that. And I'm not telling you this to get anybody down. There's no more optimistic person in this tent tonight than me. But I want you to listen to this—1964, at the high watermark of the last longest economic expansion in history, I graduated from high school. Lyndon Johnson was President, uniting the country after President Kennedy's tragic assassination. We had low unemployment, low inflation, high growth, and everybody thought it was just going to go on and on and on.

We had a civil rights challenge, but everyone thought it was going to be handled in the Congress and the courts, not in the streets, because we had a President and a Congress who believed in them. No one believed that what was then a sort of simmering conflict in Vietnam would rip the heart out of America. And so we just rolled along. We thought it would go on.

Then, what happened? Four years later, in 1968, I graduated from college—2 days after Robert Kennedy was killed; 2 months after Martin Luther King was killed; 9 weeks after Lyndon Johnson said he couldn't run for President; a few weeks before Richard Nixon was elected President, claiming that he represented the Silent Majority, which means that those of us who were on the other side were outcasts. We were in the loud minority. And it was the first of many elections where we attempted to divide America between "us" and "them." And those that weren't "us" were by definition "them." They weren't our crowd, and they didn't have a place at our table. And just a few weeks after that, in early 1969, the last longest economic expansion in American history came to an end.

Now, what I want to say to you as a citizen was that I have waited for 35 years, since I was a little boy, starting out in life, to see my country have a chance to build a future of our dreams for our children. We are free of internal crisis. The threats we have in the world, while serious, are not paralyzing. You have created a whole new economy that hasn't repealed the laws of supply and demand but has made them infinitely more elastic with infinitely more possibilities.

This is the kind of chance that comes along once in a lifetime. Don't let this election be about little things, and don't let this election be about divisive things. This is a time for building tomorrows. It comes along once in a great, long while. You have helped to make it so. And you can make sure that we make the most of this election.

These people should be elected because they represent the future, and they represent unity, and they believe we can go forward together. It is a precious gift. We have fought for it and worked for it and stood for it in strong winds. But now, it must be ratified in this election.

If somebody asked you tomorrow why you came here tonight, tell them that. Tell them we've got the chance of a lifetime to build a future of our dreams for our children, and you believe that these Democrats can give it to you.

Thank you, and God bless you.

NOTE: The President spoke at 10:10 p.m. at a private residence. In his remarks, he referred to reception hosts Jim and Bridget Jorgensen; State Assemblyman Mike Honda, candidate for California's 15th Congressional District; State Senator Adam Schiff, candidate for California's 27th Congressional District; attorney John Doerr; Eric Schmidt, chairman of the board and chief executive officer, Novell, Inc.; Gov. Gray Davis of California; and Charlton Heston, president, National Rifle Association.

Remarks at a Democratic Leadership Council Conference in San Jose, California

April 3, 2000

Thank you. Thank you very much. Thank you. You saw me do this with my eyes. The lights are so bright in here that we only know when you applaud at the right times that we're talking to a DLC audience. [*Laughter*] Let me say, first of all, how delighted I am to be at the Tech Museum of Innovation. And I want to thank all the people from the museum who have made us feel welcome here, a lot of them are sitting over here. But this is a very appropriate place for us to be meeting, and I think we ought to give them a big hand for welcoming us here.

I want to thank Mayor Ron Gonzales for welcoming us here and for reminding me of that historic meeting 10 years ago when Al From and I came out here. Some of you here

were there then, in addition to Ron. I see Larry Stone and Toni Casey out here. And Steve Wesley wasn't there then. He was there shortly after. There were many others there I'm delighted to see, because we started something profoundly important then.

I want to thank the Members of Congress who are here. In addition to Zoe Lofgren, Cal Dooley, and Anna Eshoo, and I think Representative Martin Frost may be here—someone said he was—from Texas. He was one of our early Members. I want to thank State Controller Kathleen Connell, who is here, and California Board of Education member Reed Hastings. I want to thank all the CEO's who have come today. I see my friend Dr. Irwin Jacobs, and Meg Whitman and Eric Benhamou. There are many others here. And I want to thank one of the people who was the architect of the economic policy that got so many kudos here, Laura Tyson. I think she's sitting in the second row there, although it's very bright.

