

values and cares about the future of your children.

I have to put in a plug, too, for Senator Boxer and for the Members of our House delegation that are up. You know, everybody is going around celebrating the new economy. But I just want to remind you that way back in 1993, 5 years ago this month, when all the chips were on the line and America finally had to decide whether we were going to unhook ourselves from this addictive deficit spending we had been doing, and I presented a plan to the Congress to reduce the deficit by hundreds of billions of dollars, there was not a single member of the other party that voted for it, and it passed by one vote in both Houses.

So I would say to the people of California, if you like where the California economy is today, remember, if Barbara Boxer had voted the other way, we wouldn't be here today. And she deserves to be reelected to the Senate this November.

So here's the last point I want to make. I thank you for being here. I thank you for contributing to Gray Davis. I thank you for your good citizenship. I thank you for the support of the initiatives of the administration, for the friendship you have given to the First Lady, to me, to the Vice President, to our families. And I will always be grateful to California. But the thing that I don't want to see happen is this: The most natural thing in the world when times are good, after they've been tough, is for people to relax when times are good. Isn't it? It's natural in your personal life, your family life, your business life. People say to me all the time, "Man, it was tough out here before the last 4 or 5 years; we worked hard to get California back." My advice to you is to go out and tell your friends and neighbors that this is a time too dynamic to rest in. You can enjoy it, but you can't take it for granted, and you can't kick back.

I think the only thing that could keep this good man from becoming Governor is a low voter turnout caused by people who think that things have been made all right, therefore there is nothing for them to do, and the consequences are not so great. Nothing could be further from the truth. When things are changing as fast as they are changing now,

good times are not to be relaxed in, they are to be seized, used, made the most of. We have the confidence, the resources to face the long-term challenges of the country, to think about the future. That's what you've got to go out and tell people.

So you give him the contributions; that makes it possible for his voice to be heard across a bigger microphone. But you have a voice every day. You come in contact with people every day. And you have to convey your sense of confidence and pride in the people you support and where we are now, but also a sense of urgency, that we have big challenges to face, that the world is changing, and that our best days are before us, but only if we remember our fundamental responsibilities as citizens to the future.

California has always been about the future. This is not a time to relax and that is—pursue it. We've worked too hard to get this far. We have to take advantage of it. And the best way to do it is to elect Gray Davis Governor.

Thank you very much, and God bless you.

NOTE: The President spoke at 1:05 p.m. in the Grand Ballroom at the Westin Saint Francis Hotel. In his remarks, he referred to Mayor Willie L. Brown, Jr., of San Francisco; State Assembly Speaker Cruz Bustamante, candidate for Lieutenant Governor; Phil Angelides, candidate for State treasurer; State Senator Bill Lockyer; Michela Alioto, candidate for California secretary of state; Delaine Eastin, State superintendent of public instruction; Kathleen Connell, State controller; and James C. Hormel, nominee for Ambassador to Luxembourg. A tape was not available for verification of the content of these remarks.

Remarks at a Reception for Lieutenant Governor Gray Davis in Los Angeles, California

August 11, 1998

First of all, I think we should tell Gray Davis that he's going to have to stop getting so many laughs and having so many good lines in his speeches. He's going to completely destroy his reputation. [*Laughter*]

I want to thank Bruce and Janet for having us in their magnificent home, and especially out here in this beautiful open-air area. I want to thank them for putting those trees

up so I can't look down on Riviera and be distracted while I speak tonight. [Laughter]

I'd like to say a special word of appreciation to Janet for being involved in the Los Angeles Conservation Corps. That corps and a remarkable project that began in Boston called City Year were the two inspirations for me for the proposal I made in the 1992 campaign to have a national community service program, AmeriCorps. And when it was created, it was one of the proudest moments of my life. We've now given about 100,000 young people a chance to work in communities in all kinds of work all across America, some of them with the L.A. Conservation Corps and, in so doing, to earn some money for college as well. And it's very, very important.

