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but they may not know how to do it, or all the other stuff you've got to do just to do what you want to do and what you're trained and skilled to do.

So this is a big part of America continuing its growth and using, literally, the only chance in my lifetime, which is getting a little longer as the days go by, the only chance in my lifetime we have ever had to give every American who is willing to work the chance to live the American dream.

So I want to say again how profoundly grateful I am to all of you, to say thank you, and *Dios los bendiga.* Bless you.

NOTE: The President spoke at 11:55 a.m. in the third floor atrium. In his remarks, he referred to Enealia Nau, Brooklyn business owner, who introduced the President; Victor Alicea, president, Boricua College; Steven D. Kravitz, president, Loan Source, Inc.; Marge Magner, Primerica Financial Services and Citibanking North America executive; Sanford I. Weill, chief executive officer, Citigroup; Terri Ludwig, president and chief executive officer of ACCION; and late night television talk show host David Letterman.

Remarks at the Wall Street Project Conference in New York City

January 13, 2000

Thank you. The reason we were scurrying around up here is that Reverend Jackson had taken my speech. [*Laughter*] That's okay. I've taken a lot of his over the years. [*Laughter*]

Sandy, thank you for that wonderful introduction. I'm glad one of us made money out of this administration. [*Laughter*] I want to congratulate Robert Knowling and my longtime, wonderful friend Berry Gordy on their awards. I thank Mr. Ivester and Mr. Seidenberg for supporting this important work. I thank Secretary Slater and our SBA Administrator, Aida Alvarez, for being here with me. And I think Secretary Cuomo spoke here earlier today. He and the Vice President have done a wonderful job with our empowerment zone program and the other HUD economic development initiatives.

I want to say a special word of appreciation here today to the Members of Congress who are here—Congressmen Rangel, Velazquez, Owens, Maloney, Engel, and Jackson. And my personal thanks to two former Members of Congress who are here, the leader of the NAACP, Kweisi Mfume, and my good friend Reverend Floyd Flake, who went home to his mission in life. And I thank him.

I saw my friend Mayor Willie Brown from San Francisco, and we congratulate him on his reelection. And former Mayor David Dinkins of New York—thank you, Mayor Dinkins; and our comptroller, Carl McCall, and so many others who are here.

I want to thank Hugh Price for the Urban League's work. And I'd like to thank all the business leaders here who have helped the whole effort that Reverend Jackson has made over the last several years, but I would like to say a special word of appreciation to three who have been close to me and also close to Reverend Jackson: Willie Gary and Ron Burkle and Dennis Rivera. Thank you all very much for what you have done.

Now, we've got a lot of folks here who have done things, but I want to say also how much I appreciate Reverend Jackson's family—Jackie and all their wonderful children. They've been great friends to Hillary and to Chelsea and me, and I just get a big rush every time they stand up and get introduced. It's quite exciting. Reverend, you've done a lot of important things in your life, but those kids are the most important, by a long, good way, and I want to thank you.

Let me say, I always look forward to this event, but it keeps getting bigger and bigger and bigger. If it gets any bigger, we've going to have to start holding it in Yankee Stadium—[*laughter*]—and that's a good thing. I would like that very much.

You know, I'm just practicing for my—did you see the way I got Berry up here and I took out the stand and then I picked up his glasses when he dropped them? I'm practicing for my role as a Senate spouse. [*Laughter*] Did you catch my wife on Letterman last night? Was she great, or what? [*Applause*] You know, it's bad enough that I have to give up being President; now I've got to give up being the funny one in my family. [*Laughter*] Life is always teaching you lessons of humility. [*Laughter*]

Although the press, you know, they keep saying I'm a lame duck. I think what a lame duck is, you know, you show up for one of these things, and nobody else comes.

[*Laughter*] So I want to thank all of you for making me feel like I'm still President today.

Now, to the business at hand. We all know why we're here, and we all know what we're supporting. I am profoundly grateful, not only as President but as a citizen, for the work that Reverend Jackson has done with this Wall Street Project. I am profoundly grateful that so many business leaders have supported it.