I also want to thank the young people from City Year who are sitting in the back. When the San Jose contingent came in, I just happened to be coming into San Jose that night, and I welcomed them here. But they are the manifestation of our commitment to citizen service that grew out of one of our DLC projects. We really believed we could build an American community that was stronger and relished its diversity and still extolled its common values, if we could get more people involved in citizen service. And that's what AmeriCorps and City Year are all about, and I'm delighted that San Jose has such a strong representation. They're actually having their national conference out here in a few weeks, and I hope all of you will support them in every way you can.

Let me say, most of what needs to be said has been said. I do want to say a special word of appreciation, too, to Governor Davis. He has done so well on education; he has done so well on the economy; he has done so well on crime. But actually, Gray, I was even coming to California before you got elected and Chelsea came to Stanford. [*Laughter*] Actually, I think I've been here more than any President in history. I think, you know, something like 35 or 40 times.

But one of the things that I really appreciate is that when you say and when Zoe Lofgren says, we can govern from the center. I think it's very important that everyone understand that we define that as a dynamic, not a static, term; that we get people together and find a common approach that is oriented toward change, not the status quo. It would be difficult to look at a period of American history that has had more consistent, constructive change in the private, as well as in the public sector than we have seen in the last few years. So I think that that's something I want to emphasize.

And while I'm here, because I don't know when I'll have a chance to come back and say this, I want to thank Governor Davis for the work he's done in education to prove that if you have high standards and genuine accountability and you put your money where your mouth is, all our children can learn. I believe that.

I want to thank him and all of you, particularly in Silicon Valley, for your support of the charter school movement. When I became President, there was one charter school in America. There are now over 2,000, and I think we'll make our goal of 3,000 by the end of the year. And I hope we will continue to see it grow and flourish.

I want to thank you for being on the cutting edge of change on the issue of gun safety, as well, Governor. Last year California passed laws to ban junk guns, limit handgun sales to one a month, and to stiffen the assault weapons ban. Since then, we've seen similar State action all across America. Today, just today, Massachusetts is beginning to enforce tougher consumer product safety rules for guns, banning junk guns, requiring trigger locks, and the Maryland Legislature is considering legislation, as we speak, on child safety locks.

Next week I'm going to California to support a citizen ballot initiative—to Colorado, excuse me, in a State that, by registration, has become more and more Republican in the last 7 years. But they've got a citizens' ballot initiative out there in the aftermath of Columbine that would close the gun show loophole and require background checks on all gun sales. So I'm pleased about that.

We also announced a landmark agreement with Smith & Wesson, the large gun manufacturer, to change for the better the way guns are manufactured, marketed, and sold. And already 10 California cities and counties, including San Mateo County, your neighbor, have pledged, when they buy weapons for their police forces, to support manufacturers who have high standards for gun safety and dealer responsibility.

This is a huge deal, and it is appalling, the abuse that Smith & Wesson has taken from people who don't want to have sensible safety measures, for recognizing the fact, which is, an enormous percentage of crimes are committed with guns, are committed with guns that come from a very small percentage of dealers. And all they've said is, "We're going to try to manufacture safer guns, and we're going to try to use more responsible dealers." And for their trouble, they have been subject to enormous abuse. Smith & Wesson's almost up there with me in the abuse we're getting from that crowd. [*Laughter*]

But I just want to say—you know, somebody asked me the other day what I thought about all those mean things Charlton Heston said about me. And I said, I still like to watch his movies. [*Laughter*] And I still think he's a nice fellow. But I think the American people have decided that we can have our hunting and our sports shooting and still have sensible prevention. And this should not be the only area of our life where we don't prevent bad things from happening in the first place.

Once again, I hope the United States will be following the lead of California, and I hope that we can pass our sensible gun safety legislation before the anniversary of the Columbine tragedy on April the 20th. But I wanted to thank Governor Davis for that, as well.

And finally, let me say by way of introduction, I don't know if Al From will ever get the credit he deserves for the political revolution which has been wrought in America over the last decade. But whatever contribution I have made through the DLC—and I love being in the DLC. You know, I love ideas, and I'm sort of a—they used to make fun of me for being a policy wonk when I ran for President. But we believed ideas mattered.

