

back-to-back balanced budgets in 42 years—surpluses. We have, for the first time in my lifetime, a strong economy, an improving social fabric, and the absence of severe domestic crises or foreign crises. Now, if we cannot fulfill our responsibility now to give every American a chance to live up to his or her God-given potential, when in the wide world will we ever get around to it? If we can't do it now, when will we ever do it?

The second thing I want to do is to amplify a little bit on a point that Nydia made, that this is good business. A long way from this community in Washington, DC, you would be amazed at how many hours we spend with our economic team—and Aida has been part of it—and how many hours they spend over at the Federal Reserve with Mr. Greenspan, figuring out how can we keep this economic growth going. In just a few weeks, this economic expansion will become the longest expansion in the history of the country, eclipsing those which occurred in wartime when we were fully mobilized. Now, how do you keep it going?

Well, what normally kills expansion? They run out of steam because there is no opportunity to grow, or the growth leads to inflation. And then to break inflation, you have to raise interest rates. And that ends the economic expansion because people can't afford to borrow any money anymore, and they're paying more for what they've already borrowed. And they get in trouble, so that ends it.

Now, is there an inflation-free way to keep the economy going? Yes, there is. What is it? You have to find new markets and create new jobs and new businesses in places where they didn't exist before. If, at the same time, you create new businesses and new employees and new consumers, you will have more growth without inflation.

So in a funny way—you need to know this—what you're doing here is good for people in North Dakota where the unemployment rate is under 3 percent. It's good for people in New Hampshire where the unemployment rate is under 3 percent. Why? Because you are permitting them to having a growing American economy without inflation.

So every American should be supporting this, not only because it's morally right to give people who are poor and who don't have access to capital the chance to live their dreams but because it is in our self-interest as a nation if

we want to keep this astonishing economic revival going.

And more and more people are coming to understand that. I thank the Congress on a bipartisan basis for already passing the first bill last year appropriating the funding, the first level of funding, for my national new markets initiative. Now we're working to pass a set of tax incentives and loan guarantees to give companies the same financial incentives to invest in poor areas in America we give them to invest in poor areas in Latin America or Africa or Asia.

I support the incentives we give American businesses and financial institutions to invest overseas. Those people are our customers too, and they're our partners for the future. And if we want democracy and peace and harmony to reign around the world, people need a chance to live their dreams, too. It's no accident that the crime rate goes down in America when the economy goes up. And the trouble rate goes down around the world when the economy goes up. But I do believe that people in America deserve to have the same opportunities from their Government, and people in America with money deserve to have the same incentives from their Government to help Americans that we give them to help people in the rest of the world. And that's the basic theory behind the new markets initiative.

An essential component of this is the new markets venture capital fund, which your Representative in Congress has played such an enormous role in creating. The idea is basically simple, but I want to explain it. For every dollar in equity capital you invest in America's new markets, we will give another dollar in Government-backed loans, effectively doubling the investments. Altogether, we think this program that Nydia has helped to create will stimulate \$1.3 billion over 5 years in new investments to start up and expand businesses in areas that have been left behind in urban and rural America. And I thank her again for this remarkable thing.

Now, we still have to pass this. That's why we need her passion and focus, you see. [*Laughter*] And it is a great testament to the efforts that she and others have made that not very long ago we had a big new markets event in Chicago, and the Speaker of the House, who is from Illinois, joined us there—just a couple of months ago. He made it clear that he is