Econ Conf

NOTE: This Executive order was released by the Office of the Press Secretary on October 20, and it will be published in the *Federal Register* on October 24.

Remarks at the Opening Session of the Midwest Economic Conference in Columbus, Ohio

October 20, 1995

Thank you very much, Mr. Vice President, Mr. Mayor. President Gee, you were kind enough to point out that when Ohio State was playing Notre Dame, I was meeting with His Holiness the Pope. I hope that at election time the people of Ohio will remember that I single-handedly prevented papal intervention in that game. [*Laughter*] And when they say, what did Bill Clinton ever do for Ohio, you'll have an answer. [*Laughter*] These are—lightning is about to come through that window right now. [*Laughter*] Forgive me, God.

These are very good days for Ohio, not only because the Buckeyes are winning on the football field and Cleveland has become the comeback team of the ages, winning 100 games in a shortened season, and is now in the World Series but because the economy of Ohio has come back. You can drive through this city, you see its vibrancy, its aliveness, its beauty, and the strength that the university and the other parts of the community here give to what is going on. It's very exuberant. And you see this throughout the Middle West.

I want to make a few comments today, if I might, about how what we're doing here relates to what is going on back in Washington. But let me, first, just follow up on some things the Vice President said.

Economic policy is very important to this administration. And when I became President, I determined to do everything I could to put economic policy beyond partisan politics, to forge a partnership between our Government and the private sector, to try to support cooperative efforts between business and labor, and to try to share ideas and work together with people at the State and local level, in other words, to try to move America together toward realizing its maximum economic potential in creating jobs, in raising incomes, in fulfilling the dreams of the American people.

And I believe that the results of the last 2½ years point to the proposition that every administration from here on out in the foreseeable future should seek to put economic policy beyond partisan politics and the traditional wrangling that goes on in Washington, because that is a very important part of our national security and what it means to be an American.

Everyone knows now that we're in a period of profound change, moving from the cold war to the global village, from the industrial era to the information and technology era, when even in a State like Ohio, you know, even our industries are becoming more information- and technology-driven. The Midwest is emerging from years of economic trouble with a hopeful future built around a very, very diversified economy.

At the turn of the century, half of the people in this country worked or lived on farms. At the midpoint of the century, 4 out of 10 Americans worked in factories. By the end of the century, just 5 years from now, half of all Americans will be knowledge workers. We have to find ways to harness this change to make the American dream available to all of our people, to keep our country the strongest nation in the world, and to help people strengthen their families and their communities. That is the great challenge now: How are we going to harness the change so it benefits everyone?

We are engaged in a great debate now over balancing the Federal budget. The real issue is not whether to balance the Federal budget. We now have broad agreement on that after several years of exploding the deficit. The real question is how we should do it. I believe we should try to do it as much as possible based on common sense and the way it would be done if the decision were being made in a town meeting in Ohio instead of through the glare of national publicity and partisan filters in Washington, DC.

We ought to do it in a way that guarantees maximum opportunity for every American, that preserves and strengthens our families, that recognizes that if you live in a country that is a community, it means you have obligations to other people and not just yourself.

We ought to recognize what those obligations are, to our parents and to our children, to those who through no fault of their own need our help. We ought to be building our great middle class and shrinking the under class, not the other way around. And I will say again: We must keep our Nation the strongest nation in the world.

So all the decisions that we make about this budget ought to mirror those goals. And everything we talk about today about the Midwest economy or what we found about the economy of the Pacific Northwest or the economy of the South when we had the other regional conferences, all the things we do should be consistent with helping Americans in every region fulfill their aspirations. That's what I think we ought to be doing.

You heard the Vice President say that the American economy is on the move. In the last 2½ years, we've not only seen 7½ million new jobs but a record number of new small businesses within that time period, 2½ million new homeowners, the smallest misery index—the combined rate of unemployment and inflation—in 25 years, a huge expansion in trade. We have seen our exports go from increasing 4 percent to 10 percent to 16 percent in the last 3 years. And the result of all that has been a very good movement for the American economy. It has been fueled in no small measure by the fact that the deficit has been reduced from $290 billion a year to $160 billion while increasing our investment in education, in technology, in research, and in partnerships to help promote the economic strength of the United States. So I feel very good about that.

I have to say that, in the aftermath of the great march in Washington earlier this week, there is also kind of a renewal of common sense and shared values in dealing with social problems in the United States. We have—a lot of people don't know this, but generally throughout the country, the crime rate is down, the welfare rolls are down, the food stamp rolls are down, the poverty rate is down, the teen pregnancy rate is down. Now, these problems are still very profound in our country, but the American people are reasserting responsibility for themselves, their families, their communities. They're moving this country in the right direction.

And I believe that the work we have tried to do with the crime bill—and I want to thank your mayor and all the mayors for working with us on that in such a bipartisan fashion—to put more police officers on the street, to have more prevention programs, to deal with the problems of our young people and try to keep them from flowering into lives of crime; the work we've done on helping States reform welfare and health care on a State-by-State basis; the work we did to try to help families that are working for modest incomes by lowering their taxes and passing the family leave law—I think these things have supported this great movement by the American people to try to bring our country back together and move our country forward.

And that is the sort of thing that we ought to be trying to accelerate in this budget debate. And we certainly shouldn't be doing anything to get in the way of what you're doing out here and what the American people are trying to do in their own lives and their own communities. That is the kind of balanced budget I want.

I have proposed a balanced budget that balances the budget in 9 years, secures the Medicare Trust Fund, continues to invest more in education and research and technology because I think that's important to our future, and cuts out hundreds of other programs without unduly crippling either the Medicare or the Medicaid program and hurting the people who depend on them and without the kind of tax increases on working people that are in the congressional majority plan.

Yesterday I know you all saw that the House of Representatives voted for the Medicare plan that reduces projected expenditures and Medicare by $270 billion over the next 7 years. And I think that's too much because it will hurt working people too much, hurt the seniors too much and their children, who will have to pay more to help their parents and will have less to educate their children. I think that is a mistake. And you should know that the plan I proposed, which has less than half that many cuts, has exactly the same strengthening effect on the Medicare Trust Fund. So we're going to argue about that. But I think it's a mistake.

We have—this city and many others have huge, huge, interests and investments in the health care system of this country. University medical hospitals, children's hospitals, medical research facilities, urban hospitals dealing with large numbers of poor people, rural hospitals, all of those folks are going to be hurt quite significantly if we just jerk $450 billion out of the health care system over the next 7 years with no sense of exactly how these budget targets will be met.

