

June 9, 1995

TO: See below

FROM: Deborah Pearlstein

SUBJECT: Earl Bourdon Center Speech

This is a preliminary draft of the President's speech to the Earl Bourdon Center in Claremont, New Hampshire.

I'd be grateful for your comments by 1 P.M. this afternoon. After 2:30 today, please contact Gabrielle Bushman in Speechwriting, EXT. 62777, with additional questions/changes.

I may be reached at EXT. 65492 or by page through the WH operator.

Thanks a lot for your help.

CC: Ken Apfel
Molly Brostrom
Jennifer Klein
Dan Wexler
Marilyn Yager

**President William J. Clinton
Talking Points
Claremont, New Hampshire
June 11, 1995**

Acknowledgements: Former Mayor Louis (Lew) Gendron (Jen-dron), President of the Claremont Council of Senior Citizens; Mayor Paul Lizotte; Sandy Osgood, Director of the Earl Bourdon Centre; George Disnard, former Minority Leader of the State Senate.

■ This beautiful center reflects the good will and hard work of the Claremont community and of the partnerships that have made it possible. Since my visit to Claremont in 1991, this city has made tremendous strides in reinventing its government and in bringing new economic opportunity to its citizens. But the community spirit that gave life to the Centre has been here since the beginning. Each of you can take great pride in this accomplishment.

We also owe a debt of gratitude to the dedicated leadership of the National Council of Senior Citizens. For 35 years, the NCSC has worked to improve the lives of older Americans. Today, as we fight to protect Social Security and Medicare and Medicaid and all of the programs that have made our nation strong, we need their help -- and yours -- more than ever.

■ This is a time of great opportunity for older Americans and great challenge for us all. There are two times as many seniors in America today as there were 30 years ago, and 30 years from now, there will be two times as many again. People over age 55 are more active in our society than ever before, making invaluable contributions to every aspect of American life. From fighting and winning World War II to ensuring our victory in the Cold War, your generation has made us what we are, and we need your judgment and experience as we chart a course for the future.

■ As a group, older Americans have benefited tremendously from the social compact forged 60 years ago when President Roosevelt signed the Social Security Act. Since 1960, the poverty rate among older Americans has declined by 65 percent. Medicare, Medicaid, and Cost of Living Adjustments for Social Security benefits have lifted up older people to a higher standard of living than ever before. Under the Older Americans Act, community-based services such as Meals on Wheels, transportation, and measures to prevent the abuse of the elderly have improved the quality of life for countless Americans. These are invaluable services, and I am committed to protecting them, including the Senior Community Service Employment Program.

My Administration is building on the progress we've made. In December of 1994, I was proud to sign the Retirement Protection Act, which strengthens Americans' private pensions by securing 8.5 million at-risk pensions and stabilizing 40 million others. We are working to strengthen the Medicare trust fund, to streamline regulations and cut paperwork, fraud, and abuse. Just this past month, we launched "Operation Restore Trust," to crack down on fraud in Medicare in five states where nearly 40% of beneficiaries live.

Our National Senior Service Corps -- now more than half a million strong -- has given many seniors the opportunity to address head-on the challenges facing our families and communities. Here in New Hampshire, more than 4,000 seniors volunteer their time to help teen parents and their babies, disabled adults and other seniors needing special care.

I remain firmly committed to preserving the integrity of Social Security. We established the Social Security Administration as an independent agency, and we are improving customer service for recipients. And we have brought the deficit down by \$1 trillion over seven years -- one of the most important steps we can take to protect our nation's future.

Yet today, the historic covenant between our government and our citizens faces serious threats. We cannot eliminate the deficit and invest in the future and continue to keep faith with the American people until we do something to rein in the rising costs of health care. You and I both know that the status quo isn't working.

There is a right way and a wrong way to address these problems. There's an old country song that says "There's no use running if you're on the wrong road." Now we've got to balance the budget and we've got to address the problems with our health care system, but there're a whole bunch of folks up on Capitol Hill now who're running real fast down the wrong road. And we have got to stop them.

It is wrong to slash Medicare and Medicaid funding to pay for tax cuts for the wealthiest Americans. It is wrong to balance the budget on the backs of the elderly, the poor, and the disabled, breaking our promise to those Americans who need a hand up most. If Medicaid were gone, Americans would face nursing home bills for their elderly parents that average \$38,000 a year. It is wrong to charge seniors with modest incomes more than they can afford or to make changes that coerce beneficiaries in managed care.

The right way to strengthen Medicare and Medicaid is by containing costs as part of a sensible, overall health care proposal that works for everyone. The right thing to do is to take into account the changing needs of our population and expand coverage for long-term care. The right thing is to evaluate every proposal to change Medicare on whether it preserves quality and choice and affordability.

¶We must fight to preserve and strengthen the American covenant. Earlier today, I spoke to this year's graduating class of Dartmouth College. Looking out on all those promising young faces, it is absolutely clear why we can't trade the long-term health and well-being of the American people for the folly of short-term gain. Even kids who have all the intelligence and all the opportunity in the world can't compete in this economy and can't fix these problems alone. They need your help.

Working together -- across generations, across partisan politics, across all of the day-to-day bickering that divides us from one another -- we can keep the American Dream alive for each of you and for the generations of Americans to come.

President William J. Clinton
Talking Points
Claremont, New Hampshire
June 11, 1995

Thank you for that warm welcome. It's a pleasure to be back in New Hampshire, and I'm delighted to thank...

[Introduction re: Earl Borden Senior Center in Claremont]

This is a time of great opportunity for older Americans. There are two times as many seniors in America today as there were 30 years ago, and 30 years from now, there will be two times as many again. People over age 55 are more active in our society than ever before, making invaluable contributions to every aspect of American life. From fighting and winning World War II to ensuring our victory in the Cold War, your generation has made us what we are, and we must rely on your judgment and experience to chart a course for the future.

As a group, older Americans have benefited tremendously from the social compact forged 60 years ago when President Roosevelt signed the Social Security Act. Since 1960, the poverty rate among older Americans has declined by 65 percent. Medicare, Medicaid, COLAs for Social Security benefits have brought older people the peace of mind they deserve. Community-based services such as Meals on Wheels and measures to prevent the abuse of the elderly have improved the quality of life for countless people across the country. And our National Senior Corps -- now more than half a million strong -- has given many seniors the opportunity to address head-on the challenges facing our families and communities.