I want to say, also, a special word of appreciation to the Members of the Congress that I have already introduced and to the current and former leaders of the Congressional Black Caucus and the Congressional Hispanic Caucus—Representatives Waters, Clyburn, Roybal-Allard, and Becerra. I want to thank Senators Sarbanes, Kerry, Robb, Rockefeller, and Congressman LaFalce from New York, because they've been especially supportive of this new markets initiative.

Now, you heard Sandy Weill say some very kind things about the economic record of the administration, but I would like to put it in a little different context. It is true that we have the lowest unemployment rate in 30 years, that in just a few weeks we'll have the longest economic expansion in the history of America. We'll then be over 20 million new jobs, surpassing the expansions that occurred in World War II when we were fully mobilized for war. It is true that we have the lowest recorded Africa-American and Hispanic unemployment rates, the lowest female unemployment rate in 40 years. That's all true. But it's also true that the minority unemployment rate and the minority poverty rate is still about twice the national average.

I was just in Brooklyn with Nydia Velazquez to kick off a small business center with Aida Alvarez. You heard her talking about it. In Brooklyn, a borough in New York City that has been very good to me and to the Vice President, the national unemployment rate is 4.1 percent; the Brooklyn unemployment rate is still over 9 percent. The national poverty rate down to about 11 percent; the Brooklyn poverty rate way over 25 percent. The national homeownership rate, 66 percent; Brooklyn homeownership rate about 28 percent.

A lot of good things are happening there. And the whole area has been reborn on the energy of new immigrants. And I feel very good about it long term. But I want to make a point here. If we're in a position—which we weren't in 7 years ago because the whole country was in a mess, economically and otherwise—but if now it is true that we have perhaps the best economy we've ever had—instead of having the biggest debt in history, we're now paying the debt off for the first time in the history of the country—the Treasury Department started buying the debt in early so we could provide more capital for the private sector at lower interest rates, and our goal is to have America debt-free, the Government debt-free in 15 years. Now, if we're in a position to do that, there will never be, number one, a better time for us to bring economic opportunity to people and places that have been left behind. Number two, it has to be done in a partnership with the public and private sector, because we've still got a debt to pay off and an economy to keep strong, and the Government can't do this alone. This needs to be driven by private sector investment, private sector expertise, the kind of thing that will change for the long term not only people but whole neighborhoods and rural areas, Native American reservations, by empowering them to shape a different future for themselves.

If we can't do this now, we will never do this. We will never get around to doing this if we don't do it now. So, point number one, we have a moral obligation to use our prosperity at this moment, especially, to lift up the areas not only of New York City but upstate New York, which would rank 49th of all our States in job creation—if you took the city and the suburbs out, the rest of New York would be 49th of the 50 States in job creation. And there are lots of things that need to be done there that creative entrepreneurs can deal with, in terms of transportation and investment, lots of other issues—and all over America.

The second thing I want to say is this is in the economic self-interest of the people who are doing very well, the people whose stock has gone from 5 bucks to 55 bucks. Why? Why is that? Well, Sandy stole Bob Rubin from me, and he probably figures that now he's bulletproof from whatever we do in the Government, you know. But let me

tell you, you would be astonished at the time we spent both when Secretary Rubin was there and after he left, in the White House and a few blocks down, the time Chairman Greenspan and his staff spend at the Federal Reserve thinking about the following question: How can we keep this going? How much longer can this go on, after we even eclipse the record of expansion in wartime in just a couple of weeks? How can we do it? How do economic expansions end?

Well, sometimes they just run out of steam. There's nobody left that doesn't have any loose money to buy more stuff. You know? And then, sometimes, they run out of steam because everybody starts making so much money that they ask for higher pay, or supplies get tight and they become so expensive they could get inflation in the economy, and then you have to raise interest rates to stop inflation, and the cure for stopping inflation also breaks the economic growth. Unemployment goes up, growth goes down, and it happens over and over again.