And of course, a lot of our most fragile elderly people, under this plan, will be hurt the worst; a lot of older people living on $300 or $400 a month will pay among the largest increases because of the way the plan is structured. I believe that that is inconsistent with our values. And since it is not necessary to balance the budget, I think it's a mistake to do it.

I think it's a mistake to single out education and the environment for deep and devastating cuts. We shouldn't be reducing key programs and environmental protections. I have—as I said, we have already eliminated, under the Vice President's leadership in the reinventing Government plan, we've eliminated hundreds of Government programs—hundreds. We've cut hundreds more. We have reduced the size of Government. There are 163,000 fewer people working for your Government today than there were the day I became President. Next year the Federal Government will be the smallest it's been since John Kennedy was President—and listen to this—as a percentage of the civilian work force, the smallest it's been since 1933. There is no more big Government.

The issue is not maintaining some big bloated Government. We have reduced the size of this Government more rapidly than ever before. We've eliminated 16,000 pages of regulations. We've got some more to do on that, and I'm sure we'll hear from some of you about that today. And I'm more than happy to help with that. But we shouldn't undermine the fundamental ability of the United States to educate our young people, to invest in education and technology, to maintain these health care programs at an appropriate level, to protect our common environment. These are commonsense commitments that are important to achieving a good future. And I just believe it's a mistake.

I also think it is a terrible mistake to raise taxes on working families with incomes under $30,000. I mean, after all, these people are the ones that we want to reward; we want to say, "Don't go on welfare. Work." What we did was the reverse. We dramatically increased the family tax credit, the earned-income tax credit, so that I would be able to say to you by next year, any American with a child in the home working 40 hours a week will not be in poverty. There will never be an economic incentive to be on welfare instead of work because we will not tax people into poverty; we will use the tax system to lift them out of poverty. That is a good, commonsense national goal.

So I say to you, that is what I'm fighting for. I don't want a big partisan fight in Washington, but I am going to stand up for the values that I think would be embedded in this budget decision if it were being made in this room by the people who live in this community. That's my simple test. If the budget decisions were being made by people in this room who live in this community, who reflect a broad cross-section of the people who work here, the people who go to Ohio State as students, the people who teach here, the people who work in the hospitals, the people who work in city hall, the people who do all these things, I believe they would come up with a budget far more like mine than the one that is working its way through Congress. If the crowd was divided equally between Republicans and Democrats, if there were more Republicans than Democrats in the crowd, that's what I believe would happen. And so, I'm going to do my best to do that.

Now, there are some who say that if I stand up for these commonsense values, that they'll just shut the Government down and, for the first time in the history of the Republic, refuse to honor our national debt. Well, I just showed up there 2½ years ago, so I didn't have as much as some of them did to do with running up the debt in the first place. [*Laughter*] But it does seem to me that if we're going to be good neighbors and good citizens, we ought to pay our bills. And I can't imagine that the United States would not pay its debt.

Let me say, again, this just sounds like a rhetorical debate, but this could have practical consequences in the Midwest. If we don't pay our bills, our interest rates on our own debt will go up. If it goes up a tenth of a percent, it adds $40 billion to the deficit over 10 years. What does that mean? No balanced budget, even with this plan, just by letting—or even with their plan, it means no balanced budget if you let the debt limit expire.

I also want you to know that there are $400 billion worth of mortgages held by between 7 and 10 million American homeowners that are tied to Federal interest rates. So if we don't pay our debt on time, if we let this debt limit expire, you have friends and neighbors with home mortgages tied to the Federal interest rates whose monthly mortgage payment could go up. This is not a good idea, either.

We do not need to overly politicize this debate. We need to settle down and pass a budget that will bring our budget into balance, based on commonsense values. That is my commitment.

So I will say to you again, I cannot in good conscience sign a budget that cuts thousands of young, poor children out of getting in the Head Start program, or that makes it harder for young people to go to Ohio State because we raise the interest rates on their loan or charge them fees, or that makes it harder for single mothers out there really working hard to raise their kids because we're going to charge them a bigger fee for collecting the child support they're legally due, or that says to a senior citizen who is living on $300 a month, we're not going to help you with your copays and deductible anymore, even if you drop out of the Medicare system. I can't do that.

I signed on to protect the fundamental interests of the American people, and it has nothing to do with partisan politics. I'm just not going to do it; it's not right.

But there are other economic issues. We gave out the scientific medals—the Vice President and I did—gave out the annual medals for science and technology this week. Do you know that nine of the Nobel Prize winners this year—nine of the Nobel Prize winners in science and technology, of those nine, seven were Americans. Seven were Americans, seven. And all seven benefited in their work from research grants from the United States Government.

Now, this is a small part of our budget. I cannot in good conscience watch us cut 30 percent of our research and development and basic science budget when I know it is critical to our economic future and I know the Japanese just voted to double theirs. They just voted to double theirs. We shouldn't cut ours by 30 percent. That's not right. It defies common sense. It's not necessary.

Secretary Brown—is he on this panel? Secretary Brown got back from China at 11:30 last night. The Commerce Department is a central reason for why exports have increased 4 percent, 10 percent, and 16 percent in the last 3 years. Ohio needs that. That's a good thing for you. The Middle West needs that. Michigan, a State a long way from Mexico, is like the fourth or fifth biggest exporter to Mexico. We've got a lot of people from Michigan here today. It would be a mistake for us to shut down the operations of the Commerce Department and to undermine the work they're doing in technology, especially to help people who lost their defense contracts but are looking for ways to put all these technological benefits to work in the post-cold-war world. It is not necessary to balance the budget, and it would be wrong.

It would be a mistake to cut back on education and training when so many people are having to change jobs more rapidly. We are going to have to redefine security. The most important initiative we've got up there in the Congress today, arguably, is the one that Secretary Reich and I and Secretary Riley have pushed so hard to collapse a lot of these education and training programs and create a large pool so that anybody who loses a job or anybody on welfare can just get a voucher, instead of having to figure out how to get in the Government program, and take it to the nearest community college and immediately begin to get in a program that will give them a skill that will lead to a good job.

This is a practical thing. This has nothing to do with partisan politics. Half the community college board members in America are Republicans. This is not a partisan deal. This is the difference between the way Washington looks at the world and the way the world works on the ground where you live.

So I say to you, my fellow Americans, look what's happened in the Midwest. Look at the renaissance that's occurred here, the resurgence of manufacturing, the infusion of high technology, the strength of agriculture still in this region, something that's often overlooked—this is a huge agricultural region for our country—and the way this region is doing compared to the rest of the country and compared to the rest of the world.

