

Remarks at a Democratic Leadership Council Gala *October 13, 1999*

Thank you. Let me say, first, it's good to be back. I want to thank Al From and Senator Joe Lieberman. And I have seen Senator Robb and Senator Breaux. I understand Senator Landrieu is here. I saw Cal Dooley, and I know there are some other Members of the House here. My former Chief of Staff and Envoy to Latin America, Mack McLarty, is here. I saw Harris Wofford, who has done a magnificent job with our national service program. And I know there are a lot of others here.

But I want to say something about Sam Fried, the gentleman who introduced me. First of all, he gave a good speech, didn't he? I mean, he's got a great gift in capturing our vision. And he also did the nicest thing imaginable; he said how much he liked my phrase about putting a human face on the global economy, which I use three times a day. He didn't tell you the truth. He gave me that phrase, Sam Fried. So he could either be a speechwriter or a Senate candidate from Ohio or anyplace else he wants to run. But I think we need to recruit people from the private sector to run for office with the DLC message. And thank you, my long time friend.

This conference is designed to talk about trade in the global economy in the information society. And I want to talk about that tonight. But I want to try to put it into some sort of context.

I began a conversation with many of you, and led by and prodded by Al From, 15 years ago now. Tonight we know some things about the Third Way and about our credo of opportunity for all, responsibility from all, and a community of all Americans. We know some things tonight about that that we only believed 15 years ago. We know that if this credo is translated into meaningful ideas and real policies, that it's not only good politics, it's very good for America.

In 1992, when Al Gore and I went before the American people, we made an argument. And that's all it was; it was an argument. We said, "We want to put people first. We want a country that's run by opportunity, responsibility, and community. We want a new economic policy. We want a new crime policy. We want

a new welfare policy. We want a new environmental policy. We want a new foreign policy. We want to make America strong, America united, America a responsible partner and leader for peace and prosperity and security in the world." And it was just an argument. Thank goodness it was a good enough argument, under the circumstances, to win the election, thanks to an awful lot of you.

Tonight, it is not an argument anymore. We took those ideas; we took the specific commitments of policy; we implemented them. We did what we said we would do in our very specific campaign. And I've got to say something parenthetically, because I owe this to a lot of you in the DLC. I've always believed ideas matter. But when I ran for President, I violated all the conventional wisdom. We made more specific commitments on more issues than any candidate ever had who was a nominee of a major party. And a scholar of the Presidency, Thomas Patterson, said that we had kept a higher percentage of those commitments, even though we made a larger number of them, than any of the previous five Presidents.

And what really mattered to me is, when I went back to New Hampshire in February of this year, on the seventh anniversary of the New Hampshire primary, people there who pay attention to what you say, because you have to ask every individual 14 times for his or her vote, or you can't play there. And I love the place. You know, it was like running back home, but person after person after person came up to me on the street that day—not at the Democratic Party event at night, on the street—and said, "Mr. President, it's a good thing we've got an"—they had an unemployment rate of below 2½ percent—they said, "Things are good here, but the thing we really appreciate is you did what you said you would do."

It would not have been possible if I had not been part of the DLC. It would not have been possible if we hadn't thought through in advance what it was we wanted to do, if we hadn't gone from an identification of our guiding values to an analysis of the situation, to a description of what we wanted to achieve, to a strategy, to

specific tactics. This organization made that possible.

So let me say, first of all, it's not an argument anymore. The results are in. We have the lowest unemployment rate in 29 years, the lowest welfare rolls in 30 years, the lowest crime rates in 26 years, the lowest poverty rates in 20 years, the first back-to-back budget surpluses in 42 years, the highest homeownership in history, the longest peacetime expansion in history. It is not an argument any more; it works, and you should be proud of that.

The other thing I want to say is, a lot of our specific ideas have worked. The Vice President's leadership in reinventing government has given us the smallest Federal establishment since 1962, even though the most active executive initiatives in memory.