I think that the more we can get people when they're young to do community service and to do it with people who are different than them—different in terms of race, in income, in background—the more likely we are to succeed in building one America.

I also promised myself a long time ago that I'd never come to California again without saying a profound word of thanks to the people of this State for giving Hillary and me and Al and Tipper Gore and our administration a chance to serve, a chance to do the work we have done this last 5½ years. And no matter what you read, every day has been a joy for me, and I have loved it.

I have tried to be a good President for California, and I could mention 10 or 11 things. But a lot of you thanked me for spending all day with Gray Davis. But I can tell you, I can't think of a better gift I could give the people of California than playing some role in the election of this good man to the governorship. It will be great for your future.

I was just sitting up there listening to Gray talk, and I—he mentioned the education issues and the difference between himself and his opponent—the crime issues. Last week I had Jim and Sarah Brady with me in the White House—you may have seen it. We celebrated the fifth anniversary of the Brady bill, another piece of legislation that most of the leaders in the other party opposed. Since the Brady bill became law, about a quarter of a million people with

criminal and mental health histories that were destructive have not been able to buy handguns. Let me break it down just on the felons. Since I signed that bill into law and it took effect, 118 felons an hour—every hour of the day—have been denied the ability to buy handguns.

Now, I feel very strongly about the assault weapons ban that Gray has tried—as he talked about the enforcement of the California law. As most of you know, Senator Feinstein was the leading sponsor of the bill in the Senate that we incorporated into the crime bill to ban assault weapons there. I have tried to strengthen that. I've tried to stop foreign manufacturers from getting around it.

These kinds of issues tell you a lot not just about the issues but about the general attitude of people who would be in public service and, therefore, are a pretty good predictor of the kind of decisions they might make on hundreds of other issues. And the request I want to make of you tonight is that you do more than you've done here, because, keep in mind, the truth is that most of you will do all right whether Gray wins or not. But the people that are serving our food here tonight, the people that are parking cars, the people that work in every place of business that I pass on the way up here tonight, it makes a whole lot of difference to them and their children. And in the end, how your children and your grandchildren do will be determined more than anything else by how everybody else does. And it is profoundly important. So I just want you to think about that.

I also have to put in a good word here tonight for someone who is not here. I thank Congresswoman Jane Harman and Sidney for being here and Congresswoman Ellen Tauscher. They do a wonderful job for the State of California in the Congress. And I did get to go to Jane and Sidney's, to their event for Gray, and having lost two elections myself, I can say two things. Number one, it's not fatal; and number two, you know what the right thing to do is, but it's not always easy. And she has done the right thing and then some, and I respect her for it immensely. And I thank her. Thank you very much.

I'd also like to say a word for Barbara Boxer, who isn't here. That young man at the water treatment facility today, he did say to me, "Mr. President, my President, my life is better since you've been in. The California economy has come back; things are better here."

I want you to just remember one thing. I want to give a speech for Gray, so I don't want to get off on Barbara too much, and besides, most of you know that I'm related to her by marriage, so you have to discount some of what I say. [Laughter] But in 1993, 5 years ago this month, when the whole future of the economic ideas that I wanted to bring the American people was on the line in the economic plan I presented to Congress, when I said it would reduce the deficit by at least \$500 billion and probably more, that it would bring interest rates down, get investments up, that it would also provide tax cuts to lower income working families and provide real incentives to invest in our cities, which had been neglected, and put more money into education, not a single Republican voted for that bill. Not one; not one.

The bill passed by one vote in the House, by one vote in the Senate. If Barbara Boxer had not voted for it—and keep in mind, she was elected in 1992 with only 47 percent of the vote, and she could not possibly have known for sure what the outcome would be. And all the Republicans were saying, "This will be a disaster; it will bring on a recession. We will attack the Democrats." And she didn't blink. She went right down the aisle and cast her vote, "Aye."

