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vessel and allowed it to proceed to its destination after determining that it was in compliance with the embargo. In addition, the forces of the U.S. Atlantic Command will remain prepared to protect U.S. citizens in Haiti and, acting in cooperation with U.S. Coast Guard, to support the Haitian Alien Migrant Interdiction Operations (AMIO) of the United States, as may be necessary.

The United States strongly supports the Governor's Island Agreement and restoration of democracy in Haiti. The measures I have taken to deploy U.S. Armed Forces in "Operation Restore Democracy" are consistent with United States goals and interests and constitute crucial support for the world community's strategy to overcome the persistent refusal of Haitian military and police authorities to fulfill their commitments under the Governor's Island Agreement. I have ordered the deployment of U.S. Armed Forces for these purposes pursuant to my constitutional authority to conduct foreign relations and as Commander in Chief and Chief Executive.

Close cooperation between the President and the Congress is imperative for effective U.S. foreign policy and especially when the United States commits our Armed Forces abroad. I remain committed to consulting closely with Congress on our foreign policy, and I will continue to keep Congress fully informed about significant deployments of our Nation's Armed Forces.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. This letter was released by the Office of the Press Secretary on October 21.

Remarks to the Conference of Business for Social Responsibility

October 21, 1993

Thank you very much, Helen and Arnold. The crowd would have clapped even more for you if they'd known what you were going to say before you said it. They were terrific, I thought. I have a great deal of admiration for them and for their companies and for this organization. I want to point out before I get into my remarks that I have two people here I'd like to acknowledge first: the Director of the Small Business Administration and one of the strongest supporters of our health care reform program, Mr. Erskine Bowles from North Carolina, who is here. And I believe a former board member of yours and the current Director of the Women's Bureau at Labor, Karen Nussbaum, is here.

I believe the purpose of politics is to help the American people live up to the fullest of their God-given potential and to help them to live together in strength and harmony and to fulfill their responsibilities as well as their dreams. That obligation can be met in different ways in different times. But plainly, there are some times in the history of a nation in which that obligation can only be met by the willingness to undertake the rigors of profound change. And I believe this is such a time.

The problem is that in any democracy you can only build a consensus for profound change when things have gotten pretty well off track. And by the time things have gotten pretty well off track, there are an awful lot of people who are unhappy and insecure and uncertain. And if you look around this audience at the companies here represented who have believed you could actually make money and be socially responsible, that you could actually be more productive by taking care of the people with whom you work and the people who are your customers, you see the intense dilemma we face, because people are most able to change when they are most secure. And yet, at large, it becomes possible for society to make these big changes often only when things have gotten so far off track that people are insecure. That, in a nutshell, is the larger dilemma that I face as your President today, but more importantly, that we face as a people.

If you look at the conditions that so many millions of our country men and women face, many are insecure in their jobs. Many are insecure in their ability to get new jobs, in their education levels, in their skill levels. Many, many millions are insecure in their health care. Many are insecure as children in the way they are growing up. And lamentably, at the end of the cold war, the wars

that are being waged on so many streets in America have made millions of people insecure in their daily lives and movements.

And yet, we have no alternative. We have to change. We have to make economic policy changes. We have to make all kinds of real, significant different directions. And yet we live at a time of such insecurity that people distrust their institutions, their elected leaders, and even their own impulses sometimes when it comes to make these changes.

I saw that in trying to pass a budget which did some remarkable things: It reduced the deficit dramatically. It's given us the lowest long-term interest rates in 30 years. It had the most significant reform in the tax structure for working people in 20 years by saying to people with children who spend 40 hours in the work force, you won't be in poverty. No matter how low your job wage is, the tax system will lift you out of poverty, not put you into poverty. It opened the doors of college education to all Americans by expanding eligibility for college loans and lowering interest rates and making the repayment terms easier and tied to the incomes of young people when they get out of college—much of which the American people never even knew while it was going on because it was so easy to whip people up into a white heat about the word "taxes" and because people couldn't believe anyone would really do anything seriously to deal with this issue of the deficit and these other matters.

