

Sept. 28 / Administration of William J. Clinton, 1998

Message to the Congress Transmitting the Report of the Railroad Retirement Board
September 28, 1998

To the Congress of the United States:

I transmit herewith the Annual Report of the Railroad Retirement Board for Fiscal Year 1997, pursuant to the provisions of section 7(b)(6) of

the Railroad Retirement Act and section 12(1) of the Railroad Unemployment Insurance Act.

WILLIAM J. CLINTON

The White House,
September 28, 1998.

Remarks at a Democratic Senatorial Campaign Committee Dinner for Senator Barbara Boxer
September 28, 1998

First of all, I want to thank Smith and Elizabeth. I'm going to have to start paying a portion of the property tax on this home if I come here many more times this year. *[Laughter]* It's such a beautiful place; it's a happy place. The children are always around, which makes it more happy. It also reminds us what these elections are really all about.

The story Barbara told is true. I called her one night to see how she was doing and ask her about the campaign, make sure she had a theory of the case. *[Laughter]* And I offered to do something here in Washington.

Hillary was just in Washington and Oregon States and then came into northern California, where Barbara had a great event with Hillary's mom and Tony. Hillary said it was wonderful. Then we had a good night in Los Angeles on Saturday night.

I just got back from Chicago and making three stops in California and two in Texas. And I believe that we have an unusual opportunity in this election, and one that is unprecedented. But I want you to know why I'm glad you're here and why I'll be brief, because I want to go in there—you'd rather watch a movie than hear a speech, especially if the movie is only a minute long. *[Laughter]*

But I'd like to talk to you a little bit about this. In the—normally, the party of the President in Congress loses, not gains, seats at midterm. It is more than normal; it is virtually an unbroken record in the second term of the President. But we have things which are dif-

ferent now. For one thing, we have an agenda which is dominating the national debate, and our adversaries really don't have one. And insofar as they do, I think we get the better of the debate. A lot of people were worried about the adversity of the present moment for me and our family and our administration. But I have never believed, in political life, adversity was a big problem. I still believe the biggest problem for us is not adversity but complacency—and maybe cynicism, people saying, "I don't like this, so therefore, I won't participate." People should say, if they don't like it, "Therefore, I will participate."

But all over the country, now, I get these surveys showing our candidates and how they're doing. And it'll say, among registered voters, the Democrats have a healthy lead; among certain voters in a midterm election, the Democrat is a point or two behind. What does that tell you? Well, the kind of people that vote for us have to go to more trouble to vote. We have more low income working people, people that struggle with the burdens of child care and transportation and maybe ride to work on a bus everyday—you know, where it's a hassle. And when there's a Presidential election, they show up, because they know they're supposed to vote for President. And oftentimes in midterms, they don't show up, which puts us at a significant disadvantage.

Therefore, I will say again, adversity is our friend in the sense that at least everyone is now thinking about the political debate. I'd do

nearly anything to help the Democrats get elected, but this is a little bit extreme. [Laughter] I want to say that people have been so uncommonly kind and generous to Hillary and to me and our family in the last few weeks, and I appreciate that. But we shouldn't be diverted from the fact that the public who sent Barbara Boxer here and who sent me here, what they really want us to do is to fight for them. And if they understand that the choice is a choice between saving Social Security and being financially responsible, before we give a popular election-year tax cut that won't amount to much for most ordinary people, but it sure sounds good—I mean, it's like—I always heard the Republicans were the party of fiscal responsibility; at least that's what they said all those years, although the deficit tripled—I mean, the debt tripled—quadrupled in the 12 years before I got here. But consider this—those of you—I see Ben Barnes back there and Marty Russo—those of us who have been involved in Democratic politics a long time, I never thought I'd live to see the day. I mean, the Republicans are saying, "It's just 5 weeks before the election; we've waited 29 years to balance the budget, but we're willing to give it up to give you an election-year tax cut, because it's just too good to be true." And you can say, "Well, we're not spending it all, or all the projected surplus."

And the Democrats are saying, "Hey, we worked for this for 6 years, and we appreciate the fact that you voted with us on the Balanced Budget Act, but, oh, by the way, the deficit was cut by 92 percent before we passed that bill. And we would just like to see the red ink turn to black, and dry, before we start spending it." [Laughter] You know, we'd just kind of like to see it dry.

