

**Remarks to Independent Insurance Agents of America's National Legislative Conference**

May 2, 2000

*The President.* Thank you very, very much. Ladies and gentlemen, I am delighted to be here. And I thank you, President Houston, and I thank your CEO, Paul Equale, whom I see all the time here in Washington pleading your cause. And I thank my old friend George Frazier. I heard that introduction. The truth is that only he and my mother thought I had a chance to be elected President when I ran. [Laughter] But it's nice to have someone like that in your corner.

I came here today, in part, on a sentimental journey. I couldn't hear everything George said, but the first speech I gave outside Arkansas as an elected official was in 1977, when I flew to California to speak for George when he was president of your organization. So, in a real sense, my political career began with George Frazier's presidency and ended with my own. And I am delighted to be here.

I also want to acknowledge and thank another member of this group from Arkansas, my friend Lib Carlisle, who agreed to become chairman of the Democratic Party when I was reelected Governor in 1982. I told him that it would just be about a half-a-day-a-week job. The truth was he had about a half a day a week left to devote to this job. And I'm surprised as a result of his public service that he could afford the airplane ticket up here. [Laughter] But I am delighted that he and all of you are here.

I also want to say I'm glad I got here for a few minutes of Senator Hatch's speech. Believe it or not, we're good friends. [Laughter] And it's nearly ruined him in the Republican caucus. [Laughter] And so he has to give me a little grief when he shows up. I would say in my own defense that it is true that tax receipts—I heard him talking about the tax burden—it is true that tax receipts as a percentage of national income are up. But the reason is, unemployment is low and incomes have grown so much. The actual percentage of income being paid by middle income fami-

lies is the lowest it's been in over 35 years. So I think that's worth pointing out.

I also would say, on the education issue—I heard what he said about burden of regulations—the Secretary of Education, Dick Riley, who was Governor of South Carolina for many years, has cut two-thirds of the regulations and paperwork burdens on local school districts that existed when we became the new administration in 1993. And in fact, our administration, even though we've had to promulgate some new regulations over the whole Federal Government, has gotten rid of more regulations, some 16,000 pages of them, in every Federal agency than were eliminated in the previous 12 years. And we have the smallest Government since 1960. So I think the record will look pretty good on that score.

But I also want to say I appreciate the fact that Orrin Hatch has worked with me, particularly, to try to encourage the orderly confirmation of judges, when so many people would rather not deal with that issue. I've done my best to take that out of politics, and I think it's important.

I want to thank you for several things. If I could begin, I want to thank you for what you do every day when you're not being politically active. I want to thank you for what you do day-in and day-out to give personal insurance service to people across this country. I want to thank you for the work you're doing to modernize insurance, to build a presence on-line and in E-commerce. And I want to ask you to continue to help to preserve the privacy of your clients in the face of this new technology.

On Sunday I went to Eastern Michigan University in Ypsilanti, Michigan, not too far from Detroit, to talk about the promise of the Internet age and the challenges to our privacy, including our financial privacy, that it presents. And I think it's very, very important that we maximize the possibilities of technology without giving up the American people's right to determine what basic information is or is not in the hands of people that they don't know and whom they have not approved to receive the information.

I also want to congratulate you for diversifying this organization, by reaching out to the

National African American Insurance Organization and by appointing the first woman to your board. The First Lady, particularly, thought that was a good idea. [Laughter]

And I want to thank you for the quality of representation you have here in Washington. We have not always agreed over the last 7 years, but I have always been impressed by the straight talk and the honest, open effort that I have seen from your organization to try to work out difficulties, work out genuine differences. And when we have worked together, we have done some very good things indeed.

We've worked together to get our economy moving again. When I became President, we had a \$295 billion deficit. It was scheduled to be nearly \$400 billion this year. The debt of the country had quadrupled over the previous 12 years, and I knew there was no easy way to get rid of it. So we passed an economic plan in 1993 that took us about 70 percent of the way there, and then we passed a bipartisan balanced budget in 1997 that had big majorities in both parties in both Houses supporting eliminating the deficit entirely.

We've now run the first back-to-back surpluses in over 40 years, and this year we'll make it three in a row. The United States this year is going to pay off \$216 billion of our national debt. That is the largest debt repayment in American history. This will bring the 3-year total to \$355 billion, and it's further evidence, I believe, that the country ought to have a bipartisan economic strategy of paying off the debt and investing in our people, in education, in science and technology, and in opening new markets at home and abroad.