I see it now as I try to pass the North American Free Trade Agreement through the Congress. And that agreement has become the repository and the symbol of all the accumulated resentments of our people for the 1980's, of all the people who lost their jobs and all the plants that moved overseas and all the times that all the workers in this country saw that their executives were getting pay raises 4 times in percentage terms what they were, 3 times what the profits were going up; that they could lose their health care in an instant; that they could have to start over in a moment; and that no one cared about them anymore. So they associate that with expanded global trade.

So we know rationally that the only way a rich country ever grows richer is to expand its trade. And we know that wealthy countries all over the world, in Europe, in Japan, not just in the United States, are having great difficulty creating new jobs. And the only way to do that is to make more markets beyond the borders of the nation. And yet still, emotionally there is this enormous undertow rooted in the insecurities, the pain, the sense of loss, the disorientation, the feeling that nobody really looks out for me and my family.

And so we are in so many ways, on so many fronts, my fellow Americans, waging a war between hope and fear: on the streets of our cities, in our factories and workplaces, in our homes, indeed, in the hearts of perhaps a majority of our fellow country men and women. And each of us in our own way, we have a little scale inside ourselves. When I don't get enough sleep, I'm more pessimistic than I am when I get more sleep, right? You're probably like that. And I'm more optimistic. And the scales are always going up and down, even in our own lives, aren't they, inside, about how we look at the world and how we see reality.

This is a time when we must be bold, when we must be confident, in which we must have the kind of enthusiasm you exhibited when we came into this room, with a sense of possibility. We need more young people like the young man from the hotel who met me outside, who said, "Keep breaking those paradigms, Mr. President." [*Laughter*] I loved it.

But I say to you, one of the reasons that I'm so happy to see this organization growing and large and vibrant and vigorous is that you have found a way to make people feel more secure by changing by changing. You have found a way to live by the rhetoric of my last campaign, Putting People First. Putting people first.

I believe that one of the biggest problems that this country always has is trying to close the gap between what we say and what we do. I am ecstatic and honored to be here. But I want to take a few moments today to talk to you about that, how to right that balance inside every American so that hope wins out over fear; how to pursue an agenda of security so that we can pursue our agenda of change; and how, in so many profound ways, health care is right at the core of that. Because I am convinced that you have

proved that the future of the American private sector, the real triumph of free enterprise, will be in proving that we can actually do right by our employees, do right by our customers, and do right by our bottom lines if we are enlightened and we do the right things.

I believe that we have set ourselves up over the last 20 years with a whole series of false choices that may work in the short run, but in the end ultimately disappoint everyone. If we have to erode the fabric of family life in America by not giving our workers health care and not providing family leave and not providing adequate child care, ultimately you wind up with less productive workers. If we can't find a way to create new jobs even as we increase productivity, then for the first time in all of human history we will have given up on technology as a job creator and given in to the age-old fears that it is a job destroyer. To be sure, it's always transferred jobs. We used to have half the people working on the farm; now only 3 percent do. But it can be either, or.

All these are questions we are dealing with. So is every other nation in the world now. We are going through a period of change. We can't see the ultimate end of it. No one knows what all these economic trends in the global economy will ultimately lead to, but we know what works. You know what works; you do it. And I came in here today as a friend and an ally to ask you to engage in this health care debate and tell the American people that this is something we have to do not because it is morally right—but it is morally right—but because it's also economically right.

The most expensive alternative of all, looking toward the future, is doing nothing. It's the most expensive financially, and it's the most expensive in human terms, and ultimately it will be the biggest drag on American productivity. It also is, as Helen said in her remarks, guaranteed to provoke the largest amount of resentment because of the uneven impact of the health care system on employees and employers and American citizens today, depending on whether you have coverage, what kind of coverage you have, and how much you're paying for somebody else's health care because we have so much uncompensated care in this system.