And you know what? I may be dead wrong, but I believe the American people agree with us. I think they understand there is a lot of turmoil in the world and that the world looks to us to be strong, to do the responsible thing, to set a good example, to help get the economy going again, number one.

And even more important, nearly every American knows that when the baby boomers retire, the present Social Security system will be unsustainable, because there will only be two people working for every one person drawing.

Now, if our objective is what I think it is for 80-plus percent of all Americans, which is to find a way to modify the Social Security sys-

tem that keeps its basic benefits—keep in mind one-half—one-half—the people over 65 in this country today would be in poverty were it not for Social Security. So we have to find a way to keep what's good about it, but to do it in a way that doesn't require us, when all us baby boomers retire, to sock our children and our grandchildren with a huge tax increase that undermines their standard of living.

And I go all across the country, and people my age, at least—at the end of the baby boom generation—are almost obsessed with this. I had barbecue with a bunch of my friends at home the other day. Half of them didn't have college degrees; none of them were wealthy; a lot of them lived on very modest incomes. Every single one of them was worried about this. They were tormented by the fact that when we retire, we will lower our children's standard of living to take care of us.

So it looks like we're going to have a surplus for a few years. I'm not against tax cuts. As Barbara said, we've got an education tax cut, a child care tax cut, an environmental tax cut in our balanced budget. If we can pay for them, fine. But I do not believe we should get into this surplus for tax cuts or for Democratic spending programs until we have saved the Social Security system for the 21st century and lifted that burden off our children and lifted the fear off our generation. I feel very strongly about it, and I think we can win that argument.

I think we ought to pass the Patients' Bill of Rights, because I'm for managed care, not against it. When I tried to change the health care system back in '93 and '94, I supported managed care. Look, we had to start managing the system better. In 1993, when I took office, health care costs were going up at 3 times the rate of inflation. It was unsustainable. It was going to bankrupt the country. But it's like any other—a management system—if you have a management system in your work, in your business, whatever it is, the purpose of the management system is to allow you to perform your primary mission in the best possible way at the lowest possible cost. The primary mission of the health care system is to help people when they're sick and keep people well. That's the primary mission of it. And the problem is that the management system has overtaken the mission because of the way the economics work.

I know I don't have to paint you all a lot of pictures, but imagine—suppose you were a

25-year-old accountant who dealt with entry-level reviews of requests from doctors' offices for certain procedures in Managed Care Company X. What do you know, every day when you go to work, about your job, how you're evaluated, and how you're going to be rewarded? You know one thing: You will never get in trouble for saying no. You will never—that is the system—you will never get in trouble for saying no.

These are good people, you know. They have children to feed. They have careers to make. They have lives to live. They have house payments to make. They will never get in trouble for saying no. Why? Because they're always told, "Well, two layers up in the managed care operation, there is a doctor. And if you make a mistake, and they appeal up, and the next person makes a mistake, and they appeal up, eventually a doctor will see it and correct it." And believe it or not, that often happens. But a lot of times it happens when it's too late to do any good for the people who were hurt in the first place, because they needed a procedure then or within 3 weeks or 6 weeks. Now, this is how it really works. That's what this whole thing is about.

So our little bill simply says, if you walk outside here—outside the Bagleys' home—and somebody races by and hits you in a car and they put you in an ambulance, you get to go the nearest emergency room, not one halfway across town because that's the one that happens to be covered by your plan. It says, if your doctor says he or she can't help you, you've got to have a specialist, you ought to be able to see one. It says, if your employer changes health care plans in the middle of your pregnancy or your chemotherapy treatment, you can't be required to stop and get another doctor or obstetrician. Now, this stuff happens. I'm not making this up; this happens in America. And it says the privacy of your medical records ought to be protected. That's the bill we're for.

The House passed a bill that didn't guarantee any of those rights, and left 100 million Americans out of what little it did do. When it was brought up in the Senate the other night—Barbara can tell you—I've never seen this happen. The Republican leader of the Senate was so terrified about having his people recorded voting no, but was determined not to let them vote yes because their supporters are all on the other side—the insurance companies that don't want

this—that they shut the Senate down for 4 hours to keep the vote from occurring. I've never seen anything like it.