Have we sort of repealed the laws of the private economy? No, we haven't repealed it, but technology and open markets and competitiveness and productivity have changed it and made new things possible. But how are we going to keep this going?

Well, I would argue the only way to keep the growth going without inflation is to find both new businesses and new employees and new customers at the same time. If you have new people with money to spend and jobs to hold, then you can have growth without inflation—so that if the unemployment rate in Brooklyn drops from 9.4 percent to 4.1 percent, where it is nationwide, because you've got a whole lot of new jobs there, and then those people that have the jobs spend their money there, that won't contribute to inflation; it will keep the economy going.

And the same thing is true all across the country. And don't forget, folks, this is not just an inner-city problem. One of the best things Jesse Jackson ever did was go to Appalachia. We were out there in Appalachia with this new markets tour last summer, in this little courthouse town in West Virginia, and he got a bigger hand than I did because he had been there before. [*Laughter*] The face of—today we celebrate the fact that the face on wealth is colorblind and that there is an equal distribution of talent in our country. You also see that the face of poverty and deprivation and the lack of opportunity is colorblind. This is an American challenge.

We were in Appalachia; we visited a company called Mid-South Electronics that now makes communications equipment—some of you might buy it—that makes its way onto the desktops of many Fortune 500 companies represented in this room. Ten years ago, in a distant place in Appalachia that's hard to get to, they had 40 employees. And now, thanks to the availability of capital, they have 850—way back in the hills in Appalachia.

In East St. Louis, with the great Mel Farr, Jesse Jackson and I visited a large new Walgreens store, first store that had been built in this distressed neighborhood in 30 years. And the manager of the store was a 24-year-old woman who just graduated from college a couple of years ago—running that store with 30 employees. And I believe every one of them but two were older than her, and they thought she was great. And the neighborhood was coming alive because of capital.

In Mississippi we met a woman who had been working for years in a small computer store and never made any money at all—just in this little, bitty store in a town in Mississippi. She had no money in the bank, and they were going to close her store. But she got an equity capital investment, and then she could get some loans. And she bought her business, where she had just been an employee all these years, but within a year, she had more than doubled the size of the business and was making good money. She went from modest wages to being a proud business owner.

And there are lots of stories like this everywhere. But for every story like it, in these distressed places there are 10 more people who could be this story and aren't yet. And that's why people like you come to events like this.

This country owes a lot to visionary business people who are part of this movement. We owe a lot to the Members of Congress who are trying to help me pass my initiative, without which I could do nothing, and I thank them for being here. And we owe a

lot to you, Jesse Jackson, for understanding that this was the next great frontier in the civil rights movement, years and years ago, and fighting for it all these years.

Now, here's what I'm going to try to do this year, in our last year in office, to set up a framework that will enable us to bring opportunity to the people and places that have been left behind. First, I will resubmit, with certain changes, my new markets initiative. The general idea is that I want to give people the same incentives to put money in underdeveloped neighborhoods and towns in America that we give them today to put money into poor areas in Latin America and Africa and all over the developing world.

Now, I strongly support that, too. I believe that when Americans give people in distant villages a chance to build a decent life, they're more likely to be good citizens and to support democracy and less likely to join the narcotraffickers or the people that are trying to corrupt governments and end freedom, or later try to cause problems in the world that the United States will have to deal with. So we need to keep reaching out there. But we can't say, at this moment of heightened prosperity and a real challenge to keep our growth going, that we're not going to give the very same opportunities to our own people.

Now, what are we going to do? First, I will propose a major expansion of the new markets and empowerment zones tax credits, to give investors tremendous incentives to give a long look to the underdeveloped areas in urban and rural America. I want to thank, especially, Representative Charles Rangel for the very large role that he has played in leading the charge on both these tax credits. I'll ask for more than twice the funding I asked for last year for this tax credit to spur $15 billion in new investment.