All I want to do is to pass a balanced budget that will strengthen our economy, that will continue the good things that all of you are doing, and that doesn't get in the way of our fundamental values but permits them to continue to advance. That is my commitment. And I don't want to see, after all the progress of the last few years, I don't want to see us get in the way of what we have to do.

And let me just mention, there are three or four things I think we have to do. I think we have to accelerate our ability to innovate. I think we have to accelerate our ability to give people a lifetime of educational opportunity, starting with young children and going through adults who need retraining throughout their lives. I think if we're going to have a tax cut, it ought to be focused on childrearing and education, helping people to finance their education and training. That ought to be the emphasis; there can be other things in it, but we ought to help that. And we ought to pass this "GI bill for America's workers." I think we ought to do some more for small businesses and for the areas that have been left behind, either in inner cities or rural areas. We began that in the last 2 years, but we ought to do more.

In the last 2 years, we also helped to bail out a lot of the pension systems in the country that were in trouble; last December, we passed a bill that saved 8½ million pensioners their pensions. We now have a bill working through Congress that would make it much easier for small businesses to take out retirement plans for themselves and their employees. That would be a huge deal. Most of the new jobs are being created by small businesses now. It's much more difficult for small business to provide for health care and retirement and things like that than it is for bigger business or for Government. So I'm hoping that this is one bill we'll have strong bipartisan support on to help.

The last point I want to make is this: I went to the University of Texas earlier this week and gave a speech about race in America. The racial and ethnic diversity of this country is one of the two or three most important assets we have in the global economy. If we can prove we can have a democracy that is a multiracial, multiethnic democracy, where people work together, get along and are honest with each other, we are going to do very, very well in the 21st century. We are going to do very, very well.

That's the last point I want to make to you. We have got to—whether on this issue or any other, we have to learn as Americans to be honest with each other, both in what we say and in how well we listen. We've got to bridge these gaps. Most of the problems we have in this country today, most of the challenges we have are not ideological, they are practical. There is no reason in the wide world to let the country be split in two over most of the real challenges we face. They are practical problems, and they are human problems.

And since I believe most people are good people and most people share the same values, if we learn to speak more clearly and more honestly, if we learn to listen more openly and we learn to sort of leave our ideological blinders at the door, I believe that the next 50 years, even though the United States will not have the same percentage of wealth in the world we had in the last 50 years, in the next 50 years we can have a better life for Americans and in profound ways we can have a more positive influence on the world, because we can prove that all the things other people say they believe in and say they want, we actually are living and doing. That is my goal. And today I want us to focus on what we're doing here in the Middle West and what more we can do to help you to achieve those goals more quickly.

Thank you, and thank you for coming.

NOTE: The President spoke at approximately 10:10 a.m. in the Fawcett Center Dining Room at Ohio State University. In his remarks, he referred to Mayor Gregory Lashutka of Columbus and E. Gordon Gee, president, Ohio State University.

Remarks to the Community at Ohio State University in Columbus

October 20, 1995

Thank you, Holly. Thank you, Dr. Gee. Thank you, Richard. And thank you, Mr. Vice President. Ladies and gentlemen, when we came here in 1992, I knew that if I could be elected President that Al Gore would be the most influential and positive Vice President in American history, and he has been exactly that. And I am very proud of him.

I am delighted to be back at Ohio State, delighted to be here when you're on the verge of such an incredible successful football season, when Cleveland is on the verge of starting the World Series, and I know you're proud of that.

I have so many people in our administration from Ohio; the United States Treasurer, Mary Ellen Withrow; the Federal Railroad Administrator, Jolene Molitoris; most important, my personal photographer, Sharon Farmer, over here, was the vice president of the OSU student body when she was a student. I'm glad to be here with her.

I will be very brief. You've waited a long time, and it's cold, but I want to make a few points to you. I believe that my first responsibility is to guarantee you the best possible future. I want the 21st century to be a time when every American has the chance to live up to the fullest of his or her God-given abilities. I want America to be the strongest force for freedom and peace and decency and prosperity in the entire world. I want your life to be exciting and wonderful and hopeful. And in order to do that, we have to have a strong economy; we have to have a Government that works, that is smaller and less bureaucratic but still fulfills our basic values, giving people the chance to make to most of their own lives, strengthening families, building up communities, helping people, the elderly, the poor children, those who, through no fault of their own, need some help to get along in life. This is part of having a good society.

This country is in much better shape than it was 2½ years ago. We are coming back. We have 7½ million more jobs, millions of more small businesses, the so-called misery index, the combination of unemployment and inflation, is at its lowest point in 25 years. We are moving in the right direction. And we see the American people coming back together and reasserting a sense of responsibility for themselves and their families and their communities, responsibility in a personal way. The welfare rolls are down; the food stamp rolls are down; the poverty rate is down; the crime rate is down; the teen pregnancy rate is down. And community service through things like AmeriCorps, the national service program, is up. This country is moving in the right direction.

We are facing a challenge today in Washington that is a very important one. We do need to balance the budget. When I became President, I was worried that the debt of this country was going to hang over your future like a dark cloud and make your future less than it ought to be. And in 3 years, we took the deficit from $290 billion a year down to $160 billion, the biggest drop in American history.

I want to balance the Federal budget. That is not the question. The question is, how shall we do it? What is the honorable way? What do we need to do? If you want the kind of future that I believe you do, we have to invest, as well as cut. We have to guarantee that we have enough to educate all of our people to the fullest of their abilities. We have to guarantee that we have enough to protect our environment. We have to guarantee that we have enough to protect the Medicare and Medicaid of our seniors and our poorest children and the disabled. We have to guarantee that.

And we have to guarantee that we can maintain America's leadership in the world. In just a few days, Ohio will become the center of the world's attention for quite another reason, when the heads of Bosnia and Croatia and Serbia come to Wright-Patterson Air Force Base to try to make peace in Bosnia.