They literally—they just called off—they were in a panic. They turned out the lights and got under their desks—[laughter]—killed it by stealth and waited for time to pass. I'm not exaggerating this. I've been astonished that there hasn't been more publicity on this. It was a breathtaking moment in American history.

And when they turned out the lights, I wondered if any of them had ever looked at some of the people I've looked at and heard some of the stories I've heard, looked at the woman who lost her husband at 45 after 25 years of marriage, who had a heart problem that could have been treated by proper surgery, but by the time they went through 9 months of hassling, the doctor had to say, "I'm sorry, it is too late. I can't do anything for you." And a few months later, he keeled over and died in their front yard. That's just one case.

So I don't know about you, I think we've got the better side of that argument. I'm happy to take into a midterm election an issue like this that touches people where they live. I think we've got the better side of that argument.

And I'll just mention two other things. A lot of you are atypical for Democrats, you know. Most people in your income groups, maybe in the business you do, maybe they're not Democrats. But I'm really proud of the fact that I proved that our administration could be pro-business as well as pro-labor, pro-growth as well as pro-environment, because I believe that. I think to have to make one of those choices puts you in a hole before you start.

And I've really tried to help put our country in the center of the emerging global economy. Oftentimes, I was at odds with some people in my own party for doing it. But look, now that we have these 16.7 million jobs; we need to be honest about where they came from. Thirty percent of our growth came from expanding exports. That means that what is morally right for us to do in terms of helping our neighbors around the world turns out to be in our economic best interest.

Now, you got all these problems in Asia—some of them, I think, were inevitable once the level of economic activity and movement of capital got to the point it did, but you have a quarter of the world in recession today and another quarter of the world teetering on the

edge. You have—some of our biggest trading partners in Asia today are flat broke; so that, for example, in the State of North Dakota, which basically is a big wheat farming State, they're having a veritable depression today. And part of the reason is that we export half our wheat, and 40 percent of it goes to Asia, and they're buying 30 percent less this year than they did last year because they don't have any money to buy our food.

Now, the International Monetary Fund, I never thought—if you would have told me—a lot of things have happened to me that have surprised me since I've been here, I admit that, about the nature of politics. But if anybody had ever told me that the IMF would be a political issue in a congressional election, I would never have believed that because most people still don't know what the IMF is. *[Laughter]*

But they do know—they do know—that we've got to be able to sell what we make around the world. And when you explain to people that the International Monetary Fund helps our friends get back on their feet and helps prevent the spread of this financial crisis that everybody knows about to Latin America, our fastest growing markets, where countries have been shaken even though they're doing a good job managing their economy, and that the Democratic Party favors keeping our economic growth going and continuing to lead the world economically, and we've been waiting for 8 months and still can't get this passed, I think that's a major issue.

And I do not understand how in the world a person could say, "I want to be a Senator from California"—which is more closely tied to Asia than any place in the United States, not only economically but culturally—"but I do not want to do our fair share in helping to restore growth and opportunity in Asia, in markets for California products." So I'm happy to run on the issues. We've got the better side of that argument.

And let me just say one thing about the education issue. In the balanced budget, we have an education plan that I put together, based on the over 20 years that Hillary and I have worked in the schools and worked with educators and followed the research, and based on what education leaders say is needed now. And it's all paid for.

Here's what it does—keep in mind, they won't even give us a vote on this—put 100,000 teachers out there to lower class size to an aver-

age of 18 in the first 3 grades. It would build or repair 5,000 schools at a time when the kids are in housetrailer all over America and when school buildings in inner cities are being shut down. It would hook up all the classrooms to the Internet by the year 2000. It would give college scholarships to 35,000 young people that they could then pay off by going into the inner cities and other educationally underserved areas to teach. It would create 3,000 charter schools that are doing a lot, as Congresswoman Harman knows, in California and other places to reform public education.