He, however, was willing to devote his life to creating an organization that got people together who believed ideas mattered. He believed that the center should be vital, not stale. He thought the polarizing politics of Washington was nuts and destructive to America's future. And he gave people like Cal Dooley and Anna Eshoo, Zoe Lofgren, and Gray Davis and me a place from which we could work and proudly embrace our party and its heritage. And I just want to thank you, Al, for now over 16 years of service to your country, by preserving its oldest political party's heritage and ideas and ideals. Thank you very much.

Ten years ago, when Al From and I came out here, we figured that, if the Democratic Party had a future, it had to be hooked into the future and that you were making the future. It wasn't very complicated. We did not believe that America could be what it ought to be unless we had sustained economic growth. We didn't think that we could tolerate a situation where we had these huge deficits. But we also knew we had to be for things, not just against things, and we wanted to see the future being made. So we showed up out here, and we just started listening and talking to people and trying to figure out what implications for the way Government works we could find in the way the most successful companies here were working.

We also were trying to figure out whether there was some way we could actually get by the ideological debates that were paralyzing Washington, and what was then—it's amazing, but then, the Democrats were still identifying with the position that the Government was a solution to every problem, and the Republicans were identified with the position that the Government was the cause of every problem. I thought both were, frankly, somewhat arrogant, since we have a big, complicated country in which Government's interrelations with the other sectors and actors of our society are important.

So anyway, we worked on this. And then, in 1992, Al Gore and I went to the American people and asked them to give us a chance to create opportunity for all and responsibility from all and community of all Americans. We asked them to give us a chance to create a Government which was neither the

Satan nor the savior of America but a catalyst for new ideas to create the conditions and give people the tools to make the most of their own lives. And the American people gave us a chance. I think the results speak for themselves.

The core of it all in the beginning was trying to get our relationship to the new economy right and then try to bring more people into it. We, first of all, recognized that in a global economy, whether you were doing something new or traditional, there had to be an availability of capital at affordable interest rates. We had to do something about the deficits. And so we did it, with our crowd alone.

I told a group last night, I never will forget all those guys saying—in the Republican Party—when they were saying my economic plan would be a disaster for America, and they were not to be held responsible for any of the consequences.

To be fair to them, they did come back in '97, and we had a Balanced Budget Act that passed overwhelmingly, with both parties and both Houses. It was one of the high watermarks of the last 7 years because it proved that when we get off our high horse, we can work together to move forward to make America a better place. But we had to first get the deficit in order. And now we've got the first back-to-back surpluses in 42 years, and the consequences are obvious.

The second thing we had to do was to expand trade. All this has been said before, but America has got 22 percent of the world's income and 4 percent of the world's population. You don't have to be a rocket scientist to figure out somehow, some way, you have to sell something to somebody else. [*Laughter*] And I think it's, in a larger sense, the world is becoming a different place, and if you want America to have a positive impact for peace and freedom and security and prosperity, we have to be involved in the kind of networking of the world that you have made a living off of both in America and beyond our borders. It's very important.

The third thing we had to do was to make sure we were investing in the education and training of our people and our scientific and technological capacity, so that we could stay on the cutting edge of change and make sure we were preparing more people to participate in it. And in that connection, there have been some allusions—Zoe made some allusion to this, but we also worked very hard to kind of fix the Government's relationship to the emerging high-tech economy. We worked so hard in the administration on the Telecommunications Act of 1996 to make sure it was a pro-competition bill that would give people a chance to get into business, not squeeze them out; that would give new ideas and new approaches a chance to flourish, not be shriveled by people who were stepping on that. And I think the fight—it was a huge fight; it was very much a fight worth making. And I think if you look at all the new firms and all the new successes that have flown out of the '96 telecom act, and the developments in the global economy, I think it was worth doing.

We have worked hard to make the other adjustments, some of which I'll mention in a minute, including being more flexible about exports and other things. But we have tried very hard, because 30 percent of the growth of America in the last few years has come out of the high-tech sector, to get this right. And a lot of you have played a major role in that, and I thank you for that.

So, after 7 years, I think we can say that this approach works. And we've had the highest percentage of jobs created in the private sector of any modern economic recovery. We have the smallest Government in 40 years—since 1960. We have about 21 million new jobs, and as all of you know, the longest economic expansion in the history of the country. And the social fabric is getting better: The crime rate is down to a 25-year low; the welfare roll has been cut in half to a 30-year low; teen pregnancy is down; adoptions are up; test scores are up; college-going is up. The country is moving in the right direction.