I'm also going to ask Congress to authorize two new components of our new markets agenda. First, our New Markets Venture Capital Firms, a program geared toward helping small and first-time entrepreneurs; and then America's private investment companies, modeled, as I said earlier, on the Overseas Private Investment Corporation, to help larger businesses expand or relocate to distressed, inner-city or rural areas. Now, together, all these components of the new markets initiative will leverage over $20 billion of new equity investment in our underserved communities.

Here's how it works. Through our New Markets Venture Capital initiative and the American Private Investment Corporation, we'll spur new investments in both small and large businesses by telling investors the following: If you put up $1 of equity capital for new markets investments, we'll provide $2 of Government-guaranteed loans. In some cases, we'll even defer interest payments for up to 5 years.

What is the practical impact of this? It says, if you're willing to take the chance of seeking a profit in the new markets with new partners, we'll help to lower your financing costs and some of your risks. Then, on top of that, the new markets tax credit will give investors a 25-percent tax credit on investments in the Private Investment Corporation, in the New Market Venture Capital Group, in community development banks, and other funds that invest in our new markets. This will enable us, alone, to increase the amount this tax credit serves, from 6 to 15 billion dollars.

Now, is anybody going to, all of a sudden, put money into a sinkhole where they think they'll lose it? No, not unless we give you a 100-percent tax credit. But if you know there is a marginal increased risk, but a potential big reward, not only for your investment but for our country as a whole, what these initiatives will do will say, hey, take a look at these places in America that have been left behind. And they're out there, and they're gifted people.

I ordered Christmas presents, a few Christmas presents on the Internet this year for the first time. But you know who my seller was? One of America's Indian tribes. When we went to the Pine Ridge Reservation in South Dakota—do you think it's tough in Brooklyn—do you know what the unemployment rate on the Pine Ridge Reservation is, because it's so far from everyplace? One of the most noble places in America, the home of the Oglala Sioux, the tribe of Crazy Horse—their unemployment rate in this economy is 73 percent.

I met—I was taken around through this neighborhood by this young woman who had had a very difficult childhood, but she was one of the most impressive, self-possessed, articulate people I have met in a long time for her age. And I thought to myself, there is an equal distribution of talent and intelligence everywhere in our country, and it is wrong for these people to be denied good jobs, good education, good housing, decent businesses, and the opportunity to build a different kind of 21st century community. Now, this is wrong.

So I say to all of you again, I want you to help me pass this new markets initiative. I want you to help me increase the empowerment zone tax credits. And I want you to help me keep doing the things that are working. I want you to help me work with Vice President Gore and Secretary Cuomo to get a whole other round of empowerment zone communities, so we can put even more intense efforts there. And I want you to help me make it a nonpartisan deal.

The Speaker of the House, Dennis Hastert, a Republican from Illinois, joined Reverend Jackson and me and Congressman Bobby Rush and some others in Englewood, Illinois, recently, and he pledged to work with us to find common ground on these proposals. Economic opportunity should not be the political province of any particular party. Economic opportunity should be the birthright of every American.

Let me just mention one other thing I'm going to do, which is related to this, because I think it's important. Our new budget will carry a new initiative we call First Accounts to expand access to financial services to low-income Americans—an idea long championed by Maxine Waters and many other leaders in Congress. Today, it's hard for some of you to believe, but far too many families have no bank accounts at all. They wind up spending a lot of their precious money on unnecessary fees, therefore, when they pay bills or cash checks.

Under this First Accounts initiative, we're going to work with financial institutions to encourage the creation of low cost bank accounts for low income families; to help bring more ATM's to safe places in low income communities, like the post office; to provide training to help families manage household finances and build assets over time, which will work very nicely with the financial education efforts you're launching at this conference.

And then, finally, I want to convene a roundtable at the White House to build even greater awareness in the corporate community of the benefits of the Community Reinvestment Act. You've already heard a lot of talk about that, but we had to work hard to ensure that when we passed the financial modernization bill and expanded the powers and opportunities for banks, we expanded the CRA, as well, and kept it instead of weakening it. That law has been on the books for over 20 years, with more than 95 percent of all the money loaned under it has occurred in the last 5 years. And I'm very proud of that because more than a $1 trillion in long-term commitments have been made to invest in our communities.