So when you look at the fact that we have the lowest unemployment in 28 years, the smallest percentage of people on welfare in 29 years, the first balanced budget and surplus in 29 years, with the lowest inflation in 32 years and the smallest Federal Government in 35 years, that vote alone, in my judgment, plus the fact that she has worn me out, just like Gray has, on offshore oil drilling and every other California issue I can possibly think of—[laughter]—no family dinner with my extended family and all my wife's family is ever free from an interruption of lobbying on your behalf—that deserves your support for reelection, and I hope you'll give it to her.

Now, I'll be brief. Gray gave you his campaign speech, and I won't give it to you again. I want to make a point that only I understand. Before I became President, I was a Governor for 12 years. Unlike Gray, I did get to live in public housing, and I rather enjoyed it. [Laughter] I don't even know what it costs to rent a place; what am I going to do when I get out in a couple years? [Laughter] Anyway—and I think by experience more understanding than anyone here could possibly have about the relationship of the National Government to the State government, how it's changed in the last 8 years, and why I have tried to make the Governor's job more important.

But let me take one step back. One crusade I've been on all across America—everywhere I go I make this point. I say I am grateful for the good times we now enjoy. I think the lion's share of the credit goes to the American people for their hard work and ingenuity and good citizenship. But I think the policies of this administration have made a lot of it possible by creating the conditions and giving people the tools to make the most of their own lives.

Now, after all California went through in the late eighties and early nineties, it is tempting for a State or for a nation to do what every individual or family or business is tempted to do after you've been through tough times and all of the sudden you're in the pink and things are going well. You want to just take a deep breath, relax, put your feet up on the couch, and forget about it for a while. Speaker Gingrich said the other day the only thing they had to do to hold the Congress was pass the continuing resolution, not shut the Government down, and just go home—don't do anything, because times are good, people are happy, and they'll just vote for the status quo.

My argument is that that would be the exact wrong thing to do for America at this time. And I'll just give you an example that I think makes the point. If I had come here in 1992 and said to you, "Vote for me because I have a crystal ball, and I can see the future, and in 5, 6 years, not only will we have the strongest economy in the world, but the value of the Japanese stock market will be one-half of what it is today, and they will have

no growth for 5 years," you would think I had a screw loose, wouldn't you? There's not a soul in this place that would have believed me if I'd said that 5 years ago—maybe a few of you who understood the real estate issues and all of that. But most people would have said no.

Now, I say that not to be critical of the Japanese. They are a very great people with enormous intelligence, enormous wealth, enormous potential, and they will be back. I say it to make this point: The world is changing more rapidly and more profoundly than almost any of us can understand—the way we work, the way we live, the way we relate to each other and the rest of the world, the nature of the foreign policy challenges we face. So when you have good times like this, but you know times are changing, if you want them to continue, the only responsible thing to do is to say, okay, we've got money; we've got confidence; we've got breathing space; we don't have to worry about where our next nickel or meal is coming from; let's look at the big long-term challenges and face them.

Now, I believe this country has seven big long-term challenges, and I'll just mention them to you and you'll see what relevance it has to the Governor's race, because the last four depend on what is done at the State level as well as what's done at the national level.

Number one, we have got to stop playing with whether we're an isolationist power or whether we're going to lead the world for peace and freedom and prosperity. We have got to stop. We've got to pay our debts to the U.N. We've got to pay our debts to the International Monetary Fund. We've got to be proud and aggressive of what we did in Bosnia, what we did in Haiti, what we've done in Northern Ireland, what we're trying to do in the Middle East, what I hope we can do by stopping another horrible ethnic cleansing in Kosovo. We've got to be tough in standing up against terrorism from whatever source and the spread of weapons of mass destruction. We've got to be willing to invest the money to do it, and we've got to realize that if we're going to trade all around the world, we have to have a world where

commerce is possible because freedom is possible. We have got to do that.

Now, number two, we've got to understand if we want to do good abroad in a world totally awash in racial and ethnic and religious hatred, we have to be good at home. We have got to build one America across the lines that divide us.

