of one thing. If somebody broke the law, they're going to be held accountable. Dick came and I think Ken—both came to the speech I gave in New York. I was telling this story to one of the other seminars. And our business schools don't want to teach right from wrong anymore. They're afraid of taking a position, evidently. Michael probably knows more about that than I do.

But anyway, in my speech I said business schools need to take a stand to teach their youngsters right from wrong. Just as you mentioned, Harry, there are some values that are true. And I was working a ropeline—a professor said, "Well, thanks for saying that. As a business school professor, we needed to hear that." And a laboring man standing next to him said, "Yes, if you really want to teach people right from wrong, put those who did wrong in handcuffs. That's the best ethics lesson that Government can do." And we're going to. We're going to.

[*Secretary Evans introduced Ron James, president and chief executive officer, Center for Ethical Business Cultures, who discussed the benefits of ethical corporate leadership.*]

The President. Where are you——

Mr. James. Center for Ethical Business Cultures. We're in Minneapolis, Minnesota.

The President. Oh, great.

Mr. James. We partner with a couple of academic institutions, the Carlson School of Management at the University of Minnesota and St. Thomas' College of Business.

The President. But is there a trend in these business schools, like this person pointed out to me, that there's kind of a——

[*Mr. James said that ethics was a core part of the curriculum at these schools, leading students to raise questions about the values of the organizations they considered working for.*]

The President. That's interesting.

[*Secretary Evans introduced Ana Cabral, president and chief executive officer, Hispanic Association on Corporate Responsibility, who stressed the need for greater diversity in corporate leadership as part of responsibility to the community.*]

The President. Well, I appreciate that. I think one of the most heartening statistics about Hispanic life in America is that the fastest growing segment of small-business growth—it's a different subject, but along the same lines—is the Hispanic owner. The Latino-owned businesses in California—the creation there is just unbelievable, and the same in my State of Texas, which is a really positive development.

In terms of large, corporate America, there's no question there has to be a degree of sensitivity throughout the entire corporation in order for it to realize value. In other words, value is not just in numbers; value is in character as well. And I really appreciate Ron's point, that a company that has got a culture of responsibility is a company that benefits financially as well. It's kind of an interesting analysis.

But thank you very much. I'm going to appreciate you coming.

[*Secretary Evans introduced Yale School of Management student Jill Gibson, who described how ethics is taught in her classes.*]

The President. How about Dean Garten? How's he doing?

Ms. Gibson. He's doing a great job, excellent dean, thank you.

The President. Tell him to give you an "A." [*Laughter*]

Ms. Gibson. I will. I'll make sure to tell him.

The President. One of the things I hope to get corporate America to do is to give people time off to mentor children, as part of establishing a set of values within a corporation. One of the things that I think is beginning to happen is, corporate America looks at a potential employee's willingness to help a neighbor in need as part of whether or not that person will fit into the new corporate culture.

I think a lot of folks would say that it's impossible to develop a culture within a large corporation; that after the entrepreneurial stage of corporate development, you lose your soul. And one of the interesting challenges for CEO America, as well as the business schools, is how to instill a culture within a large, kind of soulless organization. It's one thing to be Chick-fil-A; it's another thing to have evolved to this, you know, a conglomerate or a giant, where the ownership is dispersed to the point where people really wonder whether or not it's possible. I happen to think it is. I think you can instill a culture in any large organization. But one of the tricks is how to do so. And I believe one way to do so is for—is to encourage employees, as well as, you know, the people who run the company, to do something for somebody other than yourself. Part of that is to be a good community participant and a good community citizen.

I'm glad you're here.

[*Secretary Evans introduced June Lennon of Martin and Lennon CPAs, who discussed ways to be proactive in ensuring corporate responsibility, including simplifying accounting rules.*]

The President. You ought to take a look at—Franklin can tell you, the Government accounting system is pretty—it's kind of hard to explain. [*Laughter*] I've been there for nearly 18 months trying to figure it out. [*Laughter*]

But thank you very much for that, June.

Listen, again, I want to repeat to you all—I've got to bounce to another seminar, but I do appreciate you coming. This is—the other thing that Americans have got to know is that, by far, the vast majority of our fellow citizens are upright, honest, moral people. By far, the vast majority of people running corporate America are good, honorable people, good, decent people that care about their shareholders, care about their employees, care about communities in which they live. And that's important for people to know—and that there have been some recently whose practices started a while ago and are now coming to light, that cast a shadow on all of us. And we've got to let the light shine in, and that's what we're going to do.