So I say to you, we've got to do more of this. Especially when you put the responsibilities of financial institutions on the Community Reinvestment Act with all these incentives—if we can pass them through Congress, we can have a flood of money into areas that have never before had it, to people that have never before been able to get a loan, in ways that are good for all the rest of us, because they'll keep this engine going with no inflation.

Anyway, that is the idea. And I loved all this new markets tours we've done. And Reverend Jackson and I, many Members of Congress, we've stopped at a lot of places where Presidents never go. And I'm having such a good time, we're going to do another one this spring. So, Reverend, you've got to clear your calendar; we're going to go. And we're going to specifically focus on something that I hope all of you will help us on. We're going to focus on the digital divide.

This very conference is being broadcast live over the Internet to people all over the world. But a lot of the people you're trying to reach don't have a computer, can't afford the hookup. We have worked very hard, under the Vice President's leadership, to get something called the E-rate as a part of reform of the telecommunications system,

which gives a couple of billion dollars in subsidies to schools and libraries around the country that are in low income areas, so everybody can afford to be hooked up.

When we started 5 years ago we had—only about 14 percent of the schools in our country were connected to the Internet; now over 80 percent are. We're really working hard, and we've had a wonderful partnership with the private sector. But it's not enough for the schools.

I went to Hudson County, New Jersey, which has a lot of first-generation immigrants, in a school that had so many problems it was almost closed by the State. And then the principal of this high school not only started making sure all the immigrant kids whose first language was not English were trained on the computer, they started putting computers in the parents' home and showing them how to do it, so that all these low income working people could E-mail their parents, teachers, and their principals every day. The dropout rate went way down and the performance of these kids in a low income neighborhood, most of them immigrant kids, rose about the State average of New Jersey.

We can do this if we close the digital divide. Your company had a lot to do with that, and I thank you.

So again I say, you know, when you know something works and you know you ought to do it, you know, by the way, it will help you as well as help other people, you need your head examined if you don't do it.

I see this as a part of America making the most of this precious moment. This week—I'll just close with this—this week I had one of the great, sort of personal encounters with beauty in my whole life. I flew to the Grand Canyon, and I got there late at night. And I stayed in this old lodge built in 1905, which is right out on the edge of the Grand Canyon.

Thirty years ago, when I was a young man, not long after I met Hillary, I drove all the way to California to see her. And I stopped at the Grand Canyon late in the afternoon. And back then, you had greater access before we lawyers got hold of everything. And I crawled out on a ledge, and I watched the Sun set over the Grand Canyon for 2 hours. And you know, that canyon was formed over millions of years, and there are lots of layers of rock and lots of different shapes. So when the Sun sets, the light comes out of the Canyon until it disappears, and it changes everything. So for the first time in my life, this week I got to see the Sun rise over the Grand Canyon. So when it rises, it goes down into the Canyon and has the same impact.

And I went there to set aside another million acres to protect it there, under authority that Presidents have had since Theodore Roosevelt got Congress to pass something called the Antiquities Act in 1908. And really, 100 years ago the times were—bore a lot of similarities to today. We were becoming a nation of immigrants; we changed from being an agricultural country to an industrial country—just like we're going from being an industrial country to an information-based global society now.

And Theodore Roosevelt said that the great hallmark of every young and growing society must be that it takes the long look ahead. It's a nice phrase, isn't it? So if we are what we dearly want our children and grandchildren to believe we are, we will take the long look ahead.

We'll deal with the challenge of the aging of America, the children of America, the need to balance work and family, the need to prove that we can improve the environment as we grow the economy, the need to put a human face on the global economy, the need to stand against the new threats of terrorism and weapons of mass destruction and the old demons of racial and ethnic and religious hatred around the world. But we need to start in the long look ahead with the clear understanding that this is the only time in the lifetimes of most of us here when we ever had a chance to give everyone their shot at the American dream.