My Administration is building on the progress we've made. In December of 1994, I was proud to sign the Retirement Protection Act, which strengthens Americans' private pensions by securing 8.5 million at-risk pensions and stabilizing 40 million others. We have worked to strengthen the Medicare trust fund, streamlining regulations and cutting paperwork. Just this past month, we launched "Operation Restore Trust," which is already hard at work, cracking down on fraud in Medicare and Medicaid in five states where nearly 40% of beneficiaries live. We established the Social Security Administration as an independent agency, and we are making strides in improving customer service for recipients. And we have brought the deficit down by \$600 billion over five years -- one of the most important steps we can take to protect our nation's future.

Yet today, the historic covenant between our government and our citizens faces serious threats. We cannot eliminate the deficit and invest in the American people and continue to keep faith with the American people until we do something to rein in the rising costs of health care. But there is a right way and a wrong way

to address these problems. It is wrong to slash Medicare and Medicaid funding to pay for tax cuts for the wealthiest Americans. It is wrong to balance the budget on the backs of the elderly, the poor, and the disabled, breaking our promise to those Americans who need a hand up most. ~~If Medicaid were gone, middle-class Americans would face nursing home bills for their elderly parents that average \$38,000 a year.~~ It is wrong ~~to undermine health services in rural and urban areas that are already underserved,~~ to charge seniors with modest incomes more than they can afford, or to make changes that coerce beneficiaries in managed care.

We must fight to preserve and strengthen the American covenant for the generations to come. The right way to strengthen Medicare and Medicaid is by containing costs as part of a sensible, overall health care proposal that works for everyone. ~~The right thing to do is to take into account the changing needs of our population and expand coverage for long-term care.~~ The right thing is to evaluate every proposal to change Medicare on whether it preserves quality and choice and affordability...

[Conclusion]

1. No benef. cuts -- they just slash
2. Protect Trust Fund
3. I invest in LTC
4. Less than $\frac{1}{2}$ of cuts -- moderated both cuts in APB
So save hospitals from closing.
5. Medicaid cuts less than $\frac{1}{3}$
 - preserve coverage
 - preserve entitlement
 - no cost shifting
 - preserve Medicaid LTC

As I've always said $\rightarrow$ there's a right way & a wrong way.

Jen Klein

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

02-Mar-1995 11:01am

TO: (See Below)

FROM: Carol H. Rasco
 Economic and Domestic Policy

SUBJECT: Speech distribution

As a supplement to the talking points distributed today on the "War on Children and the Poor" I have asked Rosalyn to distribute to you the speech Mrs. Clinton made last evening at the Child Welfare League of America's 75th anniversary banquet. It is well worth your time to read this speech.

Thank you.

Distribution:

TO: Carol H. Rasco
TO: Pamela Cicetti
TO: Brian E. Burke
TO: Jose Cerda, III
TO: Jeremy D. Benami
TO: William A. Galston
TO: Lynn M. Margherio
TO: Jennifer L. Klein
TO: Cathy R. Mays
TO: Rosalyn A. Miller
TO: Bruce N. Reed
TO: Michael T. Schmidt
TO: Stephen C. Warnath
TO: Paul J. Weinstein, Jr
TO: FAX (9-632-1096, Fleming, Patsy)
TO: Janet B. Abrams
TO: Robert M. Berry
TO: FAX (9-720-8819, Berry, Marion)
TO: Julie E. Demeo
TO: Diana M. Fortuna
TO: Christopher C. Jennings
TO: FAX (9-632-1096, Levi, Jeff)
TO: Michael Levitan
TO: Gaynor R. McCown
TO: Kimberly M. Ross
TO: Stacey L. Rubin

**FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO THE CHILD WELFARE LEAGUE OF AMERICA
WASHINGTON, DC
MARCH 1, 1995**

[Acknowledgements: David Liederman, executive director; John Merchant, chair of the Board of Directors]

I'm deeply honored to receive this award named for Natalie Heineman, whose work on behalf of children and with the League inspires all of us to do more. I learned recently that Elizabeth Glaser, a dear friend of mine, received the award last year. As a tribute to her I hope that, as we go about our work on children's issues in the days and months ahead, we draw strength from her example, her courage, and her memory.

As you may know, the President is speaking tonight to a gathering from the Nixon Center on the dangers of isolationism and nuclear proliferation, two issues critical to the future of our children. And although he is not here to join in this celebration, he wanted you to know that children are on his mind.

For 75 years, our nation has relied on the CWLA for wisdom and moral leadership as we devise ways to help protect our most vulnerable children. That leadership is particularly crucial today, when the youngest among us face new and greater burdens than ever before.

When David [Liederman] testified in the House last month on welfare reform, he talked about our obligation, as a nation, "to keep all children from harm." That single phrase summed up the moral imperative before us now.

For decades, Americans have stood out for their compassion for children. We have prided ourselves on the high aspirations and expectations we have held for children. But today, we find ourselves at a rare moment in history when we must decide, as a society, how much children really matter to us.

American children are in crisis. Twenty-three percent of our children live in poverty and millions go hungry every day. Too many children are bearing children of their own. Drugs, violence, and abuse continue to claim the lives of our young before they reach adulthood.

Surely, as we search for solutions to such complex human problems, we need a full and honest debate. Yet that discussion is not taking place today. There is no exchange of ideas. There is no weighing of evidence. There is simply a full-scale assault on nearly every program that helps the neediest, most vulnerable

and disadvantaged among us.

The President has described recent actions in Congress as "a war on the children of America." The war is taking many forms: cuts in current funding, elimination of programs, withdrawal of guarantees, and block grants in the name of state flexibility. If the wrong side wins, fall-out from this war will reach far beyond the \$40 billion in cuts for children's programs over the next five years, far beyond Barney and Big Bird and school lunches, far beyond summer jobs and aid for handicapped children.

What will be lost is our notion of who we are as a people and what we stand for as a society.

Let's not be fooled by the rhetoric about block grants and greater flexibility and autonomy for the states. And let's remember that cutting programs that help children is not going to significantly reduce the deficit.