But this is a unique land we're in. There is a moral compass amongst, by far, the vast majority of us, and that's what makes America so great. And our job is to—my job is to capture that spirit, to insist upon the best, call upon people to serve, hold people accountable when they don't. There's no question we're in a rough spot. But the good far outweighs the bad, not only in terms of statistics but, most importantly, because of the people and the character of the land.

I do want to thank you all again for sharing your thoughts. I think this is a very important day. It's important for all of us here, but more importantly, or as importantly, it's important for people who are paying attention to what is said here. So thanks for coming. I look forward to seeing you at lunch. I'm impressed by the quality of the folks that have come.

God bless you all. Thank you.

NOTE: The President spoke at 9:46 a.m. in the Baylor Law Center at Baylor University. In his remarks, he referred to Richard Grasso, chairman and chief executive officer, New York Stock Exchange; Lawrence R. Johnston, chairman and chief executive officer, Albertsons Inc.; Kenneth I. Chenault, chairman and chief executive officer, American Express Co.; Michael Useem, professor of management, University of Pennsylvania; Jeffery E. Garten, dean, Yale School of Management;

and Franklin D. Raines, chairman and chief executive officer, Fannie Mae.

Remarks at the Health Care Security Session of the President's Economic Forum in Waco

August 13, 2002

The President. Thank you all for coming.

Health and Human Services Secretary Tommy G. Thompson. Mr. President, we're having a great session on medical malpractice and health care costs, the uninsured, and so on. And I've decided to pick several speakers to give you an update. And the first one I'm going to ask to give you a speech and an update is Grandma Green, Flora Green, who is an individual who is going to talk about Medicare. And she is a feisty little lady. So, I interrupted her——

The President. Kind of like you, Tommy. [*Laughter*]

Hi, Flora. Where are you from?

Flora Green. Salt Lake City. I met you in Salt Lake City.

The President. Of course.

Ms. Green. Barbara's boy. [*Laughter*]

The President. Thanks for coming. I thank you all for coming, by the way. I want you to know that economic security relies upon good health security. The two go hand in hand. And we understand that, and I want to thank you for sharing your ideas about how to make our society better for all of us.

Flora, thanks for coming. I'm interested.

[*At this point, Ms. Green, a member of the Seniors Coalition, spoke about the need for choice in Medicare plans and suggested tax credits for Medigap premium and prescription costs.*]

The President. Thanks for coming. Medicare is a very important program. However, it has not changed with the times, and that's a fact. And the fundamental question is, how do we change it with the times, so that seniors get the benefit of modern medicine, and they get to choose? That's one of the interesting debates in Washington, is should you allow—be allowed to choose?

Ms. Green. Absolutely.

The President. Well, I think so too, but others don't. Others want the Government to make those decisions for you.

Ms. Green. Why should some bureaucrat tell me what to do? [*Laughter*]

Secretary Thompson. Be nice now, Grandma. [*Laughter*]

The President. Have you ever been to Washington? [*Laughter*]

Ms. Green. I get past those watchdogs that protect the Members of Congress, those 29-year-olds that are running the country. [*Laughter*]

Secretary Thompson. Mr. President, I'd like to move on to—[*laughter*]—more patient control. And I would call upon Lucinda Harmon to give you an update.

The President. Oh, hi, Lucinda. Thanks for coming.

[*Registered nurse Lucinda Harmon discussed ways to promote independence for persons with disabilities, such as herself.*]

The President. Absolutely. Lucinda, where are you living?

Ms. Harmon. I live in Salado, Texas.

The President. Oh, yes. Right down the road.

Ms. Harmon. Yes, sir.

The President. And what are you doing?

Ms. Harmon. I am an educational consultant. I build capacity in terms of community coalitions and grant writing. My company has brought in $2.6 million into the State and into the area, and I make $40 a month.

The President. So you can get your Medicare benefits.

Ms. Harmon. And Medicaid.

The President. And Medicaid, right.

Ms. Harmon. Yes.

The President. Actually, we've made some progress on the Medicare——

Secretary Thompson. We are making progress on it.

The President. ——in terms of income limitations.

Secretary Thompson. Lucinda would like to introduce her dog too.

Ms. Harmon. Yes. My dog is part of my personal choice. His name is Quintessential. Quint, baby, wake up. [*Laughter*]

The President. Where is Quint? [*Laughter*]