Now, I have watched as I have seen the Congress come to grips with many things and try to overcome even their own disbelief. When I took office, most people had been told that the country couldn't afford the family leave bill. But we did it, and the wheel hasn't run off. And I have seen the impact of that. A lot of you have heard me tell this story, but I had a family in the White House the other day with a dying child on one of these Make-A-Wish programs, that the child wanted to see the White House and the President. And the father told me that his daughter was probably not going to make it and that the time he'd spent with her was the most important time he'd ever spent, and if it hadn't been for the family leave law he would have had to choose between losing his job to be with his daughter and therefore doing wrong by his wife and his other two children, or keeping his job and letting someone else spend that precious time with his child. Now, I don't know about you, but I think that fellow is going to be a much better worker for that company than he would have been had that not been the law of the land.

So we now, I think, have a chance to keep going with this engine of change. And we've got a lot of things we need to do on the security front and the change front. We've got a world of economic changes we need to make, but we're going to have to have—if there's no more job security in this America because most people when they lose their jobs don't get it back anymore, totally the reverse of unemployment patterns of the last 60 years, we have to give employment security to Americans. If there's no job security there has to be employment security. Therefore, we have to have a whole different system of lifetime education and training. And we have to undertake that. We'll begin to do that next year. A big part of welfare reform will be doing that, making sure people really have the capacity to move from welfare to work.

We have to provide more security for families. That's what the family leave bill was all about. That's what the earned-income tax credit in the budget bill was all about, lifting the working poor out of poverty so there will

never be an incentive to be on welfare and there will always be an incentive to be both a good parent and a good worker.

We have to find more security for people on their streets and in their homes and in their schools. That's why I so desperately want to do something to reduce the number of automatic weapons that are in the hands of teenagers on the streets of the city, assault weapons.

But we also have to do something about health security. You know, Hillary and I got 700,000 letters before I made my health care speech to Congress and she began to testify. And we're getting them in now at about 10,000 letters a week, more. Story after story after story: the small business that had the premium go up 40 percent a year with no claims; the business person who has to cut his or her employees back to a policy with a $2,500 or $3,000 deductible even though the employee average salary is $22,000, $23,000 a year; the person who is physically disabled but who has a fine mind who can't get a job because the only available employers are small businesses and they don't have any kind of community rating, so this person will drive the premiums out of sight; a person with the HIV virus who may have another 10 years of productive life, strong, productive life and contributions to be made, who is either not employed now and therefore won't be employed, or can't ever change jobs because of the job lock provisions of the present system; the hospitals that are out there, struggling to do a good job on modest profits, or not-for-profit hospitals who can't meet their uncompensated care burden or those that do by raising everybody else's hospital costs in ways that undermine confidence of those that pay those bills in the integrity of the system; the doctors who talk to me about how, yes, their fees have gone up a lot in the 1980's, but 10 years ago they took 75 percent of what they earned home, and now it's down to 52 percent, and all the rest of it has vanished in the sea of paperwork because they have to hassle 300 insurance companies with thousands of different policies to make sure they've crossed every ''t'' and dotted every ''i'' to get the payment they're entitled to anyway; the stories, over and over again, mounting up in every part of our country.

As you know, we spend more on health care than anybody in the world, and yet we do less with it. Now, how would you feel if you were running your business, competing with people all across the country and perhaps all across the world for jobs and incomes, if you had to spend 14 percent of your revenues covering only 86 percent of your market and all your competitors spent 8 or 9 percent of their revenues and covered 100 percent of their market? You don't have to be as bright as a tree full of owls to figure out that eventually there would be some adverse consequence to that. But we go on blithely as if that's the way it has to be. And when I propose a change, some people say, ''Oh my God, we can't afford that. Look at this wonderful thing we've got going.''

