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well. You've got your economy going and your deficit's down and things seem to be headed in the right direction.'' And yet, here at home, because there's so many changes going on, a lot of Americans still don't feel secure about their future.

In a global economy, the things that lift a lot of people in Atlanta up—make for the record number of new business starts we had in 1993 and the record number of people, hardworking Americans becoming very wealthy—those same forces scare other people, with companies being downsized and all these changes happening.

And we need the Olympics in the United States, not just in Atlanta, not just in Georgia, not just in the New South that you are leading into the future. The United States needs the Olympics to remind us that every time we work together, we keep our eye on the future, we have a set of honorable rules by which we play, and we try to lift each other up, we do quite well. You will stun the world by your performance here. You will do that.

In doing that, and in working with all the people who are going to be doing all these volunteer projects, you have the capacity to remind America that just because the future is uncertain and rapidly changing, we do not need to be insecure. All we need to do is to do what we have always done when the chips were down and the stakes were high.

We are doing, as a country, better than virtually any other place in dealing with the challenges of the modern world, but we are not immune to those challenges, those problems, those anxieties. Now we're either going to hunker down or take a deep breath, throw our shoulders back, and walk right through them into the future. That is what you must do here. And when you do it, I'll make you a prediction: It will have an enormous positive impact on what Americans all over this country, from Alaska to southern Florida, from Maine to southern California, will believe we can do. And goodness knows we need it. And we're all going to do our best to make the most of it.

So thank you. Good luck, and Godspeed.

[*At this point, an ACOG representative and Mayor Bill Campbell of Atlanta presented commemorative bricks to the President and the Vice President.*]

The President. You have no idea how much this means to us—[*laughter*]—especially the way they were presented. We spend most of our time in Washington dodging these. [*Laughter*]

Thank you very much.

NOTE: The President spoke at approximately 5:40 p.m. in the Inforum Building. In his remarks, he referred to William Porter ''Billy'' Payne, chief executive officer, and Andrew Young, co-chair, Atlanta Committee for the Olympic Games; G. Andrew Fleming, chief executive officer, Atlanta Paralympic Organizing Committee; and LeRoy T. Walker, president, United States Olympic Committee.

Remarks at Session I of the Southern Regional Economic Conference in Atlanta

March 29, 1995

Thank you very much. Thank you, Secretary Brown, for that introduction, and thank you for the magnificent job you have done as Secretary of Commerce, promoting the interest of American businesses and American workers throughout the United States and all across the world. As far as I know, there is no precedent for the efforts that you have made or the results you have achieved. President Chace, thank you for your remarks this morning, and thank you for hosting us. Governor Miller, as always, thank you for bringing us back to Atlanta and to Georgia. Thank you for giving me such a nice place to sleep last night.

You heard Secretary Brown talk about this economic conference in the context of the one we did 2 years ago in Little Rock. Let me say that that conference, I believe, was very successful and did play a major role in helping us to finalize the economic strategy that we have pursued for the last 2 years.

We wanted to come back now to the country and do some regional economic conferences for some reasons I will explain in a moment. We thought we should begin in the South and we should begin here in Atlanta. This city and this university are remarkable examples of where we ought to be going as a people. This is a place of opportunity and responsibility where people are

working together. And I can say, I think, for all Americans, we can hardly wait for another 479 days to pass so the Olympics will begin here.

As the industrial age gives way to the information age and all of our economies are linked as never before, the South has really done a remarkable job of tapping in to all the opportunities that are presented. Atlanta has become a magnet for worldwide corporate headquarters. Miami has become a financial center for all of the Caribbean and Latin America. South Carolina and Tennessee have become new homes for manufacturing operations from all around the world. Charlotte has become a new national home for banking. And obviously, three letters, CNN, prove that this part of our country is the center of a global information network.

