

You know, it is ironic that we're here talking about this school issue, because we are in America in the last year of the 20th century, in this millennium, enjoying the longest peacetime economic expansion in our history, nearly 19 million new jobs in the last 6½ years, the lowest unemployment rate in 30 years, the lowest crime rate in 26 years, the lowest welfare rolls in 30 years, the lowest minority unemployment ever recorded, the highest homeownership in history.

Here in Iowa, unemployment is a whopping 2.6 percent. Homeownership is almost at 75 percent. Wages are rising nationwide for the first time in 20 years for all classes of workers, and even faster here. I feel good about that. I feel good about the fact that compared to 6½ years ago the air and water are cleaner, the food is safer, and 90 percent of our children are immunized against serious childhood diseases for the first time in the entire history of our country.

I feel good about the 100,000 young people who have signed up to serve their communities in AmeriCorps and earn money to go to college. I am grateful, with the help of people like Tom Harkin and Leonard Boswell, that this administration has been able to preserve or set aside more land for the American people and our children's future, from the California redwoods to the Mojave Desert to the Florida Everglades than any administration in history, except those of Franklin and Theodore Roosevelt. I am grateful for all of that.

But what I came here to ask you is, what are we going to do with our prosperity, and what are we going to do with our surplus? This is a time of confidence and pride. But, as many people have said, the time to fix the roof is when the Sun is shining. And that is literally true in the case of school construction.

Are we going to develop some sort of collective amnesia and pretend that these times have always been here, always will be here, and we can do whatever we want to do that feels best in the moment, or seems most politically popular? Or are we going to think about the children here and the 21st century and what America will be like 10 years from now, 20 years from now, 30 years from now,

when they will have children in these schools?

That is what I want to say. You know, you folks should be glad to see me in Iowa. I'm the only guy that's been here in weeks that's not running for anything. [Laughter] What I am doing is trying to think about everything we can possibly do in these last days of this century. The Clinton-Gore administration is not running out the clock, hoping the good times will last. We are trying to push the ball down the field. We are trying to think about what it takes to build that bridge to tomorrow that all our children can walk across, what it would take to give opportunity to all of our people, to build a community of all of our people, to maintain our Nation's leadership for peace and freedom and prosperity around the world, to look at the long-term challenges.

I'll just mention three today, to get to the school construction issue. But you have to understand where the school construction issue is; you have to see it as a part of the big debate going on in Washington: What are we going to do with our prosperity? How should we handle this surplus, the one we have today and the one we're projected to have tomorrow? Otherwise, you couldn't begin to figure out why in the world we just don't do this. I mean, you must all be sitting out there thinking this is a no-brainer, just from what everybody else has already said before I got up here.

I believe that when you look at where we were just 6½ years ago, we had quadrupled the national debt in 12 years. The deficit was \$280 billion. It was projected to go to 380 this year. Now we have the biggest surplus we've ever recorded, and we're projected to be able to maintain those surpluses into the future, indefinitely.

Now, every farmer here knows that nobody can predict the future. That does not mean that every year we'll have exactly what is predicted. What it means is, if we have predictable economic performances, which is every so often we'll have a downturn, and then we'll have an upturn, then we'll have a downturn, then we'll have an upturn, on average, we will produce the surpluses we project to produce over the next 15 years. That's what it means. These projections are

not based on everything will be hunky-dory every day of the next 15 years. So they're not unrealistic.

But we have to decide—since we haven't been in it—did you ever think when I was here running in '92 we would be back here having a debate about what to do with the surplus? [*Laughter*] This is a high-class problem. But it's just as important to get the answer to a high-class problem right as it is to one that you wish you didn't have to deal with. It's not like going to the dentist. But if we don't handle it right, we'll be going to the dentist and nobody will give us a shot to deaden the pain. We have got to deal with this issue in the proper way.

Let me just mention three things. We have to deal with the aging of America. Iowa has got a high percentage of people over 65. The number of people over 65 will double in 30 years. The older we get the more people that will be drawing Social Security and Medicare and the fewer people will be paying into it. This is not rocket science; this is basic math.

I believe before we pass a big tax cut we should save Social Security and Medicare and add a prescription drug benefit to Medicare for the 21st century so that—[*ap- plause*—why? That's going to save everybody a lot more money in the long run than a tax cut. What's going to happen? What's going to happen if we don't? This is not just about the elderly. I'm not just looking out for the baby boomers that are going to retire in a few years. You know what will happen.

How many family stories do you know right now where parents with little children are also taking care of their parents, because it's the right thing to do? But we have Social Security and Medicare so that we can balance the responsibilities of the generations and so that families can take of their own needs and look to their children as they go along. So this is not just about the elderly. This is about the children and grandchildren of the baby boom generation.

The second thing we ought to do is take care of the economy. And I would like to mention just two things, one of which you know very well. One is, there is still a lot of places in this country that aren't participating in the economic recovery. The big problem on the farm is we've had 4 years in a

row of worldwide record harvests for the first time in history and an economic collapse in 1997 in Asia, so markets shrink, the products go, prices collapse.

Audience member. Freedom to farm—

The President. Exactly right. As Senator Harkin and I warned—Congressman Boswell and I, we were all three laughing about it—we said, you know, the people who put in that “Freedom to Farm Act” acted like there never would be a bad year on the farm. And now last year we dealt with it. Today I'm going to meet with some of your farmers, and we're working on it. The Vice President called me after he had a chance to meet with some farmers here this week, and we talked about it.

But the point I want to make is, you have farmers; you have people in Appalachia; you have people in the Mississippi Delta; you have people who live on the Indian reservations; you have people who live in the inner cities; and even though we're doing better than we've ever done, there's still a lot of people who aren't part of this train. And there are ways to give everybody a chance who's willing to work to be a part of it. That ought to be something we do with our prosperity. We ought to give everybody who's willing to work a chance to be a part of that prosperity. And I think it's very important.

One thing we can do that will help the economy more than anything else is, if we adopt the plan I put out to save the majority of the surplus for Social Security and Medicare, since it's not needed now—while we save it we can pay the debt down so much that by 2015, in 16 years, for the first time since 1835, this country can be out of debt.

If you're a middle class person, why should you worry about that? Because if we're out of debt it means lower interest rates; higher investment; more jobs; higher wages; lower college loan, credit card, car payment, and home mortgage rates. It means a more stable world economy over the long run. It means a better environment for farmers and manufacturers and everybody else. It is a good thing to do.

Now, what I want to tell you is, we can do all that and still have a tax cut and still invest in education. But we cannot pretend that there are no consequences to proposing