Now, we have in many ways the best health care system in the world. But we have in other ways the worst financed and organized health care system in the world for a country as rich as we. Otherwise, how can you explain the fact that we are plainly the capital of pharmaceuticals in the world in terms of developing new drugs and manufacturing them right here in America and we have the third worst immunization rate in this hemisphere, behind Haiti and Bolivia—I mean, ahead of them, but only ahead of them. You tell me why that happened. If we're so great, how have we permitted ourselves to go on year-in and year-out not closing that gap?

Do we have the best health care in the world, the doctors and nurses, the hospitals, the medical research, the technology? You bet we do. For people who access it, it is good. And do those people resent the burdens that are imposed on them by this crazy-quilt system? You bet they do. Some of the strongest advocates for change we've had are from doctors who are sick and tired of having to hire one more person every year because of the clerical administrative burdens of this system.

People say, ''Aw, this system the President's proposed is so complex.'' I get tickled; it's complex compared to what? It's complex compared to zero. It's simple compared to

what we have now. What is the proper standard by which you evaluate this?

If we do nothing to change the current course on which we have embarked, we'll be spending 19 percent of our income on health care by the year 2000. We will have a smaller percentage of our population covered with health insurance than we have today, because we have about 100,000 Americans a month permanently losing health insurance, 2 million every month losing it but 100,000 permanently losing it. And by the year 2000, instead of the gap being 4.5 percent to 5.5 percent between our major competitors, of our income, it'll be about 7 percent. Today, we spend 14.5 percent of our income on health care. Canada's at 10; Germany and Japan are just under 9. There is no measurable difference in the health outcomes.

Now, to be perfectly fair, there are two elements of our cost system that will always, at least for the foreseeable future, keep us above other countries. One is, we do rely more and we invest more in groundbreaking technologies and pharmaceuticals, and we should continue to do that. And we all want them for ourselves and our family if there's a chance it will prolong our lives.

The second issue is sadder. We are quite simply, as compared with other wealthy countries, more willing to endure a far higher rate of violence. We have far higher rates of AIDS. We have far higher rates of teenaged mothers and out-of-wedlock births and low birth-weight babies, and they're far more likely to cost more. So we have system-related costs that are greater than our competitors. And that's about half the gap between us and them. But the other half is our own fault. And if we don't get about the business of closing it, we're going to have a difficult time competing. And we're going to have an increasingly difficult time explaining why it is we are prepared to put up with a system that no one else on earth tolerates and to pay the human and economic cost of maintaining it.

Today I'd like to focus on two of the issues that have been raised by some people in the business community against our proposal. Some say that we propose to create a new bureaucracy by creating these health alliances, and we shouldn't do that. I say what we propose to do is to have a smaller rate of cost increases through increased competition and greater efficiency and reduce waste by giving small businesses the same bargaining power that big business and Government has today.

If you look at the Federal employees' health insurance program, for example, because of the power we have to bargain and because everybody knows the Federal Government is up to its ears in debt and doesn't have a lot of money, you look at what's happened to the rates on most of the Federal health insurance policies: very modest increases this year. Look at the California public employee system: huge people in that block, a big block of buyers, and everybody knows California is in bad shape financially, so they have a rate increase this year that's right at the rate of inflation.

Small business, however, has seen its rates go up at 2 and 3 times the rate of inflation. Why? No bargaining power. In small groups, one person gets real sick, explodes the rate structure for everybody. So what these alliances do, quite simply, is to say if you're in a firm with fewer than 5,000 employees, we will give you the option, the opportunity, to be in a big buying group. And in the course of that, we will give your employees the option of having more choices than you can probably provide for them now in health care, but none of them will cost you any more than you would otherwise pay as an employer.

This will give smaller businesses and self-employed people access to market economics. Market economics is beginning to work in health care, that and all the Cain I think we've been raising the last year or so. It's beginning to work. The aggregate increases are beginning to slow some. But they're finding, again, as Helen said in the opening remarks, it's very uneven. You might have health care inflation at 7 percent this year or 6 percent, but you'll still have a lot of small businesses with 30 percent premium increases. Why? No market power.