And I have to tell you that—I have to say one sad thing today. A very distinguished

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to Todd Stern
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by Terry

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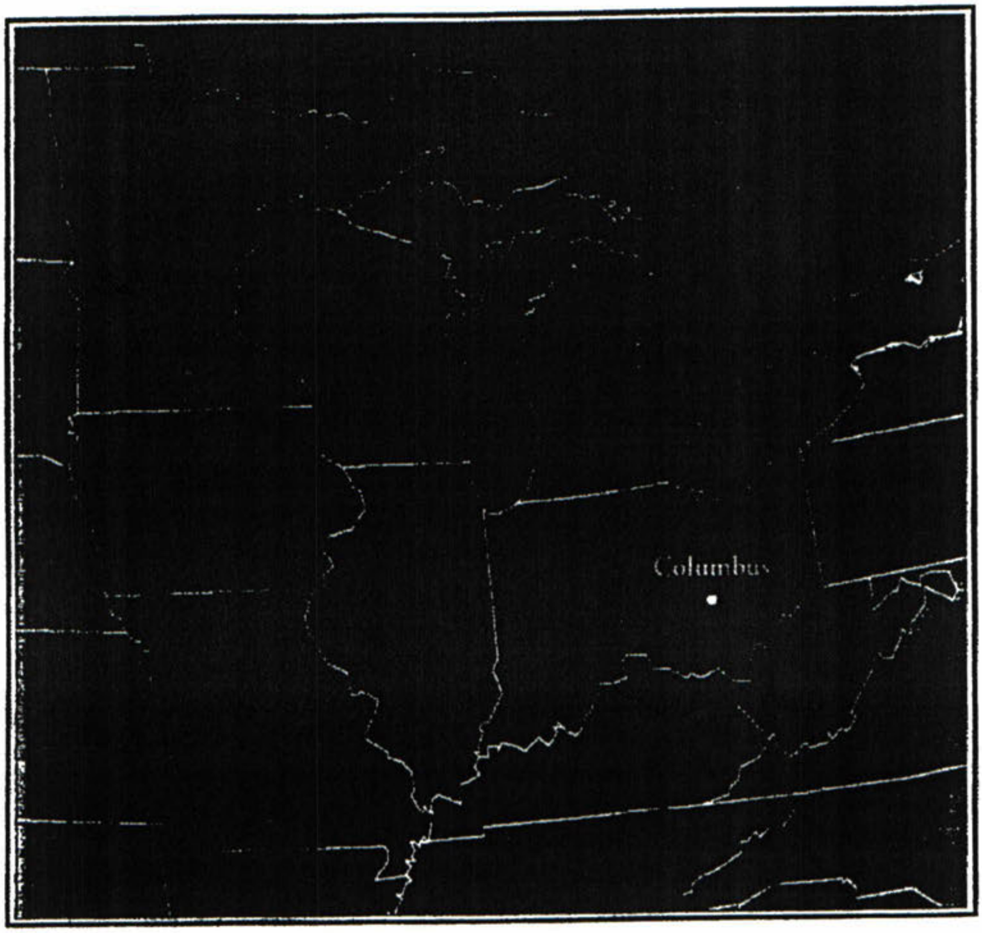
THE PRESIDENT HAS SEEN
10-20-95

Midwest Region Economic Conference



BRIEFING BOOK FOR THE PRESIDENT
AND THE VICE PRESIDENT

Enclosures filed in
Oversize Attachments # 5965

THE PRESIDENT HAS SEEN
10-20-95

MIDWEST REGION ECONOMIC CONFERENCE

BRIEFING BOOK FOR THE PRESIDENT

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For Your Closing - Note - the companies in the session said they want to work with us on educational technology

THE WHITE HOUSE

WASHINGTON

October 20, 1995

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: JACK GIBBONS

SUBJECT: Results of "Breakout" Meeting with Midwest High Technology Industry Leaders

This morning, I met with a group of high technology industry leaders from throughout the Midwest. These industry leaders, though coming from different states, different industry segments, and from both large and small businesses, were in unanimous agreement on the following:

- Technology is playing a crucial role in driving economic growth and job creation throughout the region.

- It is essential that the Federal government continue it's strong support of science and technology in two ways:

    1. by making strategic investments in technologies that have the potential to contribute to long term economic growth, but can't be supported by any single company (The Advanced Technology Program of the Department of Commerce was particularly singled out as "exactly the kind of strategic investments we need to be making"; and

    2. by continuing to support our world-class research universities, such as Ohio State, which supply us with both new knowledge and well-trained people.

In addition, all of these industry leaders agreed to join the CEOs in California and around the country who are responding to your call to provide America's schools with the educational technology needed to prepare all students to succeed in our increasingly information-based economy. They will be helping lead this effort in their states throughout the Midwest.

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THE PRESIDENT HAS SEEN
10/22/95

AGENDA

Midwest Region Economic Conference
Ohio State University
Columbus, OH -- October 20, 1995

THE PRESIDENT HAS SEEN

10/20/95

I. **SMALL GROUP BREAKOUT SESSIONS**

II. **OPENING REMARKS (30 min.)**

- Welcome: Dr. Gordon Gee, President, Ohio State University (3 min.)
- Opening Remarks & Introduction of the POTUS by the VPOTUS (5 min.)
- Opening Remarks: The President (22 min.)

III. **Panel One: THE REGIONAL RESURGENCE: OPPORTUNITY AND CHALLENGE (105 min.)**

- Regional Economic Overview: James Annable, Chief Economist First Chicago Corp. (10 min.)
- Faces of the Resurgent Economy
- Growth and Prosperity Through Innovation and New Practices
- Closing/Transition to Panel II

IV. **BREAK/LUNCH (30 min.)**

V. **Panel Two: EDUCATION AND ECONOMIC OPPORTUNITY (90 min.)**

- Higher Education/Direct Lending
- Educational Issues Facing Adults: Lifelong Learning and Parental Responsibility
- Educational Technology and Local Reform
- Vice President/President Wrap-Up and Close

THE PRESIDENT HAS SEEN
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MIDWEST REGION ECONOMIC CONFERENCE

SHORT ISSUE BRIEFS FOR PANEL DISCUSSION

Panel 1: The Regional Resurgence--Opportunity and Challenge

1. The Impact of the National Export Strategy on Mid-Western State Exports
2. Manufacturing and Technology in the Midwest
3. Disparities in Midwestern Worker Income and Outlook Based on Skills
4. Agriculture in the Midwest
5. Being Competitive in the Service Sector (Financial Services)
6. Being Competitive -- Telecommunications Policies and Grants
7. Community Lending and Redevelopment

PANEL 2: Education and Raising Incomes Through Economic Opportunity

8. Financial Support for Higher Education
9. Worker Training and Education by Businesses
10. The Role of Community Colleges in Lifelong Learning
11. Educational Technology
12. Family Commitment to Education
13. Safe and Drug-Free Schools
14. Federal/State/Local/Partnerships for Educational Improvement
15. Healthcare in the Midwest
16. Minimum Wage
17. Economic Progress in the Midwest States Under President Clinton and the Impact of Republican Budget Cuts on the Midwest States.

