## Monday, October 5, 1998

Vol. 34, No. 40

Remarks at a Democratic National Committee dinner in San Jose,
California
William J Clinton

September 25, 1998

Thank you. Thank you, John. I sort of hate to speak after that. [Laughter] He made a better case than I could have made for myself. I thank you. And I want to thank Mayor Susan Hammer for her friendship and her leadership of this great city.

I'm delighted to be back here again, or in the new Tech, and I do hope that because of this event tonight you'll receive even wider publicity, and you'll have throngs of children coming here, learning all the things that they need to see about their own future. [Applause] Thank you very much.

I want to thank all of you for being here tonight. Some of you are probably in danger of overexposure. There are several people here who were with Hillary last night in Seattle. [Laughter] And you've already heard the better of the two speeches, I can tell you that. [Laughter]

We've been working-I was in Chicago today, and she was in Portland and Seattle last night, and we're going to, as you know, spend the night with our daughter tonight. And then I'm going on to San Diego tomorrow and then to Texas and then back to Washington. But I can't thank you enough, all of you, for the kind things that you said, as I was going around before the dinner, about my family and what we're dealing with. And I just want to thank you on a very personal basis. Even Presidents have to be people from time to time, and you made me feel like one tonight, and I thank you very much.

I also want to thank you for giving me a way to work with this community. When I came out here with Al Gore and we were working in 1992, I felt that it was imperative that we establish a strong relationship with the people and the companies of this area for what we could do together to rebuild the American economy, and then to build an American future that is worthy of our people. And you mentioned a few of those issues, but it's just the last list of issues. We've worked on a lot of things over the last 6 years, things that I never would have known very much about, and that most Presidents probably wouldn't, had it not been for your input and your consistent involvement, and even, sometimes, your stimulating argument. And I thank you for that.

I don't know that that was the greatest endorsement my Vice President could ever get, what John said. [Laughter] But it's not all bad. I do want to say something about him. I thank you for working with him. As you all know, one of the reasons I asked him to become my Vice Presidential partner is that he had a background in technology issues far superior to mine and a consuming interest in it. And all of you have fed it and broadened it, and I'm very grateful to you.

I think that when the historians write about this administration, they may differ on whether our economic or social policies were right or wrong, but one thing is absolutely beyond question, and that is that the Vice President has had more influence on more important issues in more areas than any person in the history of this country that ever held that job. And he's made it possible for us to do a lot of the things that we've done, and I'm very grateful to him.

Now, if I could just run over-you mentioned a couple of things. We have worked out the so-called H-lB visa issue. It vill be coming to my desk soon. And it was done in a way that's really good for everybody in America, because in addition to permitting more sisas of high-skilled people to come into our country and strengthen us, it also provides a lot more funds to train our own people, to upgrade their skills. So it's a good, good bill. It has the best of both worlds.

The securities reform legislation is now in conference and they're arguing only over some legislative intent language that those of you who are working the issue are very familiar with. But I think we'll be successful there. I think we've reached a broad agreement on encryption policy and now you just have to make sure you work with us on the implementation of it so that the rules don't contradict the policy, but instead reinforce them. And I think we can do that.

There's legislation to implement the world intellectual property agreements to which we are a part, and there's some problems there, but I think that on balance it does a lot of good. And I hope you'll help us get it right and get it through. The bill which keeps the Internet from being interrupted for a period of time by various kinds of local taxes is making its way through the Senate, and there are some extraneous issues that are having an impact on it, but those of you who are working it understand that, and I remain committed to it. And I think we can be successful there. And I think it's very, very important.

One other thing I'd like to just say to you is a lot of you are very concerned, as you should be for your own markets, with the situation in Asia. And I am -working very, very hard to help those countries regroup, to restore growth, and to limit the reach of the contagion. I believe we're doing about all we can do at this time, but we need some support, and I'll say more about that in a minute.

Now, I mention these issues partly to make a specific point to Silicon Valley, but partly to make a more general point. Today I was at Moffett Air Force Base, and we had an open arrival. And typically, when we do this, a couple hundred people will show up that are associated some way or another with the base facility. There were about 600 people there today, and they were all different kinds of people talking about very specific things about their lives, things that had changed— the schools their kids were in, the family and medical leave law, or other things that we had all been involved in together.