So when you hear all this stuff that these alliances are big bureaucratic nightmares and Government creations, that's not true. The alliances are groups of consumers in each State in groups approved by the State, not

by the Federal Government, that will have buying power presently available to governments and to big business but not to small business and often not even to medium-sized business. I think it will work.

I also believe in order to make it work we have to have insurance companies that compete not on the basis of which company is most adept at excluding people who have problems but on the basis of cost and quality. Now, to be fair to the insurance companies, you can only do that if there is a community rating system, if you don't have all the risk factors calculated into every individual purchaser of insurance. If you do that, you have nailed small business from the get-go, the people that are creating most of the new jobs in this country.

If you have a community rating system, who gets hurt, from the present system, who pays more? Young, single, healthy people will pay more, about anywhere from $6 to $8 a month more for their premiums under our estimate. They will, but it's fair. You know why? Because under our system all the young people without insurance will get insurance and because if they're young and healthy, they'll be middle-aged like me someday, and they'll get the benefit of this system. The society will be stronger. And it will be far better for the big job generators of the country, the small businesses who don't have access to health insurance now.

It also will be fairer because with community rating, you will enable people to effectively move from job to job to job. Then you can say, without breaking a company, that you can't deny someone the right to coverage when they change jobs. Under the present system that would be really tough, to say that you can't deny the coverage to someone who may be the best-qualified person you want to hire, but they have a disability which will raise the premiums of you and all your employees, your other employees, by 20 percent under the present system. That happened. We met a couple in Columbus, Ohio, that had one child with a birth defect. They were insured through the wife's community nonprofit, 20-employee group. And in order to keep that family on the rolls and keep that woman working for that business, they were going to have to raise their premiums, just the employees, every employee by another $200 a year, just the employees; the business by thousands of dollars a year. That wouldn't happen if we have community rating. And you could have free flow of workers from job to job to job, something that's quite important since we live in a time when the average worker will change jobs six or seven times in a lifetime.

Finally, and again this is a matter of some controversy in this, we believe that if you put everybody in these competitive size groups, then the businesses and the employees will be able to bargain for better prices: and they will go up far less than they've been going up. We also believe there should be some backup cap on how much business could be required to pay in any given years until we get this system up and going, and we know it is, that there ought to be some ultimate budgetary discipline in the system.

Now, a lot of people say, "Well, that's Government regulation of health care." What they really are saying is this is Government regulation of costs that might work, because it will include the public sector and the private sector. We now strictly regulate the price of particular services under Medicare and Medicaid. Do you know how much the last budget increased Medicare and Medicaid? We reduced defense; we've got domestic discretionary spending flat at a time when we ought to be investing more in education and training, in converting from a defense to a domestic economy. But Medicare, will go up 11 percent next year, Medicaid 16 percent. Why? Paying more for the same health care, that's why, more and more and more and more procedures. You have to have aggregate discipline in this system if you're going to slow the rate of increase.

I personally don't think the budgetary ceiling in our bill will ever be reached because if you give everybody the kind of competitive power that big business and Government have today, I think the cost increases will be much lower than we project them to be, and so do most of the business people I know who have worked on this plan and looked at the cost structure from the bottom up. But I don't think it's fair to say that this is some

heavy-handed grab to control the private sector in health care and hurt research in the pharmaceutical industry or anyplace else.

Keep in mind, we have been so conservative or liberal, depending on how you look at it, in our budget estimates. Well, you tell me when I tell you the fact: This plan that we put in estimates that we will go to 17 percent of income spent on health care by the year 2000, as opposed to 19. And it actually will be more than 17, about 17.5 percent. I don't think that's so hot for the economy, either. And I think if we had real competition for quality and service, and if we continue to cover more primary and preventive services, we could do much better than that.

So it's not as if we propose to drive folks into poverty. All these people who are complaining about the ceilings that would be on the rate of increase, the health insurers and others, they're going to get 17.5 percent of our income instead of 14.5 percent by the year 2000. And they think it might not be enough for them to get along on.