This conference, as I said, is designed to be the first of several regional conferences to follow up on what has happened in the last 2 years. The remarkable group of people that came to Little Rock in 1992, some of whom are here today and are participating in this second round of conferences, really gave us a lot of ideas to take to Washington that were consistent with the things I had advocated in my campaign but in some ways went beyond them.

The strategy that we brought to Washington was fairly straightforward. We wanted to reverse the trickle-down economics and reverse the idea that the Government had no affirmative responsibility to be a partner in growing the economy, increasing the number of entrepreneurs, expanding the middle class, and shrinking the under class.

We did that with a strategy that was designed to reduce the deficit, expand trade, increase our investment in the education and training of our people in the technologies of the future, to help the areas that were left behind or that were subject to sweeping changes because of defense downsizing, for example, and to reform the Government, to make it cost less and do better.

The results, I think, are clear: We've had $600 billion in deficit reduction. We have already cut or eliminated 300 programs with 400 more on the way for our new budget. The Federal Government is at its smallest size in a long time. We have already reduced it by 100,000. And for the budget already adopted, over a 6-year period it will go down by 272,000, which will make it the smallest it's been since President Kennedy was in office.

Our economic plan changed the tax structure in ways that made it, I think, more fair and more conducive for economic growth, while income taxes were raised on corporations with incomes of over $10 million in 1½ percent of our people. Working families with modest incomes received a significant tax cut. This year the average family of four with an income of $25,000 a year or less will pay about $1,000 less in income taxes. That's 6 million families in the Southern States alone.

Ninety percent of the small businesses, the engine of economic growth, were made eligible for tax cuts by increasing the expensing provisions by 70 percent. We created empowerment zones and enterprise communities to give incentives for people to invest in areas that had been left behind. Four of the nine major empowerment zones, which got big tax incentives for private enterprise to invest in them, are located in the southern region, including Atlanta, the Kentucky Highlands, the Mississippi Delta, and the Rio Grande Valley of Texas.

Last year, there were twice as many loans to small businesses in the SBA under the then-leadership of Erskine Bowles from North Carolina and now under the leadership of Phil Lader from South Carolina. There were twice as many loans in the South from the SBA than in any succeeding year ever, including the year before I took office. That includes over 11,000 businesses in loans worth over $2 billion.

So that strategy was our economic strategy. It went with our strategy to expand trade: NAFTA, GATT, the Asian-Pacific region, the Summit of the Americas in Miami, the national export strategy that Secretary Brown has worked so hard on to sell more of our products and services around the world.

We increased investment in education from Head Start to making more college loans available to people. And we certainly began not only to shrink the size of Government but to change the nature of Government, to let States have more say over welfare reform and health care reform, to move

toward what we have now done in this year, reducing the unfunded mandates on State and local governments, and to change the nature of regulation under the Vice President's reinventing Government effort.

We have, for example, just announced that small businesses will be allowed, when they're first fined, not to pay the fine but instead to put the fine into correcting whatever the problem is with a Government agency; that Government agencies will be given the authority not even to impose a fine in the first instance, to waive it, on small businesses. The Environmental Protection Agency is reducing the paperwork burden by 25 percent. It will save 20 million hours of work for American citizens in the private sector this year.

So these are the things that we have worked so hard to do. What have been the results? Well, you heard them already, but I'd like to say again. We've had over 6 million new jobs in this economy, and 1993 was the best year in American history for small businesses and start-ups. The combined rate of unemployment and inflation is at a 25-year low. We have the African-American unemployment rate in the United States below 10 percent for the first time in 20 years. Unemployment in the South has dropped even more than in the country as a whole. The South has 30 percent of the population but has generated 40 percent of the new jobs that have come into this economy in the last 2 years.

Now, that is the good news. Why are we having this economic conference? Because the news is not all good and because we are under a great responsibility to try to keep this economic recovery going of high growth and low inflation.

Let me talk first about the news that's not all good. You may wonder with these numbers, which are better than we've had in decades, why poll after poll after poll says that people think the country is not going in the right direction. One reason is that over half the American people in spite of this recovery, are working longer workweeks for the same or lower wages than they were making 15 years ago. This is a new phenomenon in the global economy, that wages are stagnant.