We have proved you could grow the economy and protect the environment. I went down to Virginia today to a national forest and announced that we were going to close 40 million acres of the nearly 200 million acres of national forest to roadbuilding, to preserve water quality and biodiversity and recreational quality.

We have proved that you can empower poor people to make the most of their own lives with the earned-income tax credit, the empowerment zone program, the community development financial institutions, and now the new markets initiative.

AmeriCorps, which was a DLC idea, national service has now enlisted over 100,000 young people in the service of our country at the community level in 5 years, a goal that took the Peace Corps 20 years to reach.

We also supported the Brady bill. We supported the family and medical leave law, two bills vetoed in the previous administration. And all of the objections to them turned out to be wrong.

So I say to you, you can be proud of that. We pursued an aggressive policy to become engaged in the rest of the world, to recognize that we live in an interdependent world in which we ought to lead. And whether it has been pursuing peace from the Balkans to the Middle East to Northern Ireland; to building self-capacity to prevent hardship through the Africa crisis response initiative to give the African nations the capacity to prevent future Rwandas; to developing economic capacities in poor countries; to our efforts to combat terrorism and the spread of the weapons of mass destruction, we

have made progress. And I thank you all for that.

Now, by contrast, it is interesting to me to watch the debate in the present election, which I'm not a part of, and to see how people try to say, "Well, maybe there can be a new Republican Party like there is a new Democratic Party." Remember this: They're like we were in '92; it's just an argument.

The Democratic Party—a heavy majority of the Democratic Party has come together to move forward. But their party still is overwhelmingly, including all those people they've got running for President—they supported that tax cut, which would have completely undermined our ability to save Social Security and Medicare and get this country out of debt over the next 15 years, and which they said they could pay for, even though now they admit they can't even pay for the money they've already spent this year. They all stuck with the NRA and the Republican congressional leadership, when we tried to close the gun show loophole, after we proved that background checks do not undermine people's legitimate hunting and sporting interests. They're over there opposing the hate crimes legislation in the face of painful evidence that we are still in the grip of bigotry. They're not for the employment nondiscrimination act.

We see that on so many other issues. On education, we're for high standards, no social promotion, making failing schools turn around or close down, and thousands of charter schools. They're still hawking vouchers, even though we know the Federal Government only provides 7 percent of the total educational expenditures in the first place. On health care, they're out there all against the Patients' Bill of Rights, even though their own Members, who were doctors, in the House of Representatives couldn't bear the position that the party had taken.

So I would say to you, I'm proud of where we are. I'm proud of where the Democrats are. I'm proud of where our party has gone. And I still believe that when it comes to defining the future, the American public will be with the new Democratic Party instead of the right wing of the Republican Party which is driving their agenda.

And we saw it again tonight when they rejected on a party-line vote the Comprehensive Test Ban Treaty, after it had been ratified by 11 of our NATO Allies, including Britain and

France, nuclear powers, endorsed by the President and four former Chiefs of Staff of the Joint Chiefs of Staff, 32 Nobel laureate physicists, the heads of our own nuclear weapons labs. They basically said, "Don't bother me with that. I just don't think it's good." And it now has come out, of course, that there was a partisan commitment to vote against the treaty by more than enough to defeat it before it was ever brought up and anybody ever heard the first argument.

We are trying to work with Republicans, independents, and Democrats to move this country forward. That is the difference in the new Democratic Party. And we are still confronting a level of extremism and partisanship which is truly chilling for the long-term interests of America.

But tonight I ask you not to think about our differences with the Republicans but to think about the one remaining issue on which we have not forged a consensus within our party. And that is how we're going to respond to globalization, to the global economy, the information age, and the whole nature of how we relate to other countries in terms of economics, the environment, and trade.

For all of our changes, we had overwhelming majorities of both parties in both Houses voted for the Balanced Budget Act, overwhelming majorities of our party in both Houses voted for welfare reform. We are still not of one mind, and we do not have a consensus on the way forward with trade. So tonight I would like to talk to you about what I think we should do and where I think we should be, not only because I think we have serious responsibilities to the rest of the world but because we know that, until the Asian financial crisis, 30 percent of our growth in this marvelous expansion came from the expansion of trade and the opportunities that we found there.