I just want to make that clear. You need to understand when you hear all this, about how the Government's regulating this, what we did was put a big old ceiling there in case the costs continue to shoot up even after we give everybody bargaining power. The essence of this is a competitive system for price and quality. And I think it will work.

The second issue is whether or not we have to have universal coverage and whether that's bad for business, to require each business to shoulder some responsibility and each employee not covered now to at least pay some of the income of the employee to get the health care.

Now, here are the options. And here's how we came out with basically taking what we've got. We've got a system in America today that's basically an employer-based system. And when the employers are big enough or they're joined with enough others to have market-based power, the system works pretty well. They're beginning to moderate the rate of cost increases, and there are some very good health care plans out there which provide comprehensive benefits at affordable cost. Sometimes the employees don't pay anything, sometimes they pay something, but basically the systems work pretty well, and most employees are pretty satisfied with it.

The options are the following: If you want universal coverage, you could go to the Canadian system—the problem is that no one I know thinks you could pass that in Congress—which means you basically replace all the health insurance sector of the country with a tax. That's simpler on administrative costs, but since Canada is the second most expensive system, if you put the politicians instead of the people in charge of negotiating for their health care, it may not work out so well. So we rejected that alternative.

Then there are those who say, ''Well, you ought to put the mandate on the employee; let the employee buy it. Make it like car insurance.'' The problem with that is, if you look at what they offer the employees, it's not very good. And it may encourage a total deterioration of the present system we have for those who presently have benefits where the costs are shared by employers and employees.

Then there are those who say, ''Well, what we ought to do is give small businesses the right to get this market power, and the competition will lower the rate of cost, and say that no one can be denied coverage. And when you have more competition the price will go down, and everybody who doesn't have insurance who's got a job will be able to buy it. So we'll just see if it happens.'' The problem with that is that our experience with that is not very good. And what we know is that most employers and employees who have health insurance today are paying too much for it because they're paying for the uncompensated care that others get. And if you want to moderate the rate of increase on individual businesses' and employees' health care, you've got to make sure that everybody who accesses the system pays what they can afford to pay for the privilege of doing that. If you continue to have significant cost shifting here, then there will be continued irresponsibility in the system, which will have real uneven impacts on businesses.

In other words, most everybody in the country today who's got a good health insurance plan is paying too much for it, because they're also paying for the uncompensated care of people who always get care but they

get it when it's too late and too expensive. They show up at the emergency room with appendicitis or whatever, instead of ever going in for basic checkups and basic preventive mechanisms.

So I personally don't think we'll ever get costs under control, nor do I ever think we'll be the society we ought to be, nor do I ever think we'll have the kind of personal security we need until everybody has health insurance. And if you don't have universal coverage, this idea that people are going to be able to move from job to job to job and always have it is just false. And I cannot tell you what it is doing to the families of this country who are worrying about it. It is having a devastating impact on the capacity of millions of people to function well in their jobs.

Mr. Hiatt made a very eloquent statement before I came up. When he came to our economic summit in Little Rock last December, he was then famous at having led the way on child care for his employees, and he made the following statement. He said if you do right by your employees, you, quote, contribute to a workplace that attracts good people and retains them, thereby reducing turnover. Good business.

Then there is one other issue I want to deal with on this universal coverage, and that is, a lot of people say it's not fair to ask employers to make some contribution to their part-time employees, that the taxpayers ought to pay for that. We think if there's a part-time employee that works at least 10 hours a week, a pro rata contribution should be made, a third of the total payment that would otherwise be owed, not a total contribution. And the rest will be made up from the monies we propose to raise.

Now, that can be done. Starbucks Coffee's doing pretty well, and they take care of their part-time workers as well as their full-time workers. And there are others who do that. What we want to do is to make that more economical for everyone who will do it.