The only people who will benefit from the evisceration of children's programs are families earning more than \$200,000 a year who will be eligible for a capital gains tax cut.

In 57 short days, we have learned that the Contract With America is indeed a financial arrangement -- one that assigns far more importance to the interests of the very wealthy and the very powerful than to the interests of the poor, the needy and the very weak.

We don't need that sort of contract. We need a covenant. A sacred trust between government and the American people that reflects our long-held belief that every citizen -- rich or poor, urban or rural, young or old -- has the right and responsibility to rise as far as their God-given talents and determination can take them, and to give something back to their society in return.

That is the underlying principle of the President's New Covenant which, as he said in his State of the Union address, is actually grounded in some very old ideas.

Those old ideas have guided us for more than a century in our efforts to protect children from harm.

Yet today, the foundation we have built to promote work over welfare and strengthen families is in jeopardy: Federal guarantees of child care assistance for low-income families and those coming off welfare. Grants for foster care and adoption assistance, family preservation and support, summer jobs for young people, heating fuel for the disadvantaged, and aid for poor handicapped children.

As one friend of mine said recently, cutting \$7 billion out

of child nutrition programs and \$4 billion out of foster care and adoption programs is not so much a revolution as "a massacre of the innocents." [Jim Weill, quoted in Herbert column in NYT].

If Congress weakens these programs it will represent a total reversal of an historic commitment our nation has made to children.

Few Americans realize that the first federal effort at child care came in 1863, when the government sponsored a nursery for mothers working in Civil War hospitals. Few realize that food vouchers -- an early version of food stamps -- were given to freed slaves after the War.

Few realize that the first federal immunization program was launched at the beginning of the century. Or that Congress established the Children's Bureau in 1909 to safeguard the well-being of children.

Aid for Families with Dependent Children -- welfare -- began in 1935 as a way to enable mothers, many of them widows, to stay home with their children. Children were protected by labor laws beginning in the 1930s. Congress appropriated funds for emergency maternal and infant care in 1943.

The National School Lunch Act was passed in 1946, after it became evident that many inductees into our Armed Forces in World War II suffered from poor nutrition as children.

Throughout much of our history, children's programs have received broad, bipartisan support because there is such compelling evidence that early intervention saves money, and lives, and reaffirms the values of opportunity and responsibility that built America.

Even Senator Robert Taft, a conservative Republican leader in his era, said in 1948 that the American economy was rich enough "to prevent extreme hardship and maintain a minimum standard floor under subsistence, education, medical care and housing to give to all a minimum standard of decent living and to all children a fair opportunity to get a start in life."

Before now, we would never have dreamed of counting cuts in programs for children on a 100-day scorecard.

Before now, we came together as Americans to safeguard the rights of disabled, abused, and hungry children through WIC, Head Start, the Child Abuse Prevention Act of 1974, the Education of all Handicapped Children Act of 1975, and the Children's Welfare and Adoption Assistance Act of 1980.

Each of these did much more than just throw money at a

problem. Each of these improved our country, gave voices to the voiceless, strengthened our nation, and protected children from harm.

Yet today, poor children and families are viewed less as objects of concern than as culprits for everything that goes wrong in society. Drugs, violence, illegitimacy, and abuse are viewed as afflictions only of the poor. And, in turn, it is poor children and families who are singled out for punishment.

My minister gave a sermon recently in which he related the story of Leviticus about the ancient Israelis who annually placed all of their miseries and sins on the head of a goat, and then sent the goat off into the wilderness. When the goat reached the wilderness, the tribe was cleansed of all problems, all evils.

This is an apt parable for what is happening in America today. In today's society, the goat is poor children. And somehow we think we can rid ourselves of all of our social problems by scapegoating children and exiling them to the wilderness of greater poverty and hopelessness.

Some in Washington and around the country justify these extreme budget cuts by saying: "We have all these children's programs in place, but things are only getting worse. Obviously the programs don't make a difference."

Well, nobody ever conceived of government programs as a panacea. We all know that services alone will not lift a child out of poverty. A school lunch program can help a child's physical and intellectual development, but it can't provide shelter. A nutrition program for pregnant women can increase the likelihood of a healthy baby, but it can't pay the rent.

To overcome poverty, children and families need the basic necessities in life. They also need to be buffered by a strong economy. As the National Council of Bishops stated in a pastoral letter in 1991 entitled, Putting Families First, ". . . many [families] are poor because of economic forces beyond their control: recession, industrial restructuring, erosion of real wages, unemployment and discrimination in hiring and promotion."

That's why, as we search for solutions to today's social problems, we must avoid an unbalanced approach that both robs children of services and fails to address the broad economic and social forces that contribute to poverty in the first place. Meaningful deficit reduction, the creation of nearly 6 million new jobs, investments in the skills and training of our people - these are structural changes the President has fought hard for because they will help lift children and families out of the abyss of poverty.

To address our problems, parents must take responsibility too. They must provide love and nurturing to their children. They must be willing to make whatever sacrifices are necessary to create conditions within the family that enable children to flourish. And in some cases, young men and women must postpone having children until they have the means to provide love, support, and responsible care.

In that same pastoral letter I mentioned a moment ago, the National Council of Bishops wrote that the most important work on behalf of our children must be done "in our homes and our neighborhoods, our parishes and our community organizations. No government can love a child and no policy can substitute for a family's care."

At the same time, the Bishops wrote, "Government can either support or undermine families as they cope with the moral, social, and economic stresses of caring for children."

Both national policies and personal values must play a role.

While we agree that government programs cannot and should not alone solve these problems, we must appreciate the profound good that government does for millions of children and families in America every day.

For example: Child poverty in America declined from the mid 1960s until the early 1970s. It started rising again just after real wages fell in 1973. Then, in the 1980s, when the safety net began fraying, we witnessed a dramatic increase in the percentage of children living in poverty. We also saw an increase in out-of-wedlock teen pregnancies, juveniles incarcerated for violent crimes, teenagers dying violently, and low birth weight babies.

The undeniable fact is that, when the safety net is in place, fewer children fall into poverty. And government can help keep the safety net from being torn apart.