The other thing is that nearly everybody knows someone who's been part of a restructuring, a downsizing, some market change in a larger economic unit, which means that even when times are good, people think things are changing so fast that their level of security, their sense of stability, of rootedness, of reward for work is more fragile than it has been in the past.

It's funny, you know, this economic strategy that I've tried to pursue basically grew out of my experience as a southern Governor, when the real southern strategy of the seventies and eighties in the South was better education, more jobs, and a closer partnership between the public and private sectors and between people of all races and backgrounds. That's the strategy, the real southern strategy that lifted the South from the sixties forward. And it's ironic that in the country now with this problem of wage stagnation and the splitting apart of the middle class, the challenge we have, in a funny way, is a lot like the challenge that I faced when I first became a Governor.

You know, most of us who were born in the South remember when nearly everybody was poor. Zell Miller gave that magnificent speech at the Democratic Convention about living in the house his mother built herself. When I was born in Arkansas, the per capita income of my State was 56 percent of the national average. And most of us who are natives to this region thought that a major part of our life's mission would be getting the American dream to all the people who lived in our region, without regard to their race or condition of birth.

Now, the challenge for America is whether or not, even in the midst of all our economic triumphs and when we are the world's only military superpower, we can preserve the American dream for all of our people. Can we avoid this wage stagnation? Can we avoid this increasing inequality in the United States that is gripping every advanced economy in the world as we become more globalized, as we become more dependent on technologies, as things change faster and education determines income more than ever before? That is the great challenge.

And that's why we are working now in Washington to continue what we've been

doing for the last 2 years but also to focus on things like the middle class bill of rights, the education tax deduction, more training for workers who are unemployed or underemployed, raising the minimum wage, working on welfare reform, things we think will raise incomes and bring people together again.

So let me close with this. I hope that all of you think that this will be a day well spent. From my point of view, I think we should be focused intensely on three questions. One is: Even though all 50 States are growing now—it's the first time in a long time that's happened—what are the differences in the economies of the various States in this region, in this region, and the rest of the country? Are there specific things that ought to be done in the southern region or within the Southern States that are different from what we might be doing as a whole? Question one.

Question two: What is the proper role of the National Government in working with you to build this economy and to make it better? That's the great debate in Washington we're having today. It used to be the prevailing theory was there was a big-Government solution for every big problem. Now, the prevailing theory is the Government would mess up a one-car parade, and if it didn't exist, America wouldn't have any problems. Both theories are wrong and are contradicted by all experience everywhere in the world. Not Japan, not Germany, or any country ever became a great industrial power without trying to develop the capacities of the people and having a coordinated economic strategy and having a framework within which markets could succeed.

So, what should we be doing? What should we be doing? What have we done that's right? What have we done that's wrong? What should we stop doing? What should we start doing? That's the second question.

The third great question is the one that I mentioned earlier, and it's the national question. And it is at the core of what we will have to be concerned about, I predict to you, for decades: How do you preserve the American idea that if you work hard and play by the rules, you can do better; that we will always be able to grow the middle class and shrink the under class and spark an unprecedented number of entrepreneurs? How do you preserve that American idea in the global economy? That is the great challenge of this era.

When this day is over, if we honestly address those three questions: Are there still differences about the South or within the South that we need to be sensitive to; what's the role of the Federal Government; what can we do to raise incomes and increase stability for people who are working hard and playing by the rules, then I think you will believe your day was well spent.

In 1986, I was the chairman of the Southern Growth Policies Board, and I asked the former Governor of Mississippi, Bill Winter, to be the chairman of our project on the future of the South. Every 6 years, there's a report on the future of the South. The Secretary of Education, Dick Riley, issued one in 1980. We've been at this a long time. We called our report in 1986, ''Halfway Home and A Long Way To Go,'' which captured the fact that the South was moving rapidly compared to the rest of the country but wasn't there yet. Now we're in one of the two Southern States that has a per capita income above the national average. We know the South is growing more rapidly than the rest of the country and moving quickly. But there are still differences, and there are profound challenges facing the United States.