Four years ago you put yourselves on the line for the Kennedy-Kassebaum bill. I want to thank you for that. Your support has made a difference all across this country, and I am very grateful. Again, we had not only the Democrats, Vice President Gore, and I but substantial Republican support. And we reached agreement, and it made a difference for ordinary Americans. And I'm very grateful.

It seems to me that this year the large question before the American people is, what are we going to do with these good times?

What will we make of them? You can probably recall some time in your own life or your own business when you've gotten into a little bit of trouble, not because things were so tough but because things seemed to be going well, and therefore, there were no consequences to breaking your concentration or taking a little time to stop thinking about tomorrow.

And I feel very strongly—and I think I can say this with some credibility since I'm not on the ballot, and most days I'm okay with it—[laughter]—but I think I can say, to me, the importance of this election is that America now knows that we can solve problems together. We know we can make real progress. When I became President, if I had said in my Inaugural Address in 1993, "You know, if you will just stick with me folks, in 7 years we'll have 3 years of surpluses, and we'll be in a position to get this country out of debt for the first time since 1835," you would have said, "He seems like a nice young man, but we have a delusional person in the White House." [Laughter] If I had said, "The crime rate will come down 7 years in a row, and we'll cut the welfare rolls in half," you wouldn't have believed that. If I had said, "We'll find a way to work with the private sector to improve the quality of our air, water, and land and still have the longest economic expansion in history," you might not have believed that. So we know now, because of the success our country has had, that if we work together and we set common goals, we can achieve them. The level of skepticism or cynicism that was present in 1992, because of the difficulties that we've had for some years, is simply not there anymore. But the question now is, what are we going to do with a truly magic moment of prosperity?

And I won't repeat the whole State of the Union Address here, but I just want to mention two issues to you. First of all, we have to keep the economy going. It makes so much else possible. I did a police event the other day here in the District of Columbia, and I complimented them on having the lowest murder rate in over 30 years and the lowest crime rate in nearly 30 years, a big decline in gun violence, and all the things they've done. We've helped them put several hundred police on the street. And on the way

out, this police officer said, “Well, thanks for all the nice words, but the economy didn’t hurt.” It’s very important that we do that.

We already have the longest economic expansion in history—by far, the longest without any kind of war involved, but including all the ones which mobilized the country for wartime. So how do we propose to keep this going?

I personally believe it’s very important that we continue to pay down this debt. Why? Because Americans finance a lot of their purchases through personal debt. We finance a lot of new equipment and business expansion through business debt. The personal savings rate in America is too low, and I would like to see it go up, and I would support initiatives in the Congress to try to help it increase. But meanwhile, when we pay down the national debt, it increases the overall savings rate of America; it keeps interest rates down; it makes money more available—the Government is putting money back into the economy instead of taking money out—and it works as an effective tax cut when you pay the debt down.

The fact that we have gotten rid of the deficit and paid down the debt, according to the latest economic analysis I saw, saves the average homeowner about \$2,000 a year in lower mortgage payments and interest rates being lower than they otherwise would, and a couple hundred dollars a year on car payments and a couple hundred dollars a year on college loan payments. And of course, the availability of capital for business expansion is profoundly important. So I hope in the midst of all this debate this year, you will try to sort through whether, when it’s all said and done, whether the commitments made by various people all add up and we can continue to do that.

Secondly, I think it’s important, when we ask ourselves, how are we going to keep this economy going, that we continue to expand the base of America’s customers. A nation in that sense is not much different than your enterprise. If you want to keep expanding, you’ve got to have somebody buying what you’re selling. We have 4 percent of the world’s population and 22 percent of the world’s income. So it should be obvious. You don’t have to be an Einstein to figure out

you’ve got to have more markets all the time in that sort of environment.

In that regard, there are two initiatives before the Congress today that have bipartisan support, and at least one—maybe both, but certainly one—that have bipartisan opposition. The first is the proposal to bring China into the World Trade Organization. That may not be something that you think is of immediate concern to insurance agents, but since you care so much about the economy, it’s very important.

China’s going to get into the World Trade Organization whether we vote to give them normal trading relations every year or not. And the deal we negotiated with them does not give them one bit of increased access to our markets but gives us huge increased access to their markets.

If you saw the deal, you would ask why they signed it. The reason they signed it is, you can’t get into the World Trade Organization unless you’re willing to trade. So they have a more closed economy; they sell a lot of stuff to us; our biggest trade deficit now usually is with them. And they have to open their markets. And we negotiated a very strong deal that will mean more jobs, more businesses, more investments for America. And from a national security point of view, it would, in my view, be a very, very unwise and precarious move to say that the United States doesn’t care whether they’re a part of the world community or not. You don’t have to agree with another country on everything to say you prefer to trade with them than have an arms face-off with them and constant conflict with them.