And as I said in my State of the Union Address, I just want to say again today, I think the main issue in this year's election ought to be, now what? What are you going to do with this prosperity?

And I want to come back to the point we're here about today, but why are we doing all this? And it seems to me that the most important thing the American people have to decide is, do they want to use this moment to

have a good time, or would they like to have a good time by meeting the big, long-term challenges that are still manifestly out there?

You know, you know what I think. I think it's a time for dreaming big dreams and for bridging big divides and for dealing with big challenges. And I think that we have now the resources to do things as a nation we've never had before.

I think we ought to make America debt-free for the first time since 1835. I think we ought to prove that we can bring free enterprise and the information economy to the poorest nooks and crannies of America that have been left behind. I think we ought to make America the safest big nation on Earth. I think we ought to prove we can provide affordable, quality health care to all Americans. I think we ought to prove we can provide world-class education to our children, that every child can start school ready to learn, graduate ready to succeed, and go on to college, because the means are there.

I think we ought to prove that we can meet the challenge of the aging of America and take Social Security out beyond the life of the baby boomers, reform Medicare, add a prescription drug coverage, which we never would have left out if Medicare were created today instead of in 1965.

I think we ought to prove we can reverse the course of climate change while we grow the economy, that you, the information economy, broke the iron chain between economic growth and putting more greenhouse gases into the atmosphere. It is no longer necessary to do that. It is scientifically provable it is no longer necessary to do that. And we're crazy if we don't get about the business of preserving the global environment, as well as dealing with our local environmental challenges.

I think we ought to prove that we can lead the world toward greater shared peace and security and that we can build one America at home and be an example abroad for people to let go of their ethnic, their religious, their racial, their tribal, and other hatreds. That's what I think this election ought to be about, because that's what I think the future ought to be about.

You know, in my lifetime we've never had this kind of opportunity. But the point I want to make about all of this for today is that we will not be able to have an election about that or a future that's about that unless we can keep the economy growing. And you would be amazed how much time we have spent over the last several years figuring out, how do you keep this going? Because even though I think you have changed the nature of the economy, I don't believe that the silicon chip has repealed all the economic laws that govern nations. I'm not sure that you've repealed the laws of supply and demand or even totally abolished the business cycle, but I am quite sure you have made them more elastic, less predictable, and that there is more potential for sustained growth.

So we spend a lot of time thinking about, what is it that we have to do now to keep this thing going? And if I could, I'd say—the first thing I think we need to do is go back over the elements of the strategy. We cannot abandon our fiscal discipline. Now, this is an idea that will be tested in this election debate, because the Republicans now favor a tax cut bigger than the one I vetoed. And I believe that if it passes, they won't be able to keep their own promises on education, and furthermore, they will have to have massive cuts in all these things, and we'll go back to running deficits. But it will be very popular in the short run, and we're doing so well, a lot of people will want to believe we can do this. So it's a big issue the Americans will have to face. And I hate to sound like the sort of crotchety old schoolmarm, but we ought to stick with what brought us to the dance here.

And the increasing value of the Nasdaq is more important than the decreasing burden of taxes if the impact of the decreasing burden of taxes is to go back to deficits, high interest rates, an uneducated citizenry, and lower wealth creation. And we need to—this is an issue that the American people will just have to deal with.

The second thing we have to do, it seems to me, is to redouble our commitment to education, and training our own work force. And I will just say—Gray Davis has already said a great deal about this—but it seems to me the key is, we have to have a relentless focus on results.

We have learned—back in the early eighties, when I started this and Hillary and I redid the education laws in Arkansas, we had some pretty good ideas about what would work. But we weren't sure. And now there's really no excuse. There's lots and lots of research which shows what works in education. And we need a relentless focus on results, on standards, on accountability. I'm trying to get the Congress to completely change the way we give out Federal money, and only support things that we know work and stop supporting things we know don't work.

I think social promotion should be ended but not in a way that blames the kids for the failure of the system. Therefore, I think our proposal would have universal access for every kid in every troubled school in America to after-school and summer school programs, to mentoring programs, because I think it's important that we believe and prove that every child can learn. I think these things really matter.