I believe a strong, properly constructed global trading system is good for all the nations of the world. I know it's good for America because of the evidence of what has happened here. Today, the worst of the global financial crisis is behind us, and I think the time has come to take an important step forward. I believe we can make our economy even stronger and make open trade an even greater force for peace and prosperity in the new century.

I know some believe that isolating ourselves from the world will shield us from the forces

of change that are causing so much disruption, so much instability, and so much inequality. I understand why they fear it, but I disagree that they can hide from it. America can only seize the problems of the new century if we shoulder our responsibility to lead to a responsible system of worldwide trade.

If we fulfill that responsibility, if we lead boldly and resolutely, pairing solid principles with concrete proposals, we can fulfill our promise in the global economy and help other people as well. We can create for billions of people the conditions that allow them to work and live and raise their families in dignity, and I might add, we can give those nations the kind of greater prosperity necessary to have more responsible environmental and public health policies. We can expand the circle of opportunity, share the promise of prosperity more widely than ever, and in so doing also help to bring down walls of oppression in other countries. We can, in short, put a human face on the global economy.

How are we going to do it, and how are we going to begin? In a little more than a month's time, in Seattle, Washington, our Nation will host a gathering of leaders from government, business, labor, and civil society. That meeting of the World Trade Organization will launch a new round of global trade talks that I called for in my State of the Union Address last January.

We've had eight such rounds in the last 50 years, helping trade to grow fifteen-fold worldwide. It's no coincidence that this period has seen the most rapid sustained economic growth ever recorded. Every trade round in this half-century has served to expand frontiers of opportunity, to expand the circle of prosperity and the rule of law and the spread of peace. I want the round we launch in Seattle to do the same.

But I also want it to be a new kind of trade round for a new century, a round that is about jobs and development, a round about broadly shared prosperity, about improving the quality of life and work around the world. I want to ensure that the global trading system of the 21st century honors our values and meets our goals.

Of course, different nations will bring different perspectives and different interests. To reach a truly global agreement, of course, we've got to work together in good faith. America will do its part.

Tonight I want to set out our agenda for Seattle and the ways we intend to expand opportunity from the world's oldest business, farming, to its newest, electronic commerce.

First, we want to ensure that in this round agriculture is treated as fairly as other sectors in the global economy. That's long overdue. In America, farmers are the lifeblood of our land, as they are in so many other places. They help to fuel our unprecedented prosperity. Unfortunately, too few of our farmers are reaping the bounty they themselves have sown. Flood and drought and crop disease, as well as the financial crisis in Asia, have threatened the livelihoods not only of many farmers but of some entire farm communities.

Every American has a stake in the strength of agriculture. So let's be clear: One way we can revive the rural economy in America is to open markets abroad. The family farmer in America finds trade not an abstraction. It is vital to the bottom line and to their survival.

America is the largest exporter of agricultural products in the world. One in every three acres planted here is growing food for abroad. Five years ago, during the last trade round, we joined with our trading partners to put agriculture on the WTO's agenda. In Seattle, we should move forward fairly but aggressively to expand our opportunities for farmers and ranchers.

We must eliminate export subsidies. All farmers deserve a chance to compete on the quality of their goods, not against the size of other countries' Government grants. In the European Union, fully half of the overall budget is spent on agricultural subsidies. The EU accounts for 85 percent of the world's farm export subsidies—85 percent. This stacks the deck against farmers from Arkansas to Argentina to Africa. In Seattle, we'll work to end this unfair advantage and level the playing field.

At the same time, we have to lower tariff barriers. Tariffs remain much too high, and on average, they're 5 times higher abroad than they are in America. And we must work to reduce the domestic supports that distort trade by paying farmers to overproduce and drive prices down. These steps will help farmers to produce the vast and varied variety of food for the best possible prices. The benefits will accrue not just to them but to the global fight against hunger and malnutrition.