I entered public life because I thought it would give me an opportunity to work vith people to help them make the most of their lives. I believe that Washington would serve America better if we worried more about the people that lived outside Washington than where people stood on the totem pole inside Washington. And I think you believe that, too. And that's what I ask you to think about tonight.

I'll be very brief. I want to mention to you what I think are the central questions facing the country in this election season which is unfolding rapidly now, and then what I think are some of the central questions facing this country over the next 20 years, because I ask you to begin thinking about it. We were talking about it at one of the tables tonight. And this community has got to continue to be involved in America to help us raise our imaginations and raise our visions toward these long-term issues as well.

I tell all my fellow Democrats that, contrary to what you might think, the great enemy of our cause in this election is not adversity, it is, instead, complacency. Because oftentimes, when people are doing well and things are doing well and they have a high level of comfort and confidence, particularly if they come through a very wrenching time-and our country came through a pretty wrenching time in the late eighties and early nineties, indeed throughout the decade of the eighties-the tendency is to say, "We'd like to relax a little bit. We're tired. Things are good for us now. We just want to not think about this." In this case, "this" is politics right now.

You live in a world that never permits that, because it's changing so fast. One thing I'd like to ask you to do is to think about how you can communicate that sense of urgency to the rest of your fellow Americans. And that's what I hope to do here tonight-because even though people may not understand it in the way you do, if you're struggling to develop a new product, a new service, keep up with some new discovery, the truth is that everyone else's life is more dynamic than most people realize as well.

And while I am profoundly grateful that we have the lowest unemployment rate in 28 years and the lowest crime rate in 25 years

and the smallest percentage of people on welfare in 29 years, and next week the first balanced budget and surplus in 29 years, and the highest homeownership in history, and we just learned yesterday the lowest AfricanAmerican poverty rate ever recorded, the biggest increase in wages in 20 years-I'm grateful for allthat. The truth is that this is a dynamic world. And so the right thing to do is not to rest on that but to build on it, to ask ourselves, "Okay, what else needs to be done?"

Now, in this election season, I think there are the following major issues that, to me, are very important. We had a big vote on one in the House today. There are some who say, "Well, we're going to have a surplus for the first time in 29 years and it's just a few weeks from the election, so let's have a tax cut." And even though I'm not a candidate anymore and won't be running for anything anymore, I understand the appeal of that, but I think it's dead wrong. For one thing, I'd just like to see the red ink turn to black and dry before we start spending again. [Laughter] I've been working for this for 6 years. I'd just like to see it dry, you know? [Laughter]

And in a more serious way, in this world financial situation we have been a pillar of stability and strength and responsibility, and we need to communicate that to pe ople. And I know it's popular to offer a tax cut right here before an election, but in this case it would be wrong.

And there's another reason it's wrong. It's wrong because we finally have, I believe, a bipartisan consensus for making modifications in the Social Security system that will enable us to preserve it when the baby boomers retire-and at present rates, at least, there will only be hvo people working for every one person drawing. And I can just tell you the baby boomers are-and a lot of you are too young to be one-[laughter]but, basically, the baby boom generation is everybody between the ages of 52 and 34. And when that group-only the present group in school is bigger than the baby boom generation. And when that group retires, unless we act now in a modest, measured, disciplined way-and if we don't do anything until the time comes to face it, and with every year it will become a more severe decision because you'll be closer in time to it-we'll have the decision of either cutting benefits for seniors so much that we'll erode the safety net, which today accounts for 48 percent of the people on Social Security being lifted out of poverty-that is, they would be in poverty were it not for Social Security.

Or, in the alternative, we'll decide we can't bear that, and we'll raise taxes dramatically to maintain the old system, in which case we will undermine the standard of living of our children and grandchildren, which would be equally wrong. And that's not necessary. But in order to avoid it, we have to make an election-year decision and tell the American people the truth that we ought to do something for the next 30 years and not for the next 30 days, and save Social Security before we entertain a tax cut out of

this surplus. I think it is very important.

The second issue, if we want to continue to lead the world economy, we at least have to pay our way. For 8 months now, I've been trying to get the Congress to approve our contribution to the International Monetary Fund. Now, it's not perfect. And the IMF is having to make adjustments, too, to recognize the new realities of the global economy. But it is the most important instrument for helping countries, first of all, reform as they should, and then if they do, get back on their feet; and, secondly, for helping us limit the contagion that is now gripping so many Asian economies from bleeding over into Latin America, for example, our fastest growing market as a country, and into countries that have done a good job in managing their own economies. I think it is absolutely imperative.