Finally, let me say it also makes it affordable. The way we propose to pay for this plan, two-thirds of the money would come from premiums paid by employers and employees. But we know we're going to have to give discounts to small businesses with very low-wage employers, because we don't want to put people out of business. And we know the Government has to cover the unemployed uninsured. How will we get the money for that? Essentially from three sources: one, raising the cigarette tax by 75 cents a pack and asking the large employers who opt out of the system, as they can, to make the contribution they would make if they were in the system to medical research and to the network of public health care clinics that we will have to maintain anyway. That's another thing I want to tell you, that this plan increases the quality of health care. We're going to increase medical research, increase the reach of health clinics. That's the second source of money. The third source of money is in the savings we will achieve in the Medicare and Medicaid programs, by putting Medicaid patients, for example, into the same kind of consumer cooperative buying power that those of you who are small and medium-sized businesses will get by going into the alliance, and by drastically simplifying the paperwork of the system. So that's how it will be paid for.

I want to say again, there are these two elements. The health alliances will contribute to competition and to market-based forces getting into the health care system in a good way. It won't be a big new Government bureaucracy. The requirement of universal coverage will help to stop cost shifting and make health care security a reality and permit workers to know that even if they lose a given job, they'll be able to go on as employees. It will, in other words, give that level of personal security necessary for the American people to think about what our trade policy ought to be, what our investment policy ought to be, what our economic strategy ought to be for the 21st century, and to make the changes necessary to get that done.

And I ask you here to think about the influence that you can have on your Members of Congress, without regard to party. This ought to be an American issue. It ought to be a matter of not only the heart but of hardheaded economics. If we don't, if we don't ask everybody to assume some responsibility—and we're not talking about breaking the bank. For a small firm with an average wage of $10,000, for example, the cost would be

less than $1 a day per employee for the health care plan because of the discount system.

We understand the fragility of the economy in many points. But if we don't face this now, we are not going to get a hold of the health care cost spiral. We are not going to get a hold of the fact that 100,000 Americans are losing their health insurance a month. We are not going to get a hold of the fact that a lot of these costs just involve our paying more for the same health care every year. We get nothing for it. We're spending a dime on the dollar more than any other country on sheer paperwork, 10 cents on the dollar that nobody else in the world pays.

So I would say to you it is time for us to say everybody ought to be responsible and pay something for this health care system, because we all have access to it. And when we really need it, we all get it. And it's just wrong for some people to pay for others who can pay something for themselves.

And we ought to allow the small businesses of this country and the self-employed people of this country and the medium-sized businesses in this country to have the same benefit of market power that only Government and big business have today. It isn't fair. That's what these alliances do. They are not Government entities, they are private sector entities that we're going to put the Medicaid patients in so they can have the benefit of that, too.

Now, that is the kind of thing that we need to do. That is the sort of security that we need to achieve, to build into the fabric of American life the peace of mind and the sense of fairness and justice that enables people to go home at night and look their children in the face and think they're doing a pretty good job by them, and that enables them to have the kind of personal security that will permit people like you to lead this country to make the economic changes that will enable this country to do what it needs to do as we move toward the 21st century, to keep the American dream alive, to keep this country as the foremost country in the world, to enable all of our children to live up to their God-given capacity.

This is just one of those times when we have to decide whether we're going to close the gap between our rhetoric and our reality. Desperately I hope that 30 years from now people will look back on this time just the way we look back on 60 years ago when there was no Social Security. Now we take it for granted. We think it was an easy fight; it actually wasn't. It took them a couple of years and a little blood on the floor in the Congress to get it done. And this may take a while to get done. It doesn't need to take 2 years, I'll tell you that.

You think about it, Truman, Eisenhower, Kennedy, Johnson, and Nixon all followed Roosevelt, and all of them tried to get universal coverage. Richard Nixon proposed an employer mandate. Senator Bob Packwood from Oregon, still in the United States Senate, introduced it for him. And we've been fooling around with this now for decades. Meanwhile, we just keep paying more for less. We ought to be paying less for more. That's what you do. That's why most of you are doing very well, because you have provided more for less. Why should you be stuck with a health care system that does the reverse?