I think that schools that are failing ought to be turned around or shut down. But I think we ought to help them be turned around, because we know, as a practical matter, they can be. You heard Gray Davis talk about this incentive program he's giving. When you give a lot—once he's given out a number of these bonuses, then people will go out and start studying the circumstances that these children were in when they started. And it's going to take your breath away when you see the adversity that a lot of these classrooms and schools have overcome. And it will reaffirm the notion that I think is broadly shared in this room, that intelligence is pretty well universally distributed and that there's a role to be played here in this.

I also want to say, we shouldn't forget the importance of technology. We have gone, now, from about, oh, 11 percent of our classrooms connected to the Internet—schools—to over 90 percent of our schools connected to the Internet today, well over half of our classrooms, thanks to a lot of you in this room and the program that we've been working on with the Vice President since '94. We shouldn't forget that.

But I just want to say to you—I believed this before I got here. I believe it, more importantly, today. I have spent an enormous amount of time in our schools over the last 21 years. These schools can be turned around, and all of our kids can learn. But you have to have high standards and genuine accountability and the right kind of support. That's what California represents. That's what I believe our national policy represents. And I hope you will continue to support them.

I also think that we're kidding ourselves if we think we can continue to move this economy forward unless we educate our people to a far higher degree, with much more flexibility. But also, as all of you know and as you have been banging on me for years, what do we do with the shortages that exist right now? Our high-tech industries do face temporary labor shortages, and they have repeatedly, at least during my experience. So we've tried to balance the short-term need to increase visas for high-skilled workers with the long-term goal of actually educating our people so that more of them from untraditional backgrounds can fill these high-wage positions.

Again, I want to thank Congresswoman Zoe Lofgren's leadership. It's been quite imaginative here. She helped our Nation to strike that balance in the past with legislation that dealt with the short-term crisis and set aside funds for education and training. And now, we've got a similar dilemma, and she and Anna Eshoo and Ellen Tauscher, representing this area, have all taken a real leadership role in trying to help us get a bipartisan solution to have more workers here, to improve the INS, to ensure that our children benefit from the technological innovation of the new economy.

I know you're all interested in this, and I wanted to talk about this, because we will get a solution here. We will work together. We will come up with sound legislation. We will find the high-tech workers you need so that we can keep growing this economy, and we will continue to prepare our children and our workers for the information age. So thank you, Zoe, and thank you, Anna, and thank you, ladies and gentlemen. Meanwhile, you need to keep helping Governor Davis on this education project.

Now, let me talk briefly about the China issue and trade. We've had over 270 trade agreements in the last 7 years. They have clearly boosted economic growth. Until the Asian financial crisis, 30 percent of our growth was attributed to the expansion of exports. But they have, as Zoe Lofgren said so eloquently in her remarks, the trade issue has become symbolic of people's general unease about globalization and their sense that the world is not about economics alone. It's about the fair distribution of gain. It's also about the preservation of other values, like our values opposing child labor or abusive labor conditions or our desire to see the standing of the entire global economy improve. And somehow, these trade agreements have become a lightening rod for everybody's dissatisfaction with everything, although the evidence is, the more we trade with countries and the more wealth they get, the more likely they are to elevate labor standards and improve the environment.

And I have really tried to be out there on the forefront of arguing for global efforts to integrate an approach to a global society that included labor and the environment along with economic agreements. Now, having said that, none of that is an argument for opposing China's entry into the WTO and, even more specifically, for opposing the Congress in granting permanent normal trade relations to China.

And I think that it's very important that everyone understand exactly what this is. I still talk to Members who are a little bit, I think, uncertain about exactly what this legislation does. We reached an agreement with China for the terms of their entry into the WTO. When China concludes similar agreements with other countries, it will join the WTO. But for us to benefit from the agreement that we negotiated, China must first be granted permanent normal trading status by Congress. It's the same arrangement we have with other countries in the WTO.

Now, there is a lot of controversy in Congress about this vote. And I've heard all the arguments. But I think that, I have to tell you first of all just on the trade terms, in the entire history of trade agreements, I don't believe there's ever been one this weighted in our favor, for one simple reason. This is not really a trade agreement; it's a membership agreement. It's very important that you understand. This is a membership agreement. This is China saying, "We don't have a modern, open economy. We'd like to be in this modern, open trading system. If you will let us in, here are the changes we are prepared to make." That's what this is about.