And it's pretty hard to make an issue this, normally, esoteric, an issue in an election year. But I'm telling you, if ve don't exercise our responsibility to try to stabilize the global economy, as Alan Greenspan said the other day, we cannot forever be an island of prosperity in a sea of dislocation. We have got to do this, and I feel very strongly about it.

The third thing that I think is very important is that the education agenda be continually pushed forward. Eight months ago I put before the Congress an education program based on the best research about what is working in our schools. Among other things in the balanced budget, not spending the surplus, it would provide funds for another 100,000 teachers to be hired to take average class size down to 18 in the early grades. It would provide a tax incentive program to rebuild, remodel, or build 5,000 schools at a time when it's a big problem. It has the funds to continue our part of hooking up all the classrooms to the Internet by the year 2000. It has funds for another, over a several year period, 3,000 charter schools-and thank you, Reed Hastings, for all the work you've done here in California. California is leading the way, thank you very much.

And a lot of other things that are very, very important, including paying the college expenses of 35,000 young people who can then pay their college expenses off by going into inner-city areas and other areas of teacher shortage and teaching for a few years to pay their expenses off. It contains the best examples of the most reformoriented, big-city school system in the country, which I visited again today, I think for the sixth time, in Chicago, where they have ended social promotion. And underperforming students in what used to be thought of as the worst big-- city school system in the country-I went to a school district today where 100 percent of the kids live in Cabrini-Green, one of the most economically challenged housing projects in America. They have doubled their reading scores and tripled their math scores in 4 years.

And there is no social promotion, but they don't just throw the kids out. Every child that doesn't perform has to go to summer

school. And they have after-school tutoring programs, so that now the summer school program in Chicago is the sixth biggest school district in America-the summer school. Over 40,000 children get 3 square meals a day there. But learning is beginning to occur because they have standards and accountability-but support. They don't treat children who don't perform as failures; they treat them as people who need more support and more help. And I think that's important.

So we need to save Social Security,. We need to fund the IMF. We need to pass the education program. Two other things I want to mention. I have worked very hard for the last 6 years, along with the Vice President, to persuade the American people that we can improve the environment and grow the economy. And compared to 6 years ago, the air is cleaner; the water is cleaner; the food is safer; lots of toxic waste dumps have been cleaned up. But there are still people who just don't believe it. And we're having a huge environmental fight up there, and protecting these environmental initiatives is very important.

Finally, I strongly believe that Congress ought to pass a uniform Patients' Bill of Rights for the country. And there may even be some disagreement about that in this audience, but I'd just like to tell you what my experience is here. There are 160 million Americans in managed care plans. Forty— three big managed care companies are supporting this legislation. Why? Because they provide these protections, and they know that they're being punished in the marketplace for doing what they believe is right.

Now, a lot of you are employers, and you're concerned about controlling costs, but let me just tell you some of the things that are actually happening in America today. In big cities, if somebody walks outside a hotel and gets hit by a car, depending on what the coverage of the plan is, they might drive past three hospitals to get to an emergency room covered by the plan, instead of going to the nearest emergency room. There are places where, even if your doctor recommends you see a specialist and says, "I'm sorry. I can't do this," they still can't get to see a specialist until they go through three or four layers of approval.

Many times all these horror stories you hear about people being denied care are not quite accurate. Actually, almost always, or more than half the time, the managed care company does approve the procedure, but the delays are so great that it's too late to do the right thing.

Another big problem for small businesses is when the employer changes providers, very often immediately all the employees are affected by it. Now, that sounds reasonable. Except if you're pregnant, and you're 6 months pregnant, you shouldn't have to give up your obstetrician for months 7, 8, and 9. If you're in the middle of a chemotherapy treatment, you shouldn't have to give it up in the middle of the treatment. That's what this bill does. And it also

protects the privacy of medical records, which I think is very, very important.

So I think this Patients' Bill of Rights is the right thing to do for the country, and I hope it will pass. Those are the big issues, to me, that we ought to be fighting for.