Number three, we have got to look out for the next generation and the implications of the retirement of the baby boomers. I can say that; I'm the oldest baby boomer. I don't know how you call anyone who is almost 52 a baby anything. *[Laughter]* But when we all retire, all of us baby boomers, people who are this year turning between 34 and 52 years of age, at present rates of work force participation, retirement, birth rates, and immigration rates, there will only be about two people working for every person drawing Social Security. That will put untenable strains on both the Social Security and the Medicare program as they presently operate.

That is why I am so diametrically opposed to these suggestions that some in the other party have made that we're going to have a huge surplus, therefore, we ought to spend hundreds of billions of dollars right now on a permanent tax cut. If the surplus doesn't materialize, do you think we'd repeal the tax cut?

Look, it's election year; I'd like to give you a tax cut as much as anybody else. Even though I'm not running, I want everybody else to win—that I'm for, that is. *[Laughter]* But that would not be responsible. We don't know how much it's going to cost to preserve what is essential about Social Security as we reform it to make it sustainable. And the same is true of the Medicare program. So I say, we've been waiting for 29 years to get out of the red; wouldn't you like to spend just a few months looking at the black ink before we squander it all again? Isn't that the right thing to do? *[Applause]*

You see all these young people around here. The baby boomers I know, we are plagued with the thought that we will lower the standard of living of our children and undermine their ability to raise our grandchildren because it will cost so much to take care of us when we're old, and we don't want

it to happen. And we'll find a right balance, but we can't do it overnight.

Now, those are three big challenges that the State doesn't have anything to do with. We have to do that nationally. But what are the others? And Gray talked about a couple of them.

Number one, we have the best system of higher education in the world. No serious person believes we have the best system of elementary and secondary education in the world for all our kids. Until we can say we do, we will never be what we ought to be. And we can help. I've got a good program for smaller classes, higher standards, better training of teachers, hooking up all the classrooms to the Internet. But in the end, it's fundamentally a State responsibility carried out by local people, ultimately in the schools, the principals, the teachers, the parents, and the students. It matters who the Governor is.

Next, we've got to prove that we can grow the economy and improve the environment. A lot of it has to be done at the national level. The challenge of climate change primarily has to be done, I'm convinced, by a sensible program at the national level. The challenge of cleaning up our oceans has to be done primarily at the national level. But so much can and must be done here.

I'm telling you, I was driving across Los Angeles today thinking, thank God the people of California stood up for clean air and cleaned up the air here. How many children are free of bronchial diseases in this State because you believed in the environment and because you understood you could do it and still have a strong economy? You don't need someone in the Governor's chair who does not believe that passionately. It is very important.

Just two other issues, very quickly. Economic policy: We've got a great economic recovery, but there are places—cities, rural areas, Indian reservations—where there is no free enterprise economic recovery. We can do something nationally; some of it has to be done at the State level.

And finally, health care. You know, when Hillary and I tried to reform the health care system and the Republicans and the insurance companies beat us and said we were

trying to have the Government take over health care, they said, "Oh, they're going to have the Government take over health care." Of course, that wasn't true, but that's what they said. And they spent a lot of money, and they convinced a lot of people it was right.

Let me give you an interesting statistic. When they beat our health care program, 40 percent of all health care dollars came from public sources. What do you think it is today? Forty-seven percent. Why? Because private employers don't insure as many of their employees any more, and even lower income working people are now more eligible for Medicaid.

Now, what I've tried to do is to find a way step by step to deal with that, to have the benefits of managed care without the burdens. That's what the Patients' Bill of Rights is all about. And I think it's very important.

But let me give you one example. We passed in the Balanced Budget Act of 1997 a bill, part of that to provide \$24 billion to give health insurance to 5 million children who don't have it, most of them in low income working families. Thirteen percent of the country lives in California, but a lot more than 13 percent of the eligible kids live in California—working people who can get their kids insured now because we put that money into the balanced budget.