Therefore, this vote by Congress is on an agreement that lowers no American trade barriers, lowers no American tariffs, grants no greater access to China to any part of the American economy—nothing, zip, zilch, *nada,* zero. [*Laughter*] On the other hand, Chinese tariffs will fall by more than half over 5 years in every sector, from telecommunications to automobiles, to agriculture.

For the first time, American companies will be able to sell and distribute products in China without having to transfer technological know-how to Chinese firms or put manufacturing facilities overseas. For the first time, China will agree to play by the same trading rules that we follow.

Accordingly, the narrow, or broad, economic consequences are 100-0 in our favor. But I believe the moral and national security arguments also favor this decision. There is no denying, as some of the opponents of this agreement assert, that China is a one-party state, that it does not tolerate opposition, that it still denies its citizens fundamental rights of free speech and religious expression that we hold very dear. That is not the question.

The question is, what is the most intelligent thing we can do to increase the chances that China will become more open, more democratic, and a constructive member of the global community in the 21st century? I think the answer is to allow them in and to let liberty spread from within.

Under this agreement, China will slash the tariffs that protect its inefficient state-run industries, industries which the Communist Party has long used to exercise day to day control over people's lives. China's leaders feel this step is essential to maintaining their competitiveness. And they're not foolish people. They know it may unleash forces that the leaders, themselves, cannot control.

The late Chief Justice, Earl Warren, from California, a former Governor of California, said that liberty is the most contagious force

in the world. In the new century, liberty will spread, in part, by cell phone and cable modem. In the past year, the number of Internet addresses in China in one year has gone from 2 million to 9 million. This year the number is expected to grow to over 20 million. There are 1.2 billion people in China. When China joins the WTO, by 2005, it will eliminate tariffs on information technology products, making the tools of communication even cheaper, better, more widely available. American telecommunications firms and service providers are perfectly poised to fill this enormous market.

We know how much the Internet has changed America, and we're already an open society. Imagine how much it will change China. Of course, there's no question China has been trying to crack down on the Internet. Good luck. [*Laughter*] That's like that EDS ad. You remember that ad where these cowboys are trying to herd cats? [*Laughter*] That's the best ad I saw on television last year. [*Laughter*]

The very fact that the Chinese Government is trying to herd these cats shows you how real the changes are and how much they threaten the old order. They are proof that we should keep going in this direction, not that we should hold back.

Now, of course, I recognize that bringing China into the WTO is not a human rights policy in and of itself, and we have to continue to push China in every way we can to improve and observe human rights. We're pressing for a resolution at the U.N. to condemn human rights abuses in China that we object to. We urge other nations to join us.

But I think it is quite significant that the people with the greatest interest in seeing China change agree with our efforts to bring China into the world trading system. There's something almost patronizing in the opposition of some elements in the United States to China coming into the WTO, when the people they say they're trying to help believe they'll be helped if China does come into the WTO. The citizens of Taiwan, despite all their tensions with Beijing, by and large want to see China in the WTO. And so does Taiwan's newly elected leader. It's a very important point. So does Taiwan's newly elected leader.

Most evangelical Christians who have missions in China want China in the WTO. Most human rights organizations want China in the WTO. I think the more the American people learn about our agreement with China, the more they will support it. I think the more elected Representatives learn about it, the more they'll get behind it. Support is building based on the evidence.

And we have signs of that today. You heard the Governor mention the letter he's signing. Now we have over 40 of our Nation's Governors, Republicans and Democrats, in favor of granting China permanent normal trading status. And they say it will create tremendous opportunities for their companies and farmers and more high-wage American workers. In addition to Governor Davis, I want to thank Governor Locke of Washington and Governor Schafer of North Dakota for their efforts.

We've got more Members of Congress coming on board, and I thank Zoe Lofgren for the brave announcement she made today. And today I'm pleased to announce that the CEO's of over 200 high-tech firms from across our country have also signed a letter urging Members of Congress to support this legislation.

In their letter, the CEO's say, "This vote is an absolute priority for high-tech companies, and the most critical vote Congress will take on high technology this year." Now, here's the clincher I want to explain that I think a lot of people don't understand. If we don't vote for permanent normal trading status and China makes its agreement with Europe, they still get in the WTO. The only difference is Europe and Japan get the benefit of the deal that we negotiated.