We should also see that the promise of biotechnology is realized by consumers, as well as

producers, and the environment, ensuring that the safety of our food will be guaranteed with science-based and transparent domestic regulation and maintaining market access based on that sound science.

Second, we can lift living standards worldwide if we level the playing field for goods and services. Manufacturing remains a powerful engine of our own economic growth; it generates nearly a fifth of our GDP and two-thirds of our exports. It employs more than 18 million Americans in good jobs. This sector has grown since 1992, accelerated greatly by expanded trade, boosted by agreements made at previous trade rounds. If the Asian crisis has hurt our manufacturers—and it certainly has—it's because expanded trade is vital to their economic health, and it will remain so.

Since 1948, we have cut major industrial nations' tariffs on manufactured goods by 90 percent. Where they remain too high, we can do better, beginning in Seattle where we'll join other nations in pressing to lower barriers even further, some entirely and immediately.

Eight key industries, from an environmental technology to medical instruments to chemicals to toys, stand ready to take this step now. They account for nearly a third of our exports. So let's take that step at Seattle and set ambitious goals for other manufacturing sectors.

And there's one special aim we should achieve at Seattle: We should follow the lead of Korea and Hungary and work together on an agreement to promote transparent procedures and discourage corruption in the \$3.1 trillion government procurement market worldwide.

We should set equally ambitious goals for services. Trade is no longer just agricultural and manufactured goods. It's construction and distribution and entertainment. America is the world's largest exporter of services, in quantity and quality. And though we've made really important advances in agreements on financial and communication services, too many markets remain closed to us. In Seattle, I want to open those markets more fully and unlock the full creative and entrepreneurial potential of our people.

Third, we have to have a trading system that taps the full potential of the information age. The revolution in information technology can be the greatest global force for prosperity in this century. Last year, in the U.S. alone, electronic commerce totaled about \$50 billion. That

number may reach \$1.4 trillion in 3 years. Three years later almost half our work force will either be employed by the new information industries or rely on their services and products.

Around the world, the number of Internet users may reach 1 billion in 5 years. Now, currently, no country charges customs duties on telephone calls, fax transmissions, E-mail, or computer links when they cross borders. That's the way it should be. The lines of communication should not crackle with interference.

Last year the world's nations joined the U.S. in placing a moratorium on tariffs on E-commerce. In Seattle, we should pledge to extend that ban and reach a second agreement to eliminate remaining tariffs on the tools of the high-tech revolution.

Fourth, as I have often said, in the immortal words of Sam Fried, we must put a human face on the global economy. We're Democrats; we've got to make sure this deal works for ordinary people. We need to ensure working people everywhere feel they have a stake in global trade, that it gives them a chance for a better life, that they know that spirited economic competition will not become a race to the bottom in labor standards and environmental pollution.

I know to some people in some nations open trade seems at odds with these basic human goals, but I think the opposite is true. A strong system of trade and a dialog like the one we'll begin in Seattle are our best means to achieve those goals.

For those of us who believe the global economy can be a force for good, our defining mission must be to spread its benefits more broadly and to make rules for trade that support our values. It is nothing more than an international commitment to doing what we're trying to do here with the new markets agenda and with the empowerment zones. I really believe, if we work it right, we can bring the benefits of enterprise to the people and the places in America that have not yet felt it, from Appalachia to the Mississippi Delta to the Indian reservations to the inner cities. And I feel that way about the rest of the world.

So I ask you to support our efforts to have international organizations work to protect and enhance the environment while expanding trade and to have a decent regard for the need to have basic labor standards so that people who work receive the dignity and reward of work.

The American agenda in Seattle includes a thorough review of the round's environmental impact, as well as win-win opportunities that benefit both the economy and the environment. We will continue to ensure that WTO rules recognize our right to take science-based health, safety, and environmental measures even when they are higher than international standards.