THE PRESIDENT HAS SEEN
10-30-95

PANEL #2

CAROL CONNELLY

SEC. BOB REICH

RICHARD NOTEBAERT

GORDON GEE

DORINE MORALES GODINEZ

GOV. GASTON CAPERTON

DIANNE LUNIEWICZ

SEC. DICK RILEY

CEA BAGGETT

DONALD THATCHER

POTUS

VPOTUS

THE WHITE HOUSE

Mr President:

At some point, refer to the breakout sessions — & how you look forward to hearing from your cabinet about them.

Thx. JE

THE PRESIDENT HAS SEEN

[illegible]

THE MIDWEST REGION ECONOMIC CONFERENCE

THE PRESIDENT HAS SEEN
10-30-95

Mr. President -

Key points from the Cabinet break-out sessions this morning

- Importance of training and connecting employers to training programs + schools
- Need to have workers skilled for the jobs - low skill + high
- Need for regutory balance

THE OHIO STATE UNIVERSITY

The Ohio State University
Columbus, Ohio • October 20, 1995

THE PRESIDENT HAS SEEN

Look how
many people are
here

WE SHOULD WRAP —
THERE ARE 10,000
PEOPLE OUTSIDE IN
THE RAIN.

P.S. – WE'RE RIGHT ON
TIME AS OF
NOW.

THE WHITE HOUSE

P. 4 + 5 of the script have specific points you may want to make here re-expanding economic opportunities for women.

THE PRESIDENT HAS SEEN

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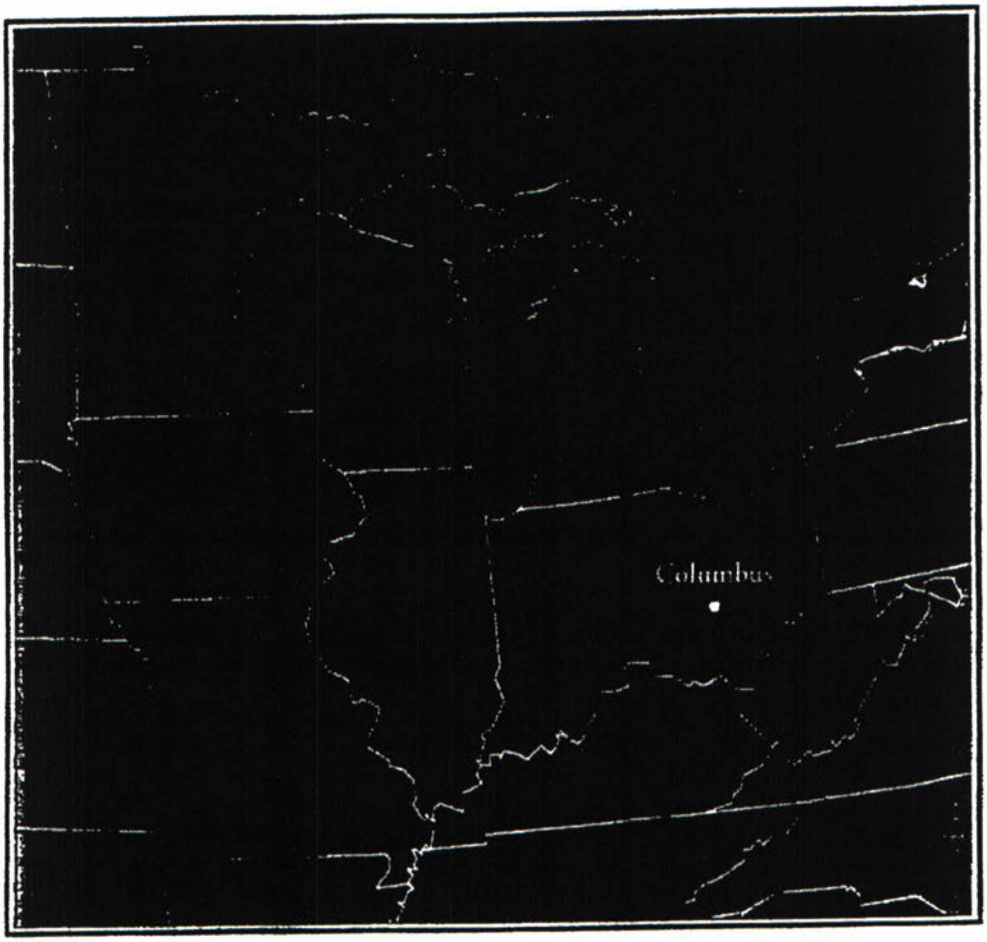
Midwest Region Economic Conference



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10-26-95

MIDWEST REGION ECONOMIC CONFERENCE

SHORT ISSUE BRIEFS FOR PANEL DISCUSSION

Panel 1: The Regional Resurgence--Opportunity and Challenge

1. The Impact of the National Export Strategy on Mid-Western State Exports
2. Manufacturing and Technology in the Midwest
3. Disparities in Midwestern Worker Income and Outlook Based on Skills
4. Agriculture in the Midwest
5. Being Competitive in the Service Sector (Financial Services)
6. Being Competitive -- Telecommunications Policies and Grants
7. Community Lending and Redevelopment

PANEL 2: Education and Raising Incomes Through Economic Opportunity

8. Financial Support for Higher Education
9. Worker Training and Education by Businesses
10. The Role of Community Colleges in Lifelong Learning
11. Educational Technology
12. Family Commitment to Education
13. Safe and Drug-Free Schools
14. Federal/State/Local/Partnerships for Educational Improvement
15. Healthcare in the Midwest
16. Minimum Wage
17. Economic Progress in the Midwest States Under President Clinton and the Impact of Republican Budget Cuts on the Midwest States.

THE PRESIDENT HAS SEEN
10-30-95

PANEL #2

CAROL CONNELLY

SEC. BOB REICH

RICHARD NOTEBAERT

GORDON GEE

DORINE MORALES GODINEZ

GOV. GASTON CAPERTON

DIANNE LUNIEWICZ

SEC. DICK RILEY

CEAL BAGGETT

DONALD THATCHER

POTUS

VPOTUS

THE WHITE HOUSE

Mr President:

At some point, refer to the breakout sessions — & how you look forward to hearing from your cabinet about them.

Thx. JE

THE PRESIDENT HAS SEEN

THE MIDWEST REGION ECONOMIC CONFERENCE

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10-30-95

Mr. President -

Key points from the Cabinet break-out sessions this morning

- Importance of training and connecting employers to training programs + schools
- Need to have workers skilled for the jobs - low skill + high
- Need for regulatory balance

OHIO STATE UNIVERSITY

THE OHIO STATE UNIVERSITY
COLUMBUS, OHIO • OCTOBER 20, 1995

THE PRESIDENT HAS SEEN

Look how
many people are
here

WE SHOULD WRAP —
THERE ARE 10,000
PEOPLE OUTSIDE IN
THE RAIN.