I ask you to please, please engage yourself in this debate. Examine this plan. When the book comes out, go over it. If you've got a good idea, give it to us. But don't walk away from the plain obligation to have every American family with the security of health care and the plain need to let the small business people in this country and the self-employed people in this country and the middle-size business in this country have the same bargaining power in this system that big business and Government do.

And most of all, remind the Members of the Congress that there are times when doing the right thing morally and ethically is also good business, that we can make money if we make our workers more secure and whole. When they go home at night and look at their families over the dinner table and they know they've done right by them, then America will be on its way to having the courage and the security to seize the next century and keep the American dream alive.

Thank you, and God bless you all.

NOTE: The President spoke at 11 a.m. at the Grand Hyatt Washington Hotel. In his remarks, he referred to Helen Mills, CEO of the Mills

Group and Soap Box Trading Co., and Arnold Hiatt, CEO of the Stride-Rite Foundation.

Exchange With Reporters on Health Care Reform

October 21, 1993

Q. Mr. President, why is it taking you so long to draft the health care legislation?

The President. The legislation has been drafted. What we have to do—and let me say we're doing something that no administration, as far as I know, has ever done before. But the reason that we had to delay introducing it is to go back and do two more runs at higher inflation rates, because most people believe that inflation will be a little bit higher because economic growth has come back into the economy.

So we originally ran all the numbers at a 2.7 inflation rate, which was what we were asked to do, what was recommended by the Congressional Budget Office. We now went back, after consulting with our folks, and ran it at a 3.5 percent inflation rate, and then we went back and doublechecked all the numbers with all the actuaries. So unlike a lot of the other bills, we actually have, you will see when the bill comes up, extremely detailed budgetary estimates about which part will cost how much and how it all works.

So essentially, there were no problems in drafting or the policy so much as it was trying to make sure that we had the numbers right. Also, the proposal will increase the reserve fund as a hedge in case, for example, the small business discounts cost more than we thought. We decided to go back to make the Congress and the country feel better about the costs to increase the reserve fund. So just working out the dollars is what has taken all the time, because we wanted to have good numbers ready for them when we came back.

Q. When will it be ready? When will it be ready?

The President. Oh, I think they're going to put it in early next week sometime.

Q. Next week?

The President. Yes.

Q. The 75-cent cigarette tax is final?

The President. That's what will be in the bill.

NOTE: The exchange began at approximately 11:54 a.m. at the Grand Hyatt Washington Hotel. A tape was not available for verification of the content of this exchange.

Proclamation 6617—National Consumers Week, 1993

October 21, 1993

By the President of the United States of America

A Proclamation

More than ever, as a Nation and as individual consumers, we need to make every dollar count. Yet, despite the consumer-oriented quality of the U.S. marketplace and the concerted efforts of our law enforcement agencies, marketplace fraud drains at least $100 billion from the economy every year. The loss is not just in dollars, but in consumer confidence—the driving force behind a strong economy.

Fraud has the greatest impact on the most vulnerable consumers. No one, rich or poor, young or old, literate or illiterate, English-speaking or foreign-speaking, able-bodied or disabled, is exempt. What's more, in this electronic global marketplace, fraud has become a ''borderless crime'' that affects consumers around the world.

Since 1982, the President has designated one week of the year to spotlight consumer education as a vital tool in helping consumers make smart shopping decisions. This year, during ''National Consumers Week,'' the focus is on fraud. Consumers can protect their resources and end the costly drain on the economy by knowing how to spot the signs of fraud and where to turn when they suspect fraud.

If you believe that you have been defrauded, the Better Business Bureau, representatives of Federal, State, and local governments, and even the media can help you. Exposing fraud not only helps you, but it can help prevent others from becoming victims in the future.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United