In Seattle, the WTO should also create a working group on trade and labor. And I know you're going to have some labor people here tomorrow, and I congratulate you on that. We have got to keep working on this and banging our heads together until we reach a consensus that is consistent with the reality of the modern world and its opportunities and consistent with the values that we both share.

How can we deny the legitimacy or the linking of these issues, trade and labor, in a global economy? I think the WTO should commit to collaborate more closely with the International Labor Organization, which has worked so hard to protect human rights and to ban child labor, and with the International Environmental Organization. To facilitate this process, in the last year or so, I have gone to Geneva twice, once to talk about new trade rules for the global economy and once to meet with the ILO to talk about the necessity of banning child labor everywhere in the world.

This organization needs to be on the forefront of integrating our objectives and trying to build a global economy that will promote open trade and open prosperity and lift the standards of living and the quality of life for people throughout the world. They should be reinforcing efforts, not efforts in conflict.

I also believe that the WTO itself has got to become more open and accessible. You know, every NGO, just about, with an environmental or a labor ax to grind is going to be outside the meeting room in Seattle, demonstrating against us, telling us what a terrible thing world trade is. Now, I think they're dead wrong about that. But all over the world, when issues come up, a lot of people representing these groups have some legitimate question or legitimate interest in being heard in the debate. And the WTO has been treated for too long like some private priesthood for experts, where we know what's right, and we pat you on the head and tell you to just go right along and play by the rules that we preach.

The world doesn't work that way anymore. This open world we're trying to build, where anybody can get on the Internet and say anything, is a rowdy, raucous place. And if we want the world trading system to have legitimacy, we have got to allow every legitimate group with any kind of beef, whether they're right or wrong, to have some access to the deliberative process of the WTO. And I hope you will support that.

Finally, let me say, we have got to expand the family of nations that benefit from trade and play by the rules. In Seattle and beyond, we have to be guided by Franklin Roosevelt's vision, a basic essential to a permanent peace is a decent standard of living for all individual men and women and children in the world. Freedom from fear is eternally linked with freedom from want.

It was this understanding that led the generation of postwar leaders to embrace what was still a revolutionary idea: that freedom, not just of commerce but of governments and ideas and human transit, was the surest route to prosperity for the greatest number of people. This new road should promote development in places where poverty and hunger still stoke despair.

We just went over, I think in the last 24 hours, 6 billion people on the face of the Earth. Half of them live on \$2 a day or less; 1.3 billion live on \$1 a day or less. One of the reasons that I want to expand the reach of global trade is because I want more people to be able to lift themselves up. One of the reasons I want to expand the reach of global technology is that I believe if we work to bridge the digital divide here at home and around the world, we can help poor people in poor countries skip 20 or 30 or 40 years in the ordinary pace of development because of the explosion of technology. And I believe we can prove to them that they grow a middle class and grow a wealthy country without have to pollute the atmosphere, as their forebears did in the industrial era. I believe that.

But for those who share our views and our party, we must make clear there is no easy way to this. We can't get this done if we're not willing to build a global economic system and tear down these trade barriers and trade with people more and give them access to our markets and try to get our technology and our investments into their markets and build the right kind of partnership.

We can't just say we want all these things and then always find some reason to be against whatever trade agreement is worked out. We have got to have a global trading system, and we're either going to keep pushing it forward, or we're going to fall behind.

Let me just say, to kind of amplify this, there are some specific things that I hope we will do to show that we're acting in good faith. I hope we will get congressional approval in this session of Congress to expand our trade with Africa and the Caribbean Basin. I have proposed two initiatives there. There is broad bipartisan support for it. I hope and pray we will get that out of this session of Congress.

I hope we will bring more countries into the WTO in Seattle. Thirty-three nations are applying for WTO membership today. Two-thirds once had communist command and control economies. It is remarkable and hopeful to all the—listen to this—Albania, Estonia, Georgia, Kyrgyzstan, and Mongolia wanting to enter the world trading system.