So I would say to you, we're more than halfway home. The southern strategy has found its finest expression, perhaps, here in Georgia and with the administration of this Governor. I noticed—one thing I have to brag on him for—these HOPE scholarships so that any young person in Georgia who has a certain grade-point average gets a full tuition scholarship for 4 years to any institution in the State, public institution in the State—anybody. That's the kind of strategy and the kind of programs that we ought to be supporting everywhere in the United States.

So we've done very well, but these three great questions still have to be asked and answered. We're going to ask these questions all across the country, but I think we did the right thing to start here.

Let me close with this. In 2 weeks, on April 12th, we will honor the 50th anniversary of President Roosevelt's death in Warm

Springs, Georgia, about 60 miles from here. On the day he died, Roosevelt was drafting a speech for Thomas Jefferson's birthday, a speech he obviously never got to deliver. The last words written in his own hands were these: "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active purpose."

One final problem we have are the doubts the American people have about today. If you look at what has been achieved in this State, in this region in the last 10 years, there is a lot more room for hope than for doubt.

Thank you very much.

Now, to provide an economic overview, I would like to call on the Secretary of the Treasury, Bob Rubin. As most of you know, he was, until he became the Secretary of the Treasury, succeeding Lloyd Bentsen, he was the President's National Economic Adviser and the head of the National Economic Council, a position now occupied by Laura Tyson, who was the Chairman of the Council of Economic Advisers.

One of the important things we did in our economic strategy, which has received virtually no attention but which I predict historians will credit for a long time to come, was to establish a National Economic Council, like the National Security Council, that met on a regular basis, included all the various actors in the Federal Government, and forced us to coordinate our economic policy in ways that had never been done before. It is obvious that a big part of our national security in a global economy depends upon our national economic strength.

I am convinced that that institution now will endure through future Presidencies of both parties and unforeseen developments. And I think one of the reasons it will endure is because Bob Rubin, as the first person to head the Economic Council, did such a good job in bringing people together and making it work. So I'd like to call on Secretary Rubin for a brief overview of the economy as we see it today.

Mr. Secretary.

NOTE: The President spoke at approximately 9 a.m. in the Cannon Chapel Building at Emory University. In his remarks, he referred to William M. Chace, president, Emory University, and Gov. Zell Miller of Georgia.

Remarks to Students at Emory University in Atlanta

March 29, 1995

The President. Thank you very much. Thank you, Laura Sawyer, for your warm and generous introduction. Thank you, President Chace, for what you said in reminding me of our generation's obligations to the students here present by recalling that day now almost 32 years ago when I met President Kennedy.

I have very much enjoyed this day at Emory. I thank the university and all responsible for making it possible for us to hold here the first of our conferences on the state of the American economy and where we go from here. I wish all of you could have been there today to hear the people who came to tell their stories, stories of struggle and triumph, stories, many of them against all the odds, what they had done to make their way in the economy of the 1990's and how they were looking forward to the next century.

I just have one question about this before I get too serious. Where is Dooley? I was told if he showed up, you all would get up and leave. [*Laughter*] I hope he waits until the end if that's true.

Let me say that I ran for the office of President because I was concerned about the direction of our country and the future of our children, basically because I believe the obligation of every generation of Americans is to preserve and nourish and deepen the American idea, the idea that if you work hard and play by the rules, you can make the most of your God-given potential and live the life of your dreams and that you can do it without holding anyone else down and, indeed, the more people from all walks of life and all races and regions who are lifted up, the better off we'll all be. That is the American idea.

When I met John Kennedy and when I went off to college—I was the first in my generation to go to college—I was the son of fairly poor people in the South when I was born in Arkansas right at the end of World War II; the per capita income of our