Poor children and families are not the only ones protected by the safety net. A few weeks ago I visited a federally supported child care center in Cedar Rapids, Iowa. There was not a single parent I met who was not working, going to college, taking courses to pass the GED, or actively involved in job training. In every case, having access to child care enabled the parent to become more self-sufficient, more independent, and more fulfilled.

In the weeks and months ahead, as Congress works on social issues, the test of every policy and budget decision should be whether it helps children and strengthens families.

I want you to know that the White House and the Clinton

Administration will work with you to ensure that our children are kept from further harm.

In the last 10 days, we have seen the response of the American public as the specifics of these budget proposals have been unveiled. The public is on our side. They want us to protect our children. And that is why we can, and will, win this fight.

Thank you very much.

DRAFT 3/15/95 1PM

PRESIDENT WILLIAM JEFFERSON CLINTON

REMARKS ON REGULATORY REFORM 95 MAR 15 P2:15
CUSTOM PRINT PLANT, ARLINGTON, VA

March 16, 1995

We are here at the Custom Print Plant, because these are the people on whose behalf we work. Stu McMichael owns this plant; he's been in business for [x] years and employs [x] workers. He works hard, he wants to minimize the inevitable pollution produced by his plant, and he wants to play by the rules. But like too many other small businesses, the many rules governing printing are so dense and so complex that it is literally impossible for him to know if he is complying or not.

Last month, I called together the heads of the federal regulatory agencies and ordered them to begin a root-and-branch reexamination of the way they do business. I asked Vice-President Gore to take charge of this process. Today I am announcing the first fruit of this process -- government-wide regulatory reforms that will cut back on paperwork and treat honest businesspeople as partners, not adversaries. And we will put in place significant reforms in the way we protect our environment and the way we assure safe and high quality drugs and medical devices. The reforms we implement today are real; they have teeth. And they show that you can reform regulation without hurting the environment, workers, or consumers.

Our philosophy is simple: Protecting people, not protecting bureaucracy. Results, not rules. Action, not rhetoric. Common sense. And when it comes to regulation, a little bit of common sense can be a revolutionary idea.

Look around us; a pressman of 50 years ago wouldn't recognize this as a printing plant. [ck] Technological and economic change constantly makes and remakes our world. Our government, if it is to remain a relevant and positive force in our lives, must change, too. Since I assumed office, I have been determined to replace yesterday's government with a new government that can help solve the problems of today and meet the challenges of tomorrow.

The government of tomorrow will discard volume after volume of detailed rules, and will, instead, set clear goals -- and challenge our people to come up with the ways to meet them. That's what I mean when I talk about a government that offers opportunity and demands responsibility, one that lives up to a New Covenant with the people. A government that is as flexible and innovative as the best private business. A government that uses the newest tools of technology and economics.

As you know, we are engaged in a great debate about the proper role and reach of

government. One-size-fits-all regulation didn't make sense. But one-size-fits-all deregulation doesn't make sense, either. I am determined to see a different approach -- a government that is leaner but not meaner, that protects consumers, workers, the environment without burdening business and choking innovation.

Yes, we need to cut paperwork, and we're doing it. But it doesn't make sense to freeze federal efforts to protect children from unsafe toys or unsound food. Yes, we need to carefully analyze the risks and benefits of what we do. But it doesn't make for better regulation to pile on dozens of new procedural requirements. That's not common sense -- that's nonsense. It's paralysis by process, and it won't help solve our problems. As I have said before, reform, yes -- bring it on. Rollback, no.

All Americans want the benefits of strong government protection: Air that you can't see; water that you can drink; a workplace that doesn't force workers to trade off a livelihood for safety; food that is unadulterated and healthy; banks that invest wisely and protect taxpayer money.

Over the past two years, we have made great strides in protecting the public in all these areas. But we all know that the way we seek these goals can frustrate the very goals we seek. And the way our regulatory system has grown -- a dense jungle of rules and regulations, precise lists of dos and don'ts, -- can trip up even the most well-intentioned businessperson, while unscrupulous competitors too often escape notice.

So we must cut through this jungle with a deep and abiding commitment to regulatory reform. It is time to stop the silliness, stop the behavior that makes no sense, accomplishes no ultimate goal, and drives people in the private sector up the wall. The American people want strong protections, but they want results, not rules; action, not more law. The tremendously popular book The Death of Common Sense makes a simple point: in our entirely understandable desire to protect the public, we have put in place a system that literally requires government regulators to act in ways that defy common sense. The author of that book, Philip Howard, is here with us today. [Introduce Philip Howard] The Vice-President gave me this book, and I'm reading it now -- it's very compelling.

Over the past two years, my administration has begun to change the way government does business. Already, we reduced federal spending by over a quarter of a trillion dollars, reduced the size of the federal payroll by over 100,000. We are on our way to a reduction in excess of 250,000 in the federal work force, which will give us by the end of this decade the smallest federal government since the Kennedy administration. Vice President Gore's leadership in the reinventing government initiatives have already saved taxpayers \$63 billion.

And we have begun to change the way government regulates. We eliminated rules that are obsolete, we have simplified rules that are too complicated, and we have cut paperwork wherever we could. We found that the government often stood in the way of our

very goals. We want economic development; the Commerce Department's Economic Development Administration is making life simpler by repealing outright over half its rules. We want nutritious food; USDA is making it easier to import fruits and vegetables. USDA has repealed rules under the stockyards act, and Interior has eliminated feather import quotas for exotic birds. The Education Department has rescinded its rule requiring both parents to sign financial aid application forms. And the FDA has [finish the c.g.].

Now we must take the next steps to bring common sense to regulation.

We must recognize that most businesses are small businesses, and that the overwhelming majority of them want to do the right thing. Unfortunately, today's rules and regulations can be so voluminous and arcane that a dry cleaner or printer simply can't know what they are doing wrong. And our inspectors are required by the rules to treat every violation as if it were another Love Canal.

First, we are going to get our enforcers out of the business of mindlessly writing traffic tickets, and into the business of achieving results. We are going to let these regulators apply common sense.

Today I am ordering a government-wide policy, so that a small business that tried to act properly but violated the rules can spend the money fixing the problem instead of paying a fine to the government. Our enforcers will be given authority to waive up to 100% of fines for small businesses so that a businessperson who acts in good faith can put his energy into correcting the problem, not fighting with a regulator. Similarly, regulators will be given the discretion to waive fines for small businesses altogether, if it's a first-time violation and the firms quickly and sincerely act to correct the condition that violates the rules.