P.S. – WE'RE RIGHT ON
TIME AS OF
NOW.

THE WHITE HOUSE

P. 4 + 5 of the script
have specific points
you may want to
make here re-
expanding economic
opportunities for
women.

THE PRESIDENT HAS SEEN

Econ Conf

NOTE: This Executive order was released by the Office of the Press Secretary on October 20, and it will be published in the *Federal Register* on October 24.

Remarks at the Opening Session of the Midwest Economic Conference in Columbus, Ohio

October 20, 1995

Thank you very much, Mr. Vice President, Mr. Mayor. President Gee, you were kind enough to point out that when Ohio State was playing Notre Dame, I was meeting with His Holiness the Pope. I hope that at election time the people of Ohio will remember that I single-handedly prevented papal intervention in that game. [*Laughter*] And when they say, what did Bill Clinton ever do for Ohio, you'll have an answer. [*Laughter*] These are—lightning is about to come through that window right now. [*Laughter*] Forgive me, God.

These are very good days for Ohio, not only because the Buckeyes are winning on the football field and Cleveland has become the comeback team of the ages, winning 100 games in a shortened season, and is now in the World Series but because the economy of Ohio has come back. You can drive through this city, you see its vibrancy, its aliveness, its beauty, and the strength that the university and the other parts of the community here give to what is going on. It's very exuberant. And you see this throughout the Middle West.

I want to make a few comments today, if I might, about how what we're doing here relates to what is going on back in Washington. But let me, first, just follow up on some things the Vice President said.

Economic policy is very important to this administration. And when I became President, I determined to do everything I could to put economic policy beyond partisan politics, to forge a partnership between our Government and the private sector, to try to support cooperative efforts between business and labor, and to try to share ideas and work together with people at the State and local level, in other words, to try to move America together toward realizing its maximum economic potential in creating jobs, in raising incomes, in fulfilling the dreams of the American people.

And I believe that the results of the last 2½ years point to the proposition that every administration from here on out in the foreseeable future should seek to put economic policy beyond partisan politics and the traditional wrangling that goes on in Washington, because that is a very important part of our national security and what it means to be an American.

Everyone knows now that we're in a period of profound change, moving from the cold war to the global village, from the industrial era to the information and technology era, when even in a State like Ohio, you know, even our industries are becoming more information- and technology-driven. The Midwest is emerging from years of economic trouble with a hopeful future built around a very, very diversified economy.

At the turn of the century, half of the people in this country worked or lived on farms. At the midpoint of the century, 4 out of 10 Americans worked in factories. By the end of the century, just 5 years from now, half of all Americans will be knowledge workers. We have to find ways to harness this change to make the American dream available to all of our people, to keep our country the strongest nation in the world, and to help people strengthen their families and their communities. That is the great challenge now: How are we going to harness the change so it benefits everyone?

We are engaged in a great debate now over balancing the Federal budget. The real issue is not whether to balance the Federal budget. We now have broad agreement on that after several years of exploding the deficit. The real question is how we should do it. I believe we should try to do it as much as possible based on common sense and the way it would be done if the decision were being made in a town meeting in Ohio instead of through the glare of national publicity and partisan filters in Washington, DC.

We ought to do it in a way that guarantees maximum opportunity for every American, that preserves and strengthens our families, that recognizes that if you live in a country that is a community, it means you have obligations to other people and not just yourself.

We ought to recognize what those obligations are, to our parents and to our children, to those who through no fault of their own need our help. We ought to be building our great middle class and shrinking the under class, not the other way around. And I will say again: We must keep our Nation the strongest nation in the world.

So all the decisions that we make about this budget ought to mirror those goals. And everything we talk about today about the Midwest economy or what we found about the economy of the Pacific Northwest or the economy of the South when we had the other regional conferences, all the things we do should be consistent with helping Americans in every region fulfill their aspirations. That's what I think we ought to be doing.

You heard the Vice President say that the American economy is on the move. In the last 2½ years, we've not only seen 7½ million new jobs but a record number of new small businesses within that time period, 2½ million new homeowners, the smallest misery index—the combined rate of unemployment and inflation—in 25 years, a huge expansion in trade. We have seen our exports go from increasing 4 percent to 10 percent to 16 percent in the last 3 years. And the result of all that has been a very good movement for the American economy. It has been fueled in no small measure by the fact that the deficit has been reduced from $290 billion a year to $160 billion while increasing our investment in education, in technology, in research, and in partnerships to help promote the economic strength of the United States. So I feel very good about that.

I have to say that, in the aftermath of the great march in Washington earlier this week, there is also kind of a renewal of common sense and shared values in dealing with social problems in the United States. We have—a lot of people don't know this, but generally throughout the country, the crime rate is down, the welfare rolls are down, the food stamp rolls are down, the poverty rate is down, the teen pregnancy rate is down. Now, these problems are still very profound in our country, but the American people are reasserting responsibility for themselves, their families, their communities. They're moving this country in the right direction.

And I believe that the work we have tried to do with the crime bill—and I want to thank your mayor and all the mayors for working with us on that in such a bipartisan fashion—to put more police officers on the street, to have more prevention programs, to deal with the problems of our young people and try to keep them from flowering into lives of crime; the work we've done on helping States reform welfare and health care on a State-by-State basis; the work we did to try to help families that are working for modest incomes by lowering their taxes and passing the family leave law—I think these things have supported this great movement by the American people to try to bring our country back together and move our country forward.

And that is the sort of thing that we ought to be trying to accelerate in this budget debate. And we certainly shouldn't be doing anything to get in the way of what you're doing out here and what the American people are trying to do in their own lives and their own communities. That is the kind of balanced budget I want.

I have proposed a balanced budget that balances the budget in 9 years, secures the Medicare Trust Fund, continues to invest more in education and research and technology because I think that's important to our future, and cuts out hundreds of other programs without unduly crippling either the Medicare or the Medicaid program and hurting the people who depend on them and without the kind of tax increases on working people that are in the congressional majority plan.

Yesterday I know you all saw that the House of Representatives voted for the Medicare plan that reduces projected expenditures and Medicare by $270 billion over the next 7 years. And I think that's too much because it will hurt working people too much, hurt the seniors too much and their children, who will have to pay more to help their parents and will have less to educate their children. I think that is a mistake. And you should know that the plan I proposed, which has less than half that many cuts, has exactly the same strengthening effect on the Medicare Trust Fund. So we're going to argue about that. But I think it's a mistake.