When Martin Luther King was preparing to go to Chicago a long, long time ago, and Jesse Jackson was not still in high school, but he was very young—[*laughter*]—in preparation for Dr. King's arrival, Jesse launched Chicago's Operation Breadbasket, an effort to open the dairy, the grocery, the other segregated industries to African-Americans. In just 2 years, he helped more than 3,000 men and women secure good jobs and an income that totaled over $22 million a year. So decades ago, Chicago got a glimpse of how good

business could be when more people could play, to use the Reverend's phrase. Now, everyone in America knows this. You are all here in recognition of this.

In a little more than a year, I'll just be a citizen again. And when I leave, I want to know that my country took the long look ahead, to give every poor person a chance to have the dignity that comes when your mind and your body and your spirit are engaged in productive labor for yourself and your family and your children.

Thank you very much.

NOTE: The President spoke at 2 p.m. in the Imperial Room at the Sheraton Towers Hotel. In his remarks, he referred to civil rights leader Rev. Jesse Jackson, founder and president, Rainbow/PUSH Coalition, and his wife, Jacqueline; Sanford I. Weill, chief executive officer, Citigroup; Robert E. Knowling, Jr., president and chief executive officer, Covad Communications Co.; Berry Gordy, Jr., founder, Motown Record Co.; M. Douglas Ivester, chairman of the board of directors and chief executive officer, Coca-Cola Co.; Ivan Seidenberg, vice chairman, president, and chief executive officer, Bell Atlantic; Kweisi Mfume, president and chief executive officer, National Association for the Advancement of Colored People; former Representative Floyd H. Flake, pastor, Allen AME Church, NY; Hugh B. Price, president and chief executive officer, National Urban League, Inc.; attorney Willie E. Gary, 1999 Horatio Alger Award winner; Ronald W. Burkle, chair, Yucaipa Companies; Dennis Rivera, co-chair, board of directors, Rainbow/PUSH Coalition; late night television talk show host David Letterman; former Secretary of the Treasury Robert E. Rubin; and former NFL Detroit Lion Mel Farr, Sr., president, Mel Farr Automotive Group.

Statement on the United States Treasury Use of "Debt Buybacks"

January 13, 2000

America has come a long way in the last 7 years. We moved from the largest deficit in history to the largest surplus in history. We have put this country on a path of fiscal discipline that has led to paying down $140 billion in debt over the past 2 years and put us on course to be debt-free by 2015 for the first time since Andrew Jackson was President.

The announcement that the U.S. Treasury will use "debt buybacks" is a dramatic reminder of this progress on fiscal responsibility. This new tool for this unprecedented era of surpluses will, in effect, help refinance old debt and pay it down on the best terms possible. It represents our commitment to pay down our Federal debt in a way that best serves the interests of the taxpayers.

Interview With Ron Insana of CNBC's "Business Center" in New York City

January 13, 2000

Mr. Insana. As you know, the Wall Street Diversity Project has been underway for a number of years now, and President Clinton is here at the New York Stock Exchange to talk about diversity on Wall Street, among a number of other topics.

Mr. President, it's good to see you again. Thanks for coming back to the program.

The President. Thank you, glad to be back.

New Markets Initiative

Mr. Insana. Are you getting a sense that there is some progress being made on the diversity issue down here in the lower corridors of Manhattan?

The President. Oh, I think so. We had the annual meeting of the Wall Street Project here with Reverend Jackson and Sandy Weill and Dick Grasso and a lot of other people. There is, I think, a general sense that the economy is opening up more and more to all America and a specific sense of urgency that one of the ways to keep this expansion going without inflation is to involve people and places that have been left behind. So I'm quite hopeful.

Mr. Insana. Now, last time we met, in fact, in July—that was one of your initiatives, the new markets initiative, that focused on underprivileged people in rural and other parts of the country. And today you talked about tax incentives, also, for the working poor. How likely is it that a Congress in an election year will let you make any progress on that issue?