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to safeguard our most basic rights and liberties so that we can trade and learn and communicate in safety and security.

Finally, it is especially important, as I said last week, to give parents and teachers the tools they need to make the Internet safe for children. A hands-off approach to electronic commerce must not mean indifference when it comes to raising and protecting children. I ask the industry leaders here today to join with us in developing a solution for the Internet as powerful for the computer as the V-chip will be for television, to protect children in ways that are consistent with the first amendment.

Later this month, I will convene a meeting with industry leaders and groups representing Internet users, teachers, parents, and librarians to help parents protect their children from objectionable content in cyberspace. Today we act to ensure that international trade on the Internet remains free of new discriminatory taxes, free of tariffs, free from burdensome regulations, and safe from piracy.

In the 21st century, we can build much of our prosperity on innovations in cyberspace in ways that most of us cannot even imagine. This vision contemplates an America in which every American, consumers, small-business people, corporate CEO's, will be able to extend our trade to the farthest reaches of the planet. If we do the right things now, in the right way, we can lead our economy into an area where our innovation, our flexibility, and our creativity yield tremendous benefits for all of our people, in which we can keep opportunity alive, bring our people closer to each other, and bring America closer to the world. I feel very hopeful about this, and I assure you that we will do our part to implement the principles we advocate today.

Thank you very much.

NOTE: The President spoke at 3:08 p.m. in the East Room at the White House. In his remarks, he referred to Louis Gerstner, chairman and chief executive officer, IBM; and Macadara MacColl, managing director, Parent Soup.

Statement on Electronic Commerce

July 1, 1997

As I unveil our electronic commerce initiative, I am also pleased to announce that I signed a memorandum [1] that today implements the Information Technology Agreement concluded at the World Trade Organization in Geneva in March. This historic trade agreement will cut to zero tariffs on a vast array of computers, semiconductors, and telecommunications technology by the year 2000. Trade in these goods covers more than $500 billion in global trade. These products are the essential building blocks of the information superhighway. Combined with the entrepreneurial spirit of people here and throughout the world, they will drive electronic commerce and communication in the 21st century.

Every year, we sell $100 billion in information technology that supports almost 2 million jobs in the United States. Eliminating tariffs on these goods will amount to a $5 billion cut in tariffs on American products exported to other nations. For example, in India and Thailand tariffs on computers are 8 times higher than in the United States. These tariffs will be eliminated, allowing American products to compete on a more level playing field.

America leads the world in information technology. This agreement will create extraordinary new opportunities for American business and workers, so the American people can reap the rewards of the global economy as we enter the new century.

Memorandum on Electronic Commerce

July 1, 1997

Heads of Executive Departments and Agencies

Subject: Electronic Commerce

The invention of the steam engine two centuries ago and the subsequent harnessing of electricity for communications ushered in an industrial revolution that fundamentally

[1] White House correction.