We have—this city and many others have huge, huge, interests and investments in the health care system of this country. University medical hospitals, children's hospitals, medical research facilities, urban hospitals dealing with large numbers of poor people, rural hospitals, all of those folks are going to be hurt quite significantly if we just jerk $450 billion out of the health care system over the next 7 years with no sense of exactly how these budget targets will be met.

And of course, a lot of our most fragile elderly people, under this plan, will be hurt the worst; a lot of older people living on $300 or $400 a month will pay among the largest increases because of the way the plan is structured. I believe that that is inconsistent with our values. And since it is not necessary to balance the budget, I think it's a mistake to do it.

I think it's a mistake to single out education and the environment for deep and devastating cuts. We shouldn't be reducing key programs and environmental protections. I have—as I said, we have already eliminated, under the Vice President's leadership in the reinventing Government plan, we've eliminated hundreds of Government programs—hundreds. We've cut hundreds more. We have reduced the size of Government. There are 163,000 fewer people working for your Government today than there were the day I became President. Next year the Federal Government will be the smallest it's been since John Kennedy was President—and listen to this—as a percentage of the civilian work force, the smallest it's been since 1933. There is no more big Government.

The issue is not maintaining some big bloated Government. We have reduced the size of this Government more rapidly than ever before. We've eliminated 16,000 pages of regulations. We've got some more to do on that, and I'm sure we'll hear from some of you about that today. And I'm more than happy to help with that. But we shouldn't undermine the fundamental ability of the United States to educate our young people, to invest in education and technology, to maintain these health care programs at an appropriate level, to protect our common environment. These are commonsense commitments that are important to achieving a good future. And I just believe it's a mistake.

I also think it is a terrible mistake to raise taxes on working families with incomes under $30,000. I mean, after all, these people are the ones that we want to reward; we want to say, "Don't go on welfare. Work." What we did was the reverse. We dramatically increased the family tax credit, the earned-income tax credit, so that I would be able to say to you by next year, any American with a child in the home working 40 hours a week will not be in poverty. There will never be an economic incentive to be on welfare instead of work because we will not tax people into poverty; we will use the tax system to lift them out of poverty. That is a good, commonsense national goal.

So I say to you, that is what I'm fighting for. I don't want a big partisan fight in Washington, but I am going to stand up for the values that I think would be embedded in this budget decision if it were being made in this room by the people who live in this community. That's my simple test. If the budget decisions were being made by people in this room who live in this community, who reflect a broad cross-section of the people who work here, the people who go to Ohio State as students, the people who teach here, the people who work in the hospitals, the people who work in city hall, the people who do all these things, I believe they would come up with a budget far more like mine than the one that is working its way through Congress. If the crowd was divided equally between Republicans and Democrats, if there were more Republicans than Democrats in the crowd, that's what I believe would happen. And so, I'm going to do my best to do that.

Now, there are some who say that if I stand up for these commonsense values, that they'll just shut the Government down and, for the first time in the history of the Republic, refuse to honor our national debt. Well, I just showed up there 2½ years ago, so I didn't have as much as some of them did to do with running up the debt in the first place. [*Laughter*] But it does seem to me that if we're going to be good neighbors and good citizens, we ought to pay our bills. And I can't imagine that the United States would not pay its debt.

Let me say, again, this just sounds like a rhetorical debate, but this could have practical consequences in the Midwest. If we don't pay our bills, our interest rates on our own debt will go up. If it goes up a tenth of a percent, it adds $40 billion to the deficit over 10 years. What does that mean? No balanced budget, even with this plan, just by letting—or even with their plan, it means no balanced budget if you let the debt limit expire.

I also want you to know that there are $400 billion worth of mortgages held by between 7 and 10 million American homeowners that are tied to Federal interest rates. So if we don't pay our debt on time, if we let this debt limit expire, you have friends and neighbors with home mortgages tied to the Federal interest rates whose monthly mortgage payment could go up. This is not a good idea, either.

We do not need to overly politicize this debate. We need to settle down and pass a budget that will bring our budget into balance, based on commonsense values. That is my commitment.

So I will say to you again, I cannot in good conscience sign a budget that cuts thousands of young, poor children out of getting in the Head Start program, or that makes it harder for young people to go to Ohio State because we raise the interest rates on their loan or charge them fees, or that makes it harder for single mothers out there really working hard to raise their kids because we're going to charge them a bigger fee for collecting the child support they're legally due, or that says to a senior citizen who is living on $300 a month, we're not going to help you with your copays and deductible anymore, even if you drop out of the Medicare system. I can't do that.

I signed on to protect the fundamental interests of the American people, and it has nothing to do with partisan politics. I'm just not going to do it; it's not right.

But there are other economic issues. We gave out the scientific medals—the Vice President and I did—gave out the annual medals for science and technology this week. Do you know that nine of the Nobel Prize winners this year—nine of the Nobel Prize winners in science and technology, of those nine, seven were Americans. Seven were Americans, seven. And all seven benefited in their work from research grants from the United States Government.

Now, this is a small part of our budget. I cannot in good conscience watch us cut 30 percent of our research and development and basic science budget when I know it is critical to our economic future and I know the Japanese just voted to double theirs. They just voted to double theirs. We shouldn't cut ours by 30 percent. That's not right. It defies common sense. It's not necessary.

Secretary Brown—is he on this panel? Secretary Brown got back from China at 11:30 last night. The Commerce Department is a central reason for why exports have increased 4 percent, 10 percent, and 16 percent in the last 3 years. Ohio needs that. That's a good thing for you. The Middle West needs that. Michigan, a State a long way from Mexico, is like the fourth or fifth biggest exporter to Mexico. We've got a lot of people from Michigan here today. It would be a mistake for us to shut down the operations of the Commerce Department and to undermine the work they're doing in technology, especially to help people who lost their defense contracts but are looking for ways to put all these technological benefits to work in the post-cold-war world. It is not necessary to balance the budget, and it would be wrong.

It would be a mistake to cut back on education and training when so many people are having to change jobs more rapidly. We are going to have to redefine security. The most important initiative we've got up there in the Congress today, arguably, is the one that Secretary Reich and I and Secretary Riley have pushed so hard to collapse a lot of these education and training programs and create a large pool so that anybody who loses a job or anybody on welfare can just get a voucher, instead of having to figure out how to get in the Government program, and take it to the nearest community college and immediately begin to get in a program that will give them a skill that will lead to a good job.