Now, in the election, the voters vill have a clear choice. Do they want this kind of progress, or do they want partisanship? Do they want this to focus on people, or do they want this to focus on politics? And you can help us.

Now, if you look at the long run-let me just mention something very briefly, just a few things that I wish you'd begin to think about. How are we going to change Social Security and Medicare so that we legitimately care for the elderly without bankrupting their children and grandchildren? What are we going to do? We'll be making those decisions-I hope and pray-in the first 6 months of next year. How are we going to do this? The Medicare Commission will complete its report, and we will complete our year-long work on Social Security in December.

The second question: What else do we need to do in education, to really provide world-class education, K through 12, in America? Everybody knows we've got the best system of higher education in the world, how are we going to give every child, without regard to their circumstances in life, that opportunity?

Third question: How can we convince people that the problem of climate change is real and the biggest long-term environmental challenge, closely related-especially in California-to the problem of ocean degradation, which is fast becoming a global problem? And how can you here, who know it to be true, convince people that there is no longer an iron link between old-fashioned, industrial-era energy usage and economic growth? Because, make no mistake about it, that, in the end, is what is holding back our advances in the environment. Most people who are in decisionmaking capacities honestly believe you can't grow an economy unless you use energy in the way we've been using it for the last 50 years, and unless you use more of the same kind. You can help; you can make a huge difference there.

Fourthly, what are we going to do over the long run-and it has to be done fairly soon-to modify the world financial system and the world trading system so it works for ordinary people and it limits these huge boom/bust cycles without interrupting the free flow of capital? I am very worried that in country after country, ifyou have year after year after year of falling living standards, that people will fall out of love with free markets and free governments.

It's only been the last 3 or 4 or 5 years that, for the first time in all human history, more people are living under governments that they chose themselves than dictatorships of one kind or another. This is a precious gift, this gift of freedom, but we have to prove that it will work for ordinary people. And the United States has to take the lead in that. And all of you have a huge stake in it-a huge stake in it.

Everything you want to do with the Internet rests on the premise that people will get freer and freer and freer, and that it is a very good thing. And you know I believe that. So we have got to deal with that.

And finally, I just ask you to help meI got the last report of the President's Initiative on Race last week, and I've got this on my mind, too. If you think about what I do in foreign policy as your representative— we're worried about Kosovo today. What is Kosovo? It's an ethnic conflict between Serbs and Albanian Muslims. What is going on in the Middle East? It's an ethnic and religious conflict. I'm going to do a lot of work on that next week. What is the conflict that we're celebrating—I hope the final end of— in Northern Ireland? It's a religious conflict.

You may have been reading-a few years ago we had this horrible war in Rwanda, where over three-quarters of a million people were killed in a tribal conflict. And now in the Congo there are five different countries intervening in their conflict there and part of it is the settling of old scores among tribal conflicts.

Now, here in Silicon Valley, you see people from all over the world, from all different racial and ethnic groups and religious and cultural backgrounds, finding a way to work together to make common cause. And over the long run it may be our ability to prove that we can preserve and advance the American system and give deeper meaning to the Constitution of the United States as we grow more diverse, than anything else that will permit us to be a powerful force for good in the 21st century.

And so I say to you, I hope you'll keep working on that, and I hope you'll keep lifting that up, because I see deep in the heart of people all over the world this almost compulsive drive to define themselves in negative terms, in the fact that their life has meaning because they are not the "other," whatever the "other" is. And just the way you do things here is a constant, daily rebuke to that. And that's what America has to do. We have to prove that we are bringing out the best in each other if we hope to be a positive force in bringing out the best in people throughout the world.

Finally, let me just say that I believe that the best days of this country are still ahead of us. And I believe that we have been given a precious gift, but an enormous responsibility. The real question

before is, now that we have all this prosperity, now that we have all this confidence, now that we have this dominant position in the world, what are we going to make of this moment? Are we going to relax? Are we going to feed on each other? Are we going to care for each other and build a better tomorrow? I think I know what your answer is, and I want you to help me make that America's answer.

Thank you, and God bless you.

NOTE: The President spoke at 9:55 p.m. at the Tech Museum of Innovation. In his remarks, he referred to dinner host John Doerr; Mayor Susan Hammer of San Jose; and Reed Hastings, chief executive officer, Technology Network. This item was not received in time for publication in the appropriate issue