But the whole program has to be developed by the States. They have to come up with a system to do it. That's one of the biggest responsibilities of a Governor today—figure out how his State or her State can get their fair share of money to get these children in working families so they can see a doctor on a regular basis and get preventive care so they don't get sick, so their parents aren't torn up with worry.

Now, you tell me—you know who the two candidates for Governor are—if you thought that was one of the most important responsibilities, and also you wanted less drain on your State tax dollars from people getting real sick and showing up at public hospitals and public health centers, which one do you think is more likely to spend more time designing an aggressive, appropriate plan to protect the working families of this State and

their health care? The answer is Gray Davis. It's clear.

You can see I don't feel very strongly about this. [*Laughter*] If you think about it, there are seven big challenges this country is facing for the 21st century, four of them, no matter what I do as President or whether I can prevail in Congress, depend upon having the right kind of visionary leadership at the State level. This is a big deal. And I want you to go out and talk to your friends and neighbors between now and November and tell them the only way this guy can lose this race is if a lot of people who care and know better don't vote. Because they really don't think it matters because they can relax because things are going so well.

Things are going so well because of all the hard work we have all done together. And they will continue to go well as long as—but only as long as—we continue to face the challenges of today and tomorrow.

That is the major case for Gray Davis. You've given him a chance tonight to have a bigger bullhorn, to get his message out. Tomorrow you can give him a chance to have a lot more apostles one-on-one, and in the end, that can be even more important.

Thank you, and God bless you.

NOTE: The President spoke at 7:38 p.m. at a private residence. In his remarks, he referred to reception hosts Bruce and Janet Karatz; former White House Press Secretary James Brady and his wife, Sarah, chair, Handgun Control, Inc.; and Sidney Harman, chief executive officer, Harman International Industries, Inc. A tape was not available for verification of the content of these remarks.

Remarks at a Dinner for Lieutenant Governor Gray Davis in Los Angeles

August 11, 1998

Thank you. First of all, thank you for coming tonight. Thank you for making me feel so welcome. Many of you said especially kind things to me when I was going around and visiting with you, and I thank you for that.

I thank Jeffrey and Marilyn for now—now I have visited in all their residences. [*Laughter*] I'm three for three; I get to start on my second round now. And I thank them for hav-

ing all of us in here in this beautiful and, for this sort of political event, rather cozy setting. I've enjoyed it very much.

We've been working all day, as Gray said, and you've probably heard about all the speeches you want to hear. I would just like to tell you a couple of things that are very much on my mind. First, I want to thank you and the people of California for giving me and Hillary and Al and Tipper Gore the chance to serve these last 5½ years and to play our role in this country's renaissance. I'm grateful for that. Second, I thank you for helping Gray Davis. I think he is a good man. I think he will be elected Governor if the people of California show up at the polls in November.

Thirdly, I want to ask you to just think about one thing briefly and seriously, and that is, okay, California is back, America is moving forward—Gray reeled off the statistics, you heard them—we're in the best shape we've been in a generation; our economy is growing; our social problems are declining. What are we to do with this moment? And what does the race for Governor have to do with it? What does Senator Boxer's race have to do with it? Is it really a good thing that a guy like Rob Reiner has put his neck on the line to put a proposition on the ballot to try to provide a better early beginning for our children? What does all this matter?

And it may seem self-evident, but it's not really. I mean, if you think about your own life, just go back over periods of your life, and you go through a really tough time—and just about all of us in this crowd have lived long enough to have had a few tough times—and then things get really good; what is the temptation? You want to say, "I had all these tough times and now things are going well for me, and I want to enjoy it. I want to kick back, relax, enjoy it, smell the roses." That's what people want to do, families want to do, businesses are inclined to do.

And the point I would like to make, that I think is so urgent when it comes to the decisions the voters will make here in California this November, is that we can't afford to do that now. We have to resist the temptation of saying these good times can let us be a little bit lazy, and say instead: The world