And to go back to the point Barbara made, it provides unprecedented amounts of funds to school districts that will have high standards, not have social promotion, but won't finger children as failures just because the system they're in is failing. So if they will have tutorials, if they will have after-school programs, if they will have summer school programs, we help them to set those things up. That's our plan. It's all paid for in the budget, and we cannot get a vote on it.

So if the American people understand this is about saving Social Security for the 21st century, passing the Patients' Bill of Rights, putting education at the top of our investment priorities, and keeping economic growth going in America and throughout the world, and we're on the right side and our adversaries aren't, I think we've got a good chance to win that election. And I think we've got a good chance to convince people who otherwise would not show up, to come, and that's what concerns me.

I had hoped that by the time I had been here 6 years, we'd have some level of greater harmony and bipartisanship here, and that a lot of the divisions that I had seen from afar before I became President would get better. I do think in the country all the work we've done to bring people together across racial and religious and ethnic and cultural lines is really biting. I think that there is a greater sense of reaching out and unity in America. It isn't true in Washington, but I don't think anyone could fairly blame our party or our administration for that. And what we've got to do is to give the American people a chance to vote for that kind of country.

With their majority, this year, the leaders of the Republican Party have done a few things. They've killed campaign finance reform, which would have cut down on the number of these

dinners you have to attend every year. [*Laughter*] They killed the tobacco legislation to protect our children from the dangers of tobacco. They killed the Patients' Bill of Rights. They killed an increase in the minimum wage for 12 million of the hardest working Americans at a time when unemployment is low and inflation is low. They took a step backwards on saving Social Security first by passing that tax bill in the House. They've taken a step backwards on the environment by continuing to litter every bill you can find with another environmental rider. And they've taken no action on the education agenda and no action on the International Monetary Fund.

And what I'd like to ask you to do when you go home—and there are a lot of people here from all over the country: Stick up for our people who are running, and stick up for the issues, and do what you can to make sure people understand—everybody that works for you, everybody you come in contact with—this is a very important election to vote in. Because what the other guys are gambling on is, it's a midterm election and people are doing well and they will be relaxing and they won't show up.

And what we have to say is, this is a magic moment all right, but the world is not free of difficulty. Things are changing, and we've got big challenges out there. And we're right on these issues, that the Democrats are for saving Social Security, keeping the economy going, putting education first, and passing the Patients' Bill of Rights. I think that's a pretty good program.

And I'd like to say one other thing just for the record, because I know it's not just us here, because this is being covered by the press. It

is true that Barbara Boxer has been a conscience of the Senate. It is true that she stood up for principle. It's true that she is an independent voice; she certainly doesn't always vote the way I think she ought to. And that's good; that's what makes America work. But I think it's also important to point out for the record that she has been a very good Senator for California.

I have worked with Jane Harman on issues that affect her district. I have worked with many other Members. I've worked with Senator Feinstein on the Mojave Desert and other things. But California has a lot of people in the Congress; it's the biggest congressional delegation. So there's a lot of competition for this. The member of the California congressional delegation who has called me the largest number of times to do something very specific for the State of California is Barbara Boxer, and I want the voters to know that.

So you ought to be proud you were here. But when you go home, you ought to think about what I told you. You don't want to wake up on election day or the day after and think that all those polls of certain voters were the polls that counted instead of the polls of registered voters, which reflects how the people feel. What we have to do is to bring the public's feelings to the ballot box in November. You've helped Barbara tonight; let's keep working until we can help them all.

Thank you, and God bless you.

NOTE: The President spoke at 9:02 p.m. at a private residence. In his remarks, he referred to dinner hosts Smith and Elizabeth F. Bagley; Dorothy and Tony Rodham, the First Lady's mother and brother; Ben Barnes, owner, Entrecorp; and former Representative Marty Russo.

Statement on Senate Action on Higher Education Legislation

September 29, 1998

I am delighted that the Senate today passed the Higher Education Amendments of 1998. This legislation marks an important step forward in my effort to help more Americans enter the doors of college. In today's global economy, what you earn depends on what you learn. This bill will make it easier for millions of Americans

to get the higher education they need to succeed in the global economy. It also demonstrates how we can make progress on education policy when we choose bipartisan cooperation over division.

By adopting the new low interest rate for student loans we proposed last winter, this bill