So it’s in our national security interests, but it’s necessary to keep our economy going. There’s 1.2 billion people over there, and increasingly, more and more of them will be able to buy what Americans can sell. And as people sell more over there, they’ll have more to buy insurance with. It’s very important. [*Laughter*]

The second thing that’s important is that we should not forget that there are people and places in this country, many of them served by members of this organization, that have not fully participated in this economic recovery. And to some extent, there are local reasons for that that have to be dealt with

at the State and local level. But there are things we can do here nationally, and there is a substantial bipartisan effort to pass some version of what I have called for 2 years my new markets initiative, to basically go to places like the Mississippi Delta or Appalachia or inner cities or upstate New York or the Native American reservations—to go in there and say, first, we're going to put in the infrastructure of growth.

I was in rural North Carolina the other day, and the Governor and I announced that his telephone companies were going to give broadband access to every rural community in North Carolina, which will enable a lot of businesses that are otherwise physically isolated to do Internet transactions that otherwise would not be available to them.

When I was on the Indian reservation, Shiprock, in northern New Mexico the other day, the Navajo reservation, I learned that 70 percent of the people there did not have telephones. I was introduced by a 13-year-old girl who had won, a brilliant young girl who had won a computer in a contest. And she couldn't log on to the Internet because there wasn't a phone line in her home.

We forget that a lot of our fellow citizens have not participated in this economy. And so we announced there that we were going to be able to provide basic phone service to those folks for a dollar a month, and we will be able to do a lot more—even though they are long way from most urban areas, we'll be able to do a lot more business for them because of E-commerce once we get them all hooked up.

But the main thing that we have before the Congress is some way of giving tax incentives for people who have money to invest, to invest in these poor areas in America that are equal to the tax incentives we now give people to invest in poor areas in Latin America or Asia or Africa. I'm all for encouraging investment in developing countries overseas, but we ought to be giving the exact same dollar-impact investment incentives to invest in developing communities here in America. They're the nearest markets we've got, and we ought to do it.

And let me say, finally, on the health care issue, I think it's quite important that we continue our efforts to provide health insurance

and coverage and care to people who don't have it. We still have over 40 million Americans without any health insurance. There are still too many children and too many working parents who don't have any. And more and more older Americans and their families are overwhelmed by the costs of long-term care and overwhelmed by their medical costs, especially for prescription drugs.

So I hope this year that in this Congress we'll find a way to extend coverage to more Americans. I hope we can do a better job to make sure that every child who is eligible for coverage receives it. Of the some 10 million children in America who do not have health insurance, public programs now in place—the Children's Health Insurance Program that's run by the State in all your States, and the Medicaid program, which is administered by them—would cover about half those kids today—today—with programs already in place. And it is very important that we continue to do a better job.

I also believe that we should pass the initiatives in Congress to provide a \$3,000 a year tax credit for long-term care. This is something that I think has broad bipartisan support. More and more families are having to deal with this as we live longer, and it really is a high-class problem in that sense. But it can be a very difficult and expensive one. And again, I think there's bipartisan support for this. I hope it will pass, and I ask for your support.

And finally—I'm sure that Senator Hatch talked about this a little bit, because we're having a dispute about what the best way to do it is—but I think it's important that we add some prescription drug coverage to Medicare this year. And I feel very strongly that we ought to offer a completely voluntary program that's available to any senior who needs it, with the most being done, obviously, for people with the least money. But we're having an argument about exactly how to do it.

I think you ought to know the facts. More than 60 percent of the senior citizens in America today lack access to affordable prescription drugs. If there were no Medicare program and we were all starting again tomorrow, we would never design one today that didn't have prescription drug coverage.

Thirty-five years ago, when Medicare was set up, it was for people who had acute problems. It was basically a doctor care, a hospital care program. Today, more and more seniors face chronic problems. Anybody that lives to 65 in this country today has a life expectancy of 82, 83 years. You know more about these tables than I do.

And believe me, if you just take the medical breakthroughs that I think are likely to occur in the next 5 years—sometime in the next few months we'll announce the sequencing of the human genome. We've already identified the defective genes that cause breast cancer, Parkinson's, may lead to Alzheimer's and other things. Before you know it, when young mothers come home with their babies from the hospital, they'll have a genetic map which will say your child has these potential problems and these potential strengths, and if you do the following 10 things, you will cut by 90 percent the chance that your child will get the following conditions. I mean, it's going to be a whole different world out there. And you may have life expectancy go up in the 21st century even more than it went up in the 20th century.