Opposition to this—it reminds me of that old Cajun joke I learned when I was a boy. I shouldn't be telling this story, but I'm going to. [*Laughter*] But, I mean, really, this guy, Pierre, comes up to his friend Jean, and he says, "Jean, why do you have dynamite in your suit pocket? Usually you got those big expensive cigars." He said, "Yeah, but every time I do that, Raymond, he comes up to me, and he says, 'Hey, Jean,' and he hits me in the pocket. He destroys my cigars." He said, "Now you got dynamite? When you do it now you will kill yourself." He said, "I

know, but I blow his hand off." [*Laughter*] You think about it.

We made this deal, and now we say, "We take it back. We don't want it. We're going to give it to you." We made this incredible agreement. We've been working on all these problems with China for years. We can't get in the markets. We can't distribute our automobiles. We can't distribute our auto parts. We've got to have manufacturing and technology transfer. It's all gone, and now we say, "We don't want any of that. We're going to give it to the Europeans and the Japanese. Let's see if they can do a good job with the deal we negotiated."

It's very important that you understand this. The main consequence of this will be to hurt America economically and to dramatically strain our relations with China at a time when we need to maintain a positive ability to impact their conduct, to reduce strains along the Taiwan Straits, and to get the leaders in that country to imagine the greatness of their country in future terms, not yesterday's terms. This is a big deal.

It isn't like we can stop the modernization, but we can turn it into a very dark direction. Or we can run a much bigger risk. You all think about that story I told you. How many times have you done that in your life?

Now that I am in the last year of my Presidency and I'm not running for anything, I can tell you, perhaps with some greater credibility, that I think we in America generally tend to overestimate the influence we have by stiffing people, and we generally tend to underestimate the influence we have by reaching out a hand of cooperation, not in a naive way, not in a blind way, never abandoning our values. But just—what was this DLC all about in the beginning? We were sick of these partisan, rhetorical bombshells that dominated Washington politics. We thought there had to be a way to get underneath and beyond that, to join people together in constructive endeavors. And lo and behold, it worked. And it's not different in the rest of the world.

Now, all I can tell you is, I believe that if we do this, 20 years from now we will wonder why we ever had a serious debate about it. If we don't do it, 20 years from now we'll still be kicking ourselves for being so dumb. That's what I really believe. And there is no point in my being delicate about this; I think this is a big deal. And our country and my successors in office, and their ability to do the right thing by you and by our values, will turn in no small measure on how we vote on this. So I realize that in this crowd I'm preaching to the saved—[*laughter*]—but if you want America's economy to continue to grow and if you want your country to continue to be a force for peace and freedom and prosperity and to have an influence on people, to get them to give up their irrational attachment to the animosities of yesterday, we have to be willing to shoulder our burden for the future. This is part of it and, ironically, we will be one of the greatest beneficiaries by doing what is right for China and for the rest of the world.

Thank you very much.

NOTE: The President spoke at 11:25 a.m. at the Tech Museum of Innovation, to the conference entitled "New Democrats: Meeting the Challenges of the New Economy." In his remarks, he referred to Mayor Ron Gonzales of San Jose; Al From, president, Democratic Leadership Council; Santa Clara County Assessor Larry Stone; former Mayor Toni Casey of Los Altos, CA; Steve Wesley, vice president of marketing and business, and Meg Whitman, chief executive officer, eBay; Irwin M. Jacobs, chairman and chief executive officer, Qualcomm, Inc.; Eric Benhamou, chairman of the board and chief executive officer, 3Com Corp.; former National Economic Adviser Laura D'Andrea Tyson; Gov. Gray Davis of California; Charlton Heston, president, National Rifle Association; Gov. Gary Locke of Washington State; and Gov. Edward T. Schafer of North Dakota.

Remarks to the AFL–CIO Building and Construction Trades Department Conference

April 4, 2000

Thank you. Well, the first thing I would like to say is John Podesta told me that he emceed this retirement dinner for Bob Sunday night. And then Hillary came over here for breakfast, and I just kind of got lonesome. Nobody had me come over, so I just thought I would intrude myself on your meeting. And I'm glad to be here.