This is a practical thing. This has nothing to do with partisan politics. Half the community college board members in America are Republicans. This is not a partisan deal. This is the difference between the way Washington looks at the world and the way the world works on the ground where you live.

So I say to you, my fellow Americans, look what's happened in the Midwest. Look at the renaissance that's occurred here, the resurgence of manufacturing, the infusion of high technology, the strength of agriculture still in this region, something that's often overlooked—this is a huge agricultural region for our country—and the way this region is doing compared to the rest of the country and compared to the rest of the world.

All I want to do is to pass a balanced budget that will strengthen our economy, that will continue the good things that all of you are doing, and that doesn't get in the way of our fundamental values but permits them to continue to advance. That is my commitment. And I don't want to see, after all the progress of the last few years, I don't want to see us get in the way of what we have to do.

And let me just mention, there are three or four things I think we have to do. I think we have to accelerate our ability to innovate. I think we have to accelerate our ability to give people a lifetime of educational opportunity, starting with young children and going through adults who need retraining throughout their lives. I think if we're going to have a tax cut, it ought to be focused on childrearing and education, helping people to finance their education and training. That ought to be the emphasis; there can be other things in it, but we ought to help that. And we ought to pass this "GI bill for America's workers." I think we ought to do some more for small businesses and for the areas that have been left behind, either in inner cities or rural areas. We began that in the last 2 years, but we ought to do more.

In the last 2 years, we also helped to bail out a lot of the pension systems in the country that were in trouble; last December, we passed a bill that saved 8½ million pensioners their pensions. We now have a bill working through Congress that would make it much easier for small businesses to take out retirement plans for themselves and their employees. That would be a huge deal. Most of the new jobs are being created by small businesses now. It's much more difficult for small business to provide for health care and retirement and things like that than it is for bigger business or for Government. So I'm hoping that this is one bill we'll have strong bipartisan support on to help.

The last point I want to make is this: I went to the University of Texas earlier this week and gave a speech about race in America. The racial and ethnic diversity of this country is one of the two or three most important assets we have in the global economy. If we can prove we can have a democracy that is a multiracial, multiethnic democracy, where people work together, get along and are honest with each other, we are going to do very, very well in the 21st century. We are going to do very, very well.

That's the last point I want to make to you. We have got to—whether on this issue or any other, we have to learn as Americans to be honest with each other, both in what we say and in how well we listen. We've got to bridge these gaps. Most of the problems we have in this country today, most of the challenges we have are not ideological, they are practical. There is no reason in the wide world to let the country be split in two over most of the real challenges we face. They are practical problems, and they are human problems.

And since I believe most people are good people and most people share the same values, if we learn to speak more clearly and more honestly, if we learn to listen more openly and we learn to sort of leave our ideological blinders at the door, I believe that the next 50 years, even though the United States will not have the same percentage of wealth in the world we had in the last 50 years, in the next 50 years we can have a better life for Americans and in profound ways we can have a more positive influence on the world, because we can prove that all the things other people say they believe in and say they want, we actually are living and doing. That is my goal. And today I want us to focus on what we're doing here in the Middle West and what more we can do to help you to achieve those goals more quickly.

Thank you, and thank you for coming.

NOTE: The President spoke at approximately 10:10 a.m. in the Fawcett Center Dining Room at Ohio State University. In his remarks, he referred to Mayor Gregory Lashutka of Columbus and E. Gordon Gee, president, Ohio State University.

Remarks to the Community at Ohio State University in Columbus

October 20, 1995

Thank you, Holly. Thank you, Dr. Gee. Thank you, Richard. And thank you, Mr. Vice President. Ladies and gentlemen, when we came here in 1992, I knew that if I could be elected President that Al Gore would be the most influential and positive Vice President in American history, and he has been exactly that. And I am very proud of him.

I am delighted to be back at Ohio State, delighted to be here when you're on the verge of such an incredible successful football season, when Cleveland is on the verge of starting the World Series, and I know you're proud of that.

I have so many people in our administration from Ohio; the United States Treasurer, Mary Ellen Withrow; the Federal Railroad Administrator, Jolene Molitoris; most important, my personal photographer, Sharon Farmer, over here, was the vice president of the OSU student body when she was a student. I'm glad to be here with her.

I will be very brief. You've waited a long time, and it's cold, but I want to make a few points to you. I believe that my first responsibility is to guarantee you the best possible future. I want the 21st century to be a time when every American has the chance to live up to the fullest of his or her God-given abilities. I want America to be the strongest force for freedom and peace and decency and prosperity in the entire world. I want your life to be exciting and wonderful and hopeful. And in order to do that, we have to have a strong economy; we have to have a Government that works, that is smaller and less bureaucratic but still fulfills our basic values, giving people the chance to make to most of their own lives, strengthening families, building up communities, helping people, the elderly, the poor children, those who, through no fault of their own, need some help to get along in life. This is part of having a good society.

This country is in much better shape than it was 2½ years ago. We are coming back. We have 7½ million more jobs, millions of more small businesses, the so-called misery index, the combination of unemployment and inflation, is at its lowest point in 25 years. We are moving in the right direction. And we see the American people coming back together and reasserting a sense of responsibility for themselves and their families and their communities, responsibility in a personal way. The welfare rolls are down; the food stamp rolls are down; the poverty rate is down; the crime rate is down; the teen pregnancy rate is down. And community service through things like AmeriCorps, the national service program, is up. This country is moving in the right direction.

We are facing a challenge today in Washington that is a very important one. We do need to balance the budget. When I became President, I was worried that the debt of this country was going to hang over your future like a dark cloud and make your future less than it ought to be. And in 3 years, we took the deficit from $290 billion a year down to $160 billion, the biggest drop in American history.

I want to balance the Federal budget. That is not the question. The question is, how shall we do it? What is the honorable way? What do we need to do? If you want the kind of future that I believe you do, we have to invest, as well as cut. We have to guarantee that we have enough to educate all of our people to the fullest of their abilities. We have to guarantee that we have enough to protect our environment. We have to guarantee that we have enough to protect the Medicare and Medicaid of our seniors and our poorest children and the disabled. We have to guarantee that.

And we have to guarantee that we can maintain America's leadership in the world. In just a few days, Ohio will become the center of the world's attention for quite another reason, when the heads of Bosnia and Croatia and Serbia come to Wright-Patterson Air Force Base to try to make peace in Bosnia.

And I have to tell you that—I have to say one sad thing today. A very distinguished