Let me make clear: These initiatives are meant to cement a new era of partnership between the regulators and the regulated. They will not excuse those violating criminal laws, and they will not be an amnesty for businesses that harm public health and safety while their competitors are playing by the rules. But we will stop playing "gotcha" with people who want to be good citizens. Compliance, not punishment, will be our credo.

Second, we are going to curb the government's voracious appetite for paperwork. I am asking each agency to double the amount of time between regularly scheduled reports to the federal government, if it can be done without sacrificing important public purposes.

Common sense. Flexibility. Less paperwork. All of these are important. But we must do even more. Last fall, I asked Vice-President Gore to begin to systematically review the most significant areas of federal regulation, with an eye toward proposing deep and real reform.

Today we are announcing fundamental reforms in the areas of environmental protection and drug and medical devices.

Environmental regulation touches every part of our lives. And this is a moment of transition for our nation's environmental policy. The modern era of environmental protection began in 1970 with the first Earth Day, the passage of landmark legislation, and the creation of the Environmental Protection Agency. The results are a great American success story, envied and copied around the world.

But the methods that worked then aren't necessarily the right methods for today. To meet the challenges of the next 25 years, our environmental programs must work better and cost less. They must build on what we know.

We know that an overwhelming majority of the American people are deeply committed to a clean and healthy environment. We know that pollution is often a sign of economic inefficiency, and that business can make money by preventing it. We know that better decisions result when people work together as partners rather than as adversaries. And we know that standards that provide flexibility -- but demand accountability -- can provide greater protection at lower cost.

Today my administration is announcing a landmark package of 25 environmental reforms.

Some of these reforms will improve the current system.

For example, we recognize that market mechanisms make more sense than micromanagement. For example, letting utilities buy and sell their rights under the Clean Air Act has saved utilities and their customers \$2 billion while resulting in cleaner air. Today we will dramatically extend this market concept to other areas of clean air and water protection. This is good for business, and good for the environment.

Today, too many small businesses are afraid to come to EPA for help in cleaning up their act, because they are afraid they'll be punished. We will open compliance centers to help small business. And we will say to them: if we discover a problem, you will have 180 days to clean it up, with no penalty.

And because you shouldn't need a forestfull of paper to protect the environment, EPA will cut the paperwork requirements it imposes on businesses and communities by 25%.

And while these steps will improve the current system, others will move well beyond it -- a shift in the way we think about regulation. EPA will launch a pilot program -- "Project XL" -- which is simple but revolutionary. We will say to companies: Here is the pollution reduction goal. If you can figure out how to meet it, then you can throw out the EPA rulebook. If this works -- and we have every reason to believe it will -- then we have a chance to put the responsibility for protecting the environment squarely in the hands of people in the private sector.

These changes are good for business and good for the environment. That's why I'm pleased that the CEO of DuPont, [name], is here with us, as well as [other validators]. And that's why [name of EDF person] is here as well.

Consider how our reforms will make life easier for Stu McMichael. Today, a small printer has to fill out up to 20 forms about toxic emissions; we will replace that with one form. He can work with EPA's new compliance centers to identify problems and correct them, without facing a fine. The inspectors who visit his plant will come as partners, not prosecutors. And the help the agency gives will be in English.

The other major area examined by the Vice-President is the realm of drugs and medical devices. There was a time when consumers might find that their food was adulterated, their drugs were quackery or had dreadful side effects. Today, Americans don't have to worry about safety or effectiveness when they buy anything from cough syrup to the latest antibiotics or pacemakers. And the reason they don't have to worry is that the Food and Drug Administration does all the worrying. The FDA has made American drugs and medical devices the envy of the world and in demand all over the world. Believe me, we are sticking with the standards we have -- they're the best in the world.

But strong standards do not mean government business as usual. Today we are announcing a set of reforms that will make our high-quality drugs and devices available to consumers more quickly and cheaply.

Using the same common sense principles we are discussing today, FDA will stop doing a full-blown review every time a biotech drug company makes a minor, risk-free manufacturing change in an established drug.

FDA will stop requiring costly environmental assessments on drugs that obviously have no significant impact on the environment.

FDA will eliminate 600 pages of cumbersome regulations controlling the production of insulin and antibiotics. *and other drug products*

It will allow our firms to export products to the world without FDA preapproval, if those products are already tested and approved in other leading industrial countries. *finger to the world*

syringes And 140 categories of medical devices that pose low risk to patients -- from syringes to xx -- will no longer need preapproval by FDA before they are put on the market. *other medical devices*

These FDA reforms and others we will announce in the next few weeks will keep quality at world class levels and save industry -- and consumers -- nearly a half billion dollars a year. And I am pleased that representatives of the drug and medical device industry are here, as well, and we appreciate your support.

[NOTE: Financial institution reforms are also ready to be announced at this event. However, we recommend that these be announced at the first Economic Conference, where they will attract stand-alone attention.]

All these changes, taken together, represent real, deep, fundamental reform. They lack the sledgehammer subtlety of a moratorium. But if we are going to be responsible, we must fix the problem -- not freeze it in place. To go from yesterday's government to tomorrow's, we need positive movement, not paralysis.

If we continue our commitment to create a government that works better, costs less, and reflects our values, it can make a real difference in the lives of businesspeople and workers. That's true common sense. And that is what I am committed to giving the American people.

To: ALL DPC
STAFF

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

December 6, 1994

REMARKS BY THE PRESIDENT
AT DLC GALA

Sheraton Ballroom
Washington, D.C.

8:26 P.M. EST

THE PRESIDENT: Thank you very much. Thank you, Congressman McCurdy. (Applause.) Thank you. Thank you. (Applause.) Thank you, Congressman McCurdy. Hillary and I are delighted to be here. I was so glad when Michael Steinhardt and Al From and Will Marshall came up on the stage. I thought we were occupying the right wing all by ourselves here tonight. (Laughter.) I want to -- it'll get funnier as you think about it. (Laughter.)