There have been a lot of studies to try to determine how long the human body would last if nothing bad ever happened. And the answer is, about 120 years. That is, if you factor out environmentally caused cancer, accidents, and crime leading to death, and we all had perfect nutrition and took good care of ourselves, our systems, most of us, would still stop functioning somewhere around 120 years. They've done a lot of tests with animals that show that no matter how well you take care of them, someday they just conk out. [Laughter] But that means that we've got quite a long way to go. I expect George Frazier to live about 120 years. [Laughter] But the rest of us are going to need a little help. [Laughter]

And so I think that will completely change the insurance business. You think about it. It will totally change health and life insurance if the average life expectancy goes up another 8 years. And it's why we also—I agree with one thing Orrin Hatch said—I hope we can avoid politicizing this whole Social Security debate. I think it ought to be discussed, and policy options ought to be taken care of.

One of the things that I've been trying to convince Congress to do is take the interest savings off the debt, since we're paying down the debt because not only—we've cut spending, but you're still paying more in Social Security taxes than we're paying out. So I think we ought to take that portion of debt reduction, so we don't have to pay interest on the debt anymore, that's due to Social Security taxes, and put it in the Trust Fund.

And then we could take the Social Security Trust Fund out to 2054, and then we could decide what else to do to try to increase the return, because when all the baby boomers retire, there will be two people working for only one person drawing Social Security. The ratio has normally been 3 or 4 to 1; it's going to go down to 2 to 1. So there are a lot of challenges there.

But the point I want to make is, this whole thing is going to change, and the emphasis, more and more and more, will be on keeping people well in the first place, letting them manage their own care, letting people stay at home, not overwhelming the hospital system and the medical care system. You would never, today, set up a Medicare program without prescription drug coverage.

So basically what we're having a debate about here is at what level to stop the coverage and how best to deliver it. And the only thing I'd like to say about the level, because I think that's very important, is that if you stop at 150 percent of the poverty line, it sounds reasonable, but that means that seniors over \$15,000 in income can't buy any medical coverage. Half of the people who don't have prescription drug coverage today are between the incomes of \$15,000 and \$50,000. And if you're on a fixed income of \$30,000, you may think you're sitting pretty if you're 75 years old. But if you get a \$2,000 a month medical bill because you've got a chronic problem, all of a sudden you don't have much money left. And I'm sure you all know this, so I hope we can find a way this year—I think there's a fair chance we can—to put this issue beyond partisan politics and also to get a program that works.

I also have to tell you that a lot of people in the insurance industry have been very forthright in saying that they think that our proposal is probably more workable. But the

reason that the prescription drug people don't like it—the pharmaceutical companies don't like it—is they think that it would cover so many people that we would have too much bargaining power, and we'd get the drugs too cheap. And if you listen to their argument, they think that that might mean that they wouldn't have enough profit margin to continue to develop new drugs. I don't want to paint them as the bad guys here; we're having a genuine argument.

But I think that if we are to design—if we design a program that doesn't work, then we wind up with the worst of both worlds. And the insurance industry could be left holding the bag if you're expected to offer policies that are not practical, that won't sell, and if they do sell, won't do what people want. That's why we've actually had quite a lot of really good dialog with people in the insurance industry about that, and I'm very grateful for it.

But I just want to say to you, this is a national problem that deserves a national solution. We should not have a program to cover senior citizens and disabled people's medical benefits that doesn't cover prescription drugs. We need to do this. This is a sort of measure of what we do with good times.

There are lots of issues I could mention, including the education of our children, the continued work to make America a safer country. I don't think we should stop on this crime deal until we have the safest big country in the world. We've still got a lot of work to do. And there are so many other challenges out there. But if we could just think about, here, keeping the economy going, extending its benefits to people in places left behind, and continue to make progress on health care—those are great goals worthy of a nation that is grateful for the success it has enjoyed.

And as I leave office, that's all I really want. I don't want to think that we squandered this enormous opportunity. For the last 7 years, Al Gore and I and all the people that have worked with us, we've tried so hard just to turn this country around and get it moving in the right direction. And now, as I leave at the end of the year, what I'm thinking of is how will we deal with the prosperity? It's a great measure of a great nation. And

I hope you'll do what you can to make sure we deal with it in an appropriate way.

