

conversations is getting loud, certainly in public, hopefully not as the previous speaker indicated, necessarily in the negotiating room. I would say hopefully that with meetings of this type at which issues are aired and politics and personalities better understood, we can avoid the very destructive anti-trade vortex which we seem to be approaching. And I just came from almost two weeks in Japan and Korea on this very subject.

My intention today is to focus on Southern California, or our place in the sun if you will, and I'd like first to try to give you some numbers that might put our region here into perspective with the rest of the state, the nation, and the world, and then I'd like to briefly talk about the importance of our region in the Pacific Rim economy, and next discuss the dynamics of the financial services industry here. I'll conclude with a few thoughts on international marketing and on protectionism.

Southern California has one of the most dynamic regional economies in the nation. During the past half century, it has evolved from an economy dominated by agriculture, petroleum and aircraft into one in which these sectors remain important, but in which other industries have prospered to help make this a very diverse international marketplace.

Our population exceeds 15 million and represents 58% of the state's total residents, as well 16 -- 6% of the country's. This Southern California economic machine is diverse and has a great deal of horsepower. We produce nearly 300 billion dollars worth of goods and services, fully 7% of the output of the