I want to thank everybody on this stage -- my wonderful and longtime friend, Lindy Boggs, who had me in her home in the presidential campaign and who has been such great inspiration to us. And I thank Senator Lieberman and Senator Breaux for whatever they said they were doing, their Kosher-Cajun partnership. (Laughter.) They have been wonderful.

I thank Dave McCurdy for the courageous battle that he waged in Oklahoma against some forces that I want to talk about more in a moment, and for going to New Hampshire for me, and for being the embodiment of what the DLC is all about. He is very young. I have lost two elections. I will make a prediction about which I know quite a bit -- he will be back. (Applause.)

I want to thank my friend of many years, Senator Chuck Robb, for waging what may have been the most courageous campaign in America. (Applause.) Twenty-million dollars and all they could throw at him, he's still standing -- and well and proud, and we're proud of him. (Applause.)

I want to thank Al From and Will Marshall and Michael Steinhardt for believing in the DLC and the PPI, for believing in the power of ideas in public life.

You know, I was trying to think of what I ought to say here tonight. I've gotten all these good and bad in-in-the-middle reports about all these deliberations here. They gave me some remarks at the office; I didn't like them, so I wrote some down so no one is to blame for what I say but me. But the problem is I'm hurdling into middle age, and I can no longer read my own writing from this distance. (Laughter.) But I'm going to do the best I can.

AUDIENCE MEMBER: -- glasses.

THE PRESIDENT: I've heard all these -- no, I brought my glasses, but I'm too vain to wear them while I talk. (Laughter.)

I got to thinking about, you know, how I could describe this election, and was it one of these situations where, well, they just didn't know what we've done; they didn't recognize what we'd done -- the Democrats. There's some of that.

It reminded me of the story of the fellow that ran a cleaners in New York City for 40 years. And his wife passed away and

MORE

his children were all grown and educated, so he just cashed in. He had a million dollars. He went out and had a hair transplant, joined a spa, and lost 30 pounds, married a lady 40 years younger than he was and went to Florida on his honeymoon where a storm came up when he was walking on the beach -- lightning struck him dead, and he was taken to heaven immediately. And he looked in the face of God, and he said, I don't want to be blasphemous, but how could you do this to me? (Laughter.) I mean, for 40 years I was faithful to my family; I educated all my children; I worked six days a week; I payed every nickel I ever owed in taxes. Finally, I have a chance to have a little fun. How could you do this to me? And God said, Oh, Jake, I'm sorry, I didn't recognize you. (Laughter.)

Maybe, you know, there was a little of bit of that in this election. Then I thought, well, maybe what we did was good, but they just didn't appreciate it. And I thought about the story of the elderly couple rocking on the porch. And they were way up in their 70s and they'd been married over 50 years. The husband was a man of few words, and he looked at his wife and he said, Sarah, you know, before we run out of time, there are some things I have never said to you in our married life together, and I'd feel remiss if I didn't. We got married and I didn't have a nickel to my name. And we worked hard. But the Great Depression came along, and as soon as I built my business, it broke me and I was absolutely devastated. But you never flinched and you never left me. You were so wonderful. And she said, yeah, that's right.

He said, then I had to go to World War II and I got that terrible wound. It took me a year to recuperate, but you were there by my said every step of the way. And she said, yeah. He said, then, finally in 1952 we finally saved up enough money to move in our own home. We weren't there six weeks before a tornado came and blew it down. We didn't have any insurance or anything. It took us another 10 years to get a house, but you stayed with me all the way through. She said, yeah, I sure did. He said, well, before it's too late, I want to say one thing to you -- Sarah, you're bad luck. (Laughter.)

Well, there was some -- also some real things. I want to talk about them. But since one of their leaders was quoting Roosevelt the other day, I ought to say, I think we're a lot more like Lincoln than they are like Roosevelt. (Applause.) And it reminded me of when Lincoln sustained a defeat, he said that it hurt too much to laugh and he was too old to cry, but it was a slip and not a fall.

And what I want to talk to you tonight about is what's really going on in this country, not about the Democrats and Republicans and who loses and who wins, but who loses and who wins out in America.

In 1992, late '91 really, I got into the race for president basically because I was convinced deep, down inside that there was something amiss in this country, that we were in danger of losing the American Dream; that more people were working harder for less; that people who were poor but wanted to work themselves into the middle class weren't able to do so; that we were coming apart when we ought to be coming together; and that the political system had reached the point where it was almost incapable of dealing with fundamental problems.

I ran out of a conviction that as a citizen I ought to try to do something about it. I ran because my experience as a governor made me believe that you really could roll up your sleeves and reach across party lines and other lines and solve real problems that real people have. I ran because the DLC made me believe that ideas could matter in national politics just like they do in other forms of public endeavor.

And when I started this campaign, nobody but my mother gave me much chance to win. But, you know, what I was afraid of was that I would win and people wouldn't understand how hard it would be to really change -- not only to change things on their merits, but to deal with the culture of Washington and to communicate through the fog and the blizzard to folks out in the country; and also to have communication be two-way, never to lose touch with people, never to sever that mystic chord that has to exist between a president and a government and the people.

I knew that there were many dangers. One is just taking on tough issues, is taking on tough issues. If they were easy issues, somebody else would have done them because a poll would say it was popular to do. The second is if you try to do a lot of things in a short time, you're going to make some mistakes. And I've made my fair share, and I accept that. The third is that it is easy to be misunderstood in a difficult time when you're a long way from where people live. Ask Mr. McCurdy and Senator Robb -- it's easy to be demonized when you're a long way from where people live so that the very people you try hardest to help are those who turn away.

That's the thing I regret about this election more than anything else. All the people who are working harder for lower wages and less security than they were 10 years ago, they're the people I ran to help. All the people who are trying to follow the rules, and are sick and tired of people benefitting who don't, who take advantage of the system whether they're rich or poor or somewhere in between, those are the folks that the Democratic Party ought to be championing and the ones who ultimately will benefit if we stay on the right course.

Well, we did a lot of things that they didn't like very much, especially after it got explained to them, as we say at home. I think I was right when I opposed discrimination and intolerance, but a lot of folks thought I was just more concerned about minorities than the problems for the majority.

I believe we were right when we stood up to the NRA and said, we ought to take these military assault weapons off the street. (Applause.) But a long way from the battlegrounds of the inner cities, a lot of folks out in the country said, my Lord, I'm paying too much in taxes, I can't hold my job, and now they're coming after my gun. Why won't they just let me alone?