Now, before I sit down, I want to ask your president to join me. Bill, come up here. We've got a little surprise for George Frazier. George is thinking about retiring after 46 years as an independent agent. I'm against that. I don't know, you know, you're not term-limited, why quit? *[Laughter]*

As you heard him say, I've known him all my life, since I was a little boy in Hope, Arkansas. And for all those years, I have known him as a person who always, always cared more about other people than himself and always gave more than he took, whether it was a Little League team that needed a sponsor or a hospital that needed a new wing or a young man starting out in public life who needed advice and friendship. He has been there for a lifetime.

I want to say that he and his wife, Effie, who are here today, are literally two of the finest people I have ever known in my life. And as I said, I had the honor of swearing him in 23 years ago as the president of your organization. And I think it's quite fitting that I started my career with his presidency and ended it with my own. I'm more surprised about mine than his. *[Laughter]* And I am very grateful to him for what he has been professionally and even more for what he has been as a citizen, as a human being.

So George, Hillary and I love you. And if you will come up here, I want to present to you a beautiful resolution that this organization is giving you for your years of dedication and service.

*[At this point, the President presented the resolution to Mr. Frazier.]*

**The President.** Thank you very much. Thank you.

NOTE: The President spoke at 8:55 a.m. in the Independence Ballroom at the Grand Hyatt. In his remarks, he referred to Bill Houston, president, Paul A. Equale, chief executive officer, and George Frazier, former president, Independent Insurance Agents of America; Lib Carlisle, former chair, Arkansas State Democratic Party; and Myra Jodie, student, Steamboat Navajo Nation.

**Remarks at the White House  
Conference on Raising Teenagers  
and Resourceful Youth**

May 2, 2000

*The President.* Thank you very much. Thank you, and good morning. I want to join with Hillary in welcoming you to the White House and thanking all of you for coming. I thank the foundations that have helped us. And thank you, David Hamburg. I still remember when we worked on a report about the developmental needs of young adolescents back in the late eighties, in which we recommended, among other things, that there ought to be community service in all of our schools, something that we're finally getting around to.

I thank all of those who are here. I see so many people out here in this audience who have done so much to help our young people, our teenagers, live better lives. I see one of the founders of the City Year program in Boston. I see a man who has adopted a huge number of children, along with his wife, and personally made sure that they got through their teenage years. There are many, many stories here. I'm grateful to all of you.

I'm very grateful to Secretary Shalala and Secretary Herman and our National Service Chairman, Senator Harris Wofford and Deputy Attorney General Holder and Janice Lachance and all the others who are here from the administration—the Deputy Director of our drug office, Donald Vereen. And thank you, Representative Stephanie Tubbs Jones. I thank you all for what you are doing.

I want to thank the panelists and those who will come on afterward. And I think we ought to give one more hand to the families that were in the film, that walked in with Hillary and me. They did a great job. [*Applause*]

You know, we've worked very hard on these family issues for a long time, and Hillary has done so for 30 years. But the way I see this as President, as well as a parent, looking ahead to the kind of America we're trying to build in the new century, when I became President, we had to worry about whether everybody who wanted or needed a job could get one. And that was very important. And the dignity of work is very impor-

tant to families. It helps to define the shape of family life in ways that are by and large positive.

I'll never forget once when I was Governor, I had a panel of former welfare recipients that were in the work force, and one of my colleagues asked the lady from my State, said, "Well, what's the best thing about having a job." And she said, "The best thing about it is when my boy goes to school and they say, 'What does your mama do for a living,' he can give an answer."

But by the same token, we live in a country that's very good at creating jobs but is not as good at providing family supports, in which people are busier and busier, and in which virtually everybody has some trouble balancing work and family during the period of the child's life. Even parents who are staying at home have trouble doing it.

And it is a problem that is more severe for single parents and people that have more than one job or people that have trouble getting around. It's a problem that's more severe for people that work for very modest incomes. But I don't think I know any parents who are working who have not had some periods in their lives when they worried whether they were letting their kids down because they weren't spending enough time with them or whether there were too many forces out there that were kind of undermining that.

And one of the things that I have learned in ways large and small over an unfortunately increasingly elderly existence—[*laughter*—] is that everybody has got a story—everybody. And every child has a spark inside. And I believe that everyone has a role to play and ought to be given a chance. And as important as work is—and I say that coming from a family of workaholics—the most important work that society does is still to raise children. And if that work is done well, the rest of it pretty well takes care of itself.

And so we're here, basically, to do all the things that Hillary said. I think when a tragedy befalls a child, or a child is involved in a tragedy, a school shooting or this terrible incident at the Washington zoo, it throws it up in large relief. But I think that one of the things we ought to do in beginning this conference is to take a more balanced view.