This is not charity. This is an economic and political imperative. It is good for us because we want more trading partners. Never forget, your country has 4 percent of the world's people and 22 percent of its wealth. We've got to sell something to the other 96 percent if we want to hold on to our standard of living. And the more people we bring into our network of possibility, the better they do, the better we'll do. It is very, very important to remember this.

It's also important to remember that as these countries that are new to the experience of freedom and the rule of law and cooperation with other nations that has no element of coercion in it—they are new to all this—the more they have a chance to be a part of it, the more they will like it and the more they will become a part of an international system of democracy and law that is so important to the future of our children.

In that same spirit, I am still determined to pursue an agreement for China to join the WTO on viable, commercial terms again, not as a favor but to reinforce China's efforts to open, to reform its markets, to subscribe to the rules of the global trading system, and, inevitably, as more and more people have access to more and more information, more and more contacts, to feel that stability comes from openness and not repression of thought or religion or political views.

What is at stake here is more than the spread of free markets or the strength of the global economy, even more than the chance to lift billions of people into a worldwide middle class. It is a chance to move the world closer toward genuine interdependence rooted in shared commitments to peace and reconciliation.

This is a moment of great promise, a moment where we have to lead. A lot of things happen in this country that send mixed signals to people around the world that I regret. And most of them come out of the initiative of the other party in Congress: the failure to pay our U.N. dues; the failure to embrace the Comprehensive Test Ban Treaty; the abysmal budget for foreign affairs, when we can spend a little money in helping our neighbors and get untold benefit; and the zeroing out of our market-oriented initiative to meet our responsibilities to reduce global warming.

But one thing is still on our plate: We have not granted renewed fast-track authority; we are not pursuing the Free Trade Area of the Americas; we haven't yet passed the Africa trade initiative and the Caribbean Basin one, although I think we might get that done, because in our party, we have not been able to resolve these conflicts.

They've got a lot more work to do in their party than we do in ours, as I explained at the outset. We have worked through where we are on budget discipline, on economic management, on foreign policy, on environmental policy, on crime policy, on education policy, on health care policy. There has been an enormous modernization of the thinking and direction of the Democratic Party, and we can be proud

of it. But we can't go to the American people and say we have a whole vision for the future that will be a unifying vision, until we get over this one last big hump.

This is an exciting issue, and it is a difficult issue. And the labor people who will come here tomorrow have real interests at stake which ought to be heard. The environmental community people have real interests at stake which ought to be heard. But we're going to globalize one way or the other, and we'll be at the front of the line or the back or somewhere in the middle. And I believe it is profoundly in our interest and in the interests of the world for America to be leading the pack.

And I promise you, if we take initiative, it will lead to a cleaner environment and higher labor standards and more values that are consistent with ours, including letting more people be part of the process.

So what you are doing here is real, real important. It's our last big challenge to be the party that reflects the values, the heart, and the dreams of 21st century America.

Good luck, and God bless you. Thank you.

NOTE: The President spoke at 9:30 p.m. at the Omni Shoreham Hotel. In his remarks, he referred to Al From, president, Democratic Leadership Council; Senator Joseph I. Lieberman and Representative Calvin M. Dooley, cofounders, New Democrat Network; event chair Samuel P. Fried, senior vice president and general counsel, The Limited, Inc., who introduced the President; and Thomas Patterson, professor of Government and the press, John F. Kennedy School of Government, Harvard University.

Videotaped Remarks to the National Summit on Community Food Security *October 12, 1999*

Good afternoon, and thank you for taking the time to participate in this first-ever summit on community food security. Thank you, Secretary Glickman, for your leadership in this vital area.

Sometimes it's hard to comprehend that in the middle of the strongest peacetime economy in our Nation's history, when poverty is at a 20-year low and incomes are rising all across America, there are still people in our country

who go to bed hungry. More than 3 million children suffer from hunger at some point during the year. And nearly 1 in 10 American households are at serious risk that an expensive car repair or an unexpected rent increase could make them go hungry. That kind of deprivation is simply unacceptable in our land of plenty.