I believe we were right when we fought to bring this terrible deficit down. Let me tell you something, folks. The budget would be in balance this year, were it not for interest payments on the debt accumulated when they had control and they ran this country into the ditch. (Applause.)

And before you listen to the siren's songs that will be offered in the next year, you just remember this: Next time you make out your federal income tax check, 28 percent of it's going to pay interest on the debt accumulated in the last 12 years before we took over. So I think we were right to do that.

And, yes, I think we were right to try to find a way to stop health care costs from going up three times the rate of inflation; to stop people from losing their health care or having it explode if they have a kid sick or if they try to change jobs; to try to find an affordable way for small businesspeople and self-employed people to buy private health insurance. But by the time it got to the American people, in both cases, it was characterized as the Democrats are the party of government and taxes. And they don't have a lot of trust or faith in government because they're working harder for less, less money.

Males in this country without a college degree are making 12 percent less than they were making 10 years ago working a longer work week. We are the only country in the world with an advanced economy where the percentage of people with health insurance under 65 is lower today than it was 10 years ago. That's why these numbers don't mean a lot.

That's why the story I told about John and Martha don't mean a lot. That may be a good story. Sometimes you're not happy, even if somebody does something good, if you don't like the result, there are still people out there just killing themselves, thinking I'm doing everything I can -- I'm working a longer work week; I can't afford a vacation anymore; I'm paying more for health care; I may lose my job tomorrow; my kid could get shot on the way to school; and all my money is going to people who misbehave. Now, that's what a lot of people think.

And they're the very people I've been up here killing myself for two years trying to help and the people they've been trying to help. Can we get them back? You bet we can. But they have to know we heard the lesson in the election. They have to know we got the message. But we cannot tell them we will always agree. We cannot tell them we will always agree. And we cannot tell them, even if the cost is very great. Sometimes people make decisions when they are very, very angry. And sometimes those decisions are good. Sometimes they're not so good.

One of the first lessons I was ever given at my mama's knee was, count to 10, Bill, before you say something. I still don't do it all the time, and every time I don't, I'm sorry. (Laughter.) Every time I don't, I'm sorry.

There is no prescription for a perfect world in a difficult time of change where every election works out and everybody is happy. But we've got to let these folks know that we heard them, because they're the very people that I ran for president to help. Now, all my life, ever since I was a little boy, I have seen people like that mistreated, disadvantaged, and then I have seen them inflamed with anger and enraged and taken advantage of. So, I'm telling you, forget about us. We owe it to them to let them know we heard and we're fighting for them and we're going to deliver. (Applause.)

You know, I've got three things I want to say -- I think -- we've got reaffirm our convictions with clarity. We've got to say what we did and be proud of it. And we've got to engage the Republicans in a spirit of genuine partnership and say, you have some new ideas; we do, too; let's have a contest of ideas. But stop all this demonization and get on with the business of helping America to build this country. (Applause.)

Sometime in the next two or three days, if you want to know how to state our principles with clarity, go back and read the New Orleans Declaration, five years ago. It's just as good as it gets. We believe the promise of America is equal opportunity, not equal outcome. The Democratic Party's fundamental mission is to expand opportunity, not government. America must remain energetically engaged in the world, not retreat from it. The United States must maintain a strong and capable defense. The right way to rebuild America's economic security is to invest in our people and to expand trade, not to restrict it.

We believe in preventing crime and punishing criminals, not explaining away their behavior. The purpose of social welfare is to bring the poor into the economic mainstream, not to maintain them in dependence. Government should respect individual liberty and stay out of our private lives and personal decisions. We believe in the

moral and cultural values most Americans share -- individual responsibility, tolerance, work, faith and family.

We believe American citizenship entails responsibilities as well as rights. And we mean to ask our citizens to give something back to their communities and their country. I believe that, and if you do, we've got a great future. (Applause.)

Now, this is what I want to say to you: You have to decide what your mission is in this new world, because the truth is, we are already making a difference in the new Democratic Party. In the last two years, despite the atmosphere of contentiousness and all the difficulty, more of the DLC agenda was enacted into law and will make a difference in the lives of the American people than almost any political movement in any similar time period in the history of the United States. And you ought to be proud of that.

You should not ask for a medal, and we shouldn't ask for a medal because wages are still stagnant and the future is still too uncertain for too many millions of Americans, because the country is still coming apart at the seams in many places because of family breakdown and crime, and because government is still too much of a burden on a lot of people.

But you sure ought to be proud of the start that has been made. And if you don't tell it, nobody else will. So stand up and say, here is what we have done. We're going to build on it. We're going to go forward. We heard the message in the election, but let's don't tear down what has been done that's good for the people who control the future of this country. (Applause.)

You go back and read. Go back and read what the DLC specifically advocated. Principles are fine, but sooner or later, you've got to do something, too. It really does matter, you know. One of the great political thinkers who is here in this audience tonight, whom I will not embarrass, said to me, you know, one of the problems, Mr. President, is you've been trying to do something. And he told me, he mentioned another political leader, and he said, you know, his popularity is very great in this country because he has talked a lot, but he hasn't tried to do anything, so he hasn't upset anybody very much.

We have tried to do things. You should be proud of that. It was not easy to bring the deficit down three years in a row for the first time since Truman. The DLC said we ought to do it, and we did it. It was not easy. (Applause.)

It was not easy to figure out how to do that and provide tax reduction -- the first step in the middle-class tax relief -- to 15 million working families with 40 million Americans in it, people who work hard, have children at the house, are on modest wages -- we don't want them to go into welfare, we want them to be out. We don't want to tax anyone into poverty. That's what the earned income tax credit was. That was a DLC idea. We did it. It provided more tax fairness than any time in 20 years. We should be proud of it. (Applause.) It changed people's lives. (Applause.)

They talked about less government. There are 70,000 fewer people working for the federal government today than there were on the day I was inaugurated. We are reducing the size of the federal government by more than a quarter of a million. (Applause.) If not one other thing is done because of what the members of Congress here present have already voted for, we will have the smallest federal government since John Kennedy was president at the end of this budget cycle.

That is what we have already done. The Republicans want to do more; come on, let's do it. Let's have a partnership. Let's

have a contest. Let's have at it. We're not through reducing government, but don't deny the fact that we have started it, we led the way. They didn't begin it. We did. Ask them to join us. Let's go forward. (Applause.)

And a dramatic thing happened that Mr. McCurdy mentioned a minute ago. The Democratic Party moved away markedly from protectionism -- into GATT, into NAFTA, into reaching out to the Asian countries, into this Summit of the Americas with all the countries in our region that our democracies. We did that. It was a fundamental break with the past, and it is opening up new vistas of opportunity.

And we did it for one, simple reason. All the pressures we have to keep wages and down and to displace low-wage workers from trade are there no matter what we do. But because we demanded access to markets and a fairer deal for American workers and for American companies, we're going to create new high-wage jobs for America. That was the DLC position. We have done it -- more trade advancement than at any time in a generation. You ought to be proud of it, and you ought to stand up there and defend it and talk about it. (Applause.)

And what are the results? Over 5 million new jobs -- more construction jobs this year than in the last nine years combined, 11 months of manufacturing job growth rate for the first time in a decade. Those are the results.

And finally, we're beginning to see some high-wage job growth, more high-wage jobs this year than the previous five years combined. What is the challenge? How to get incomes up and how to help people when they change jobs not be riven with insecurity. That is the challenge.

So, how are we going to do that? The first thing we've got to do is to provide a system of lifetime education and training. You want to reverse income inequality in this country? There is an education premium, and we had better give it to every American who's willing to take it. That is the only way to do it. (Applause.)

Look at the education agenda -- the best year for education in 30 years -- expanded Head Start; national standards with grass roots reforms, like charter schools and character education programs advocated by the DLC; apprenticeship programs for young people who don't go to college. I had 13 CEOs of the biggest companies in this country today into the White House to talk to me about how we could get all the companies in the country to participate in our School to Work program; how we can get 2 million more young people getting out of high school, not going on to college getting decent jobs.

And the middle-class college loan program that we had to face down enormous vested interests to pass, making millions of young people eligible for lower-interest college loans and able to pay it back as a percentage of their income so that nobody need walk away from college. That was all DLC advocacy. We did it. The American people should know it, and you should be proud of it. (Applause.)

The Family Leave Law, immunizing all the kids in this country under two, tougher child support enforcement. The welfare reform bill has been in the Congress since last March. These things are good for America. This administration has also tried to give power back to the states -- something the DLC has always been for. Twenty states, 20, have already received permission to cut through federal rules and regulations to have their own welfare reform proposal; nine states, health care reform proposal. These are things that you have advocated that we've already done.

The Republicans say they want to give more power back to the states, more power back to the cities. Tell them to come on. Let's contest their ideas. Let's do it. Let's do it together. But don't you walk away from the fact that we started it, and we intend to finish it, and we want them to go with us. (Applause.)

And we still have to implement that Crime Bill, folks. A hundred thousand police means that cities will get an average in small towns and rural areas of 20 percent more police. We know if they're deployed properly that it will lower the crime rate. Community policing -- a DLC idea -- we've been advocating it for years. And we believe in the prevention programs. Read our record. They don't. We're right. The police are on our side. Let's fight to save those prevention programs. Let's get those police in place. Let's have the tougher punishment. If they have more ideas on crime, let's have at it. But let's not stop implementing the Crime Bill until we lower the crime rate and make streets safe for American families and their children again. (Applause.) And don't forget that we passed it.

You know, finally, let me say that I want to you to see national service as the embodiment of what we want to do. It has been attacked by some who are coming into this new Congress. It is not a government program. It's a corporation with Republicans and Democrats on the board. It is not a bureaucracy. It's totally grass-roots oriented. It is designed to promote the concept of service in America and to reward it with educational credits. There are already more people in national service solving the problems of Americas at the grass-roots level than there were in the Peace Corps in its largest year. There are 20,000 this year. Year after next, if by cutting and investing we can get the money, we will have 100,000. So let us say, that's where we are. That's where the new Democratic party is. That's where the DLC is. Let's ask the Republicans to support national service, not to tear it up; to go forward to build this country and make it what it ought to be. (Applause.)

The best thing you can do is what you have done -- put out ten new ideas as a counterpoint to the Republican contract. That is the best thing you can do. Let's stand on that. Let's fight for those ideas.

Next week and the week after, I'll be announcing some more of my new ideas. Let's do this with vision. Let's do it with conviction. Let's make the effort it takes. Let's put country over party and challenge the Republicans to do the same. Let's say we do not want to roll back the gains that the DLC fought so hard for. They're not liberal or conservative. They brought our party together. They'll bring our country together. And the more the American people know about it, the better they will like it. The answer is not to reverse what we have done, but to build on it. The answer is to reach out to the middle class and say, we know why you're angry, we know why you're frustrated, we got the message in the election; we're not going back on our principles, but we're coming right at you because we were hired to help you build a better future for ourselves. That is our only purpose.

If we do these things, their prediction of our demise will be entirely premature. (Applause.) But I ask you now, once again, to think about what your responsibility is. We always talk about what other people's responsibilities are. What's your responsibility? It's to join me in the arena -- not in the peanut gallery -- in the arena; and fight, and roll up your sleeves, and be willing to make a mistake now and then, and be willing to put your shoulder to the wheel. Be willing to engage. Be willing to struggle. Be willing to debate. And enjoy this.

The American people are going through a great period of change. But let me tell you something, folks, this is a very great country. We can stand this conflict. This can be good for us. It can be good for our party, but, more importantly, it can be good for the American people. Never forget that it is not accident that it was the United States that was asked to be involved in putting an end to all this conflict that's gone on in Northern Ireland; the United States that was asked to stand up to aggression in the Gulf; or work on peace in the Middle East; or restore democracy to Haiti.

We are committed to the rest of the world, but we should see ourselves sometimes a little more the way they see us. This is a very great country. The responsibility we have is not to win elections, it is to fight for the people about whom elections are fought. (Applause.) If we fight for them and their children, then the elections will take care of themselves. And if they don't, we'll still be doing what's right. That's my commitment, and it ought to be yours.

Thank you and God bless you. (Applause.)

END

9:14 P.M. EST