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NOTE: The President spoke at 2:36 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to James A. Baker III and Lee H. Hamilton, co-chairs, Iraq Study Group.

Remarks at the Initiative for Global Development's 2006 National Summit

June 15, 2006

Thank you all. Whatever successes this administration has had in combating global poverty, Colin Powell gets a lot of credit. I will spend some time talking about our responsibility as government to address global poverty. It's a responsibility we take seriously, and it's a responsibility that Colin Powell carried out in his distinguished tenure as the Secretary of State of our country. I want to thank you for being a friend, and thank you for your service to the country. He's a good man.

Thank you all for allowing me to come by to speak. I appreciate the cofounders and the leaders of the Global Development effort. I want to thank you for having this summit. Thank you for being what I call social entrepreneurs, people who care about the plight of other people.

The facts are these: Across the globe, more than a billion people live on less than a dollar a day. That should be a troubling statistic to all Americans. They lead lives of hunger; they lead lives of desperation. Every day is a struggle just to survive. That struggle ought to inspire us here in America. It's inspired you; it ought to inspire all our citizens.

I want to thank you for lending your expertise and your funds to address problems alongside your Government. Colin said, "You know, this is not a governmental effort; it's not a business effort; it's not an NGO effort; it's a combined effort by a lot of compassionate hearts to address a significant problem." And so I'm here to thank you for your commitment and to let you know, we're pleased to stand with you.

I want to thank Susan Schwab, who traveled with me today. Maybe you don't know who she is, but you will soon, because she just got sworn in as the new Trade Representative for the United States. So who do you pick to be the Trade Minister? Well, you pick somebody who is a good negotiator, for starters, somebody who understands that opening markets is in our national interest and that when you open a market, you make sure—as we open our markets, you make sure you're treated fairly. That's what we want. That's all we want. We want to be able to tell the American people that free trade is good for our country, but fair trade means that it's responsible. And so she understands that. She'll be a good, hard negotiator, but she also understands something I understand, and that is, trade is one of the best ways to help lift people out of poverty. I'm going to talk about that in a little bit.

I'm sorry Laura couldn't be with me here. She's a—she is a person who cares deeply about the suffering in places like the continent of Africa. When she travels, she brings the message to the people there that a lot of Americans care deeply about AIDS or care deeply about hunger or malaria. She sends her greetings. I'm lucky she said yes when I asked her to marry me. I think this country is lucky to have her as an ambassadress for the good hearts of the American people.

I thank Bill Clapp and General Shalikashvili, former Senator Dan Evans, Bill Ruckelshaus, cofounders of the Initiative for Global Development. Thank you for being farsighted. Thank you for calling people to action. I thank the members who are here as well.

I appreciate Ambassador Randy Tobias. He had a pretty easy job there in Indianapolis at one time. [*Laughter*] I asked him to—I asked him, I said, "Look, Randy, you've got management skills, and you care; why don't you serve your country, see; why don't you come here to Washington, DC, and put up with all the rhetoric and the noise and the sharp elbows and do something for people around the world." And he did. He ran the—he ran our HIV/AIDS initiative, and he did a really good job.

America is on the leading edge of fighting HIV/AIDS, and one of the reasons we're effective is because of Randy Tobias. So I'm confident he wanted to leave—"See, I got a place in Montana where I can fish." I think you got one in Montana, don't you? Yes, he started talking about his fishing place in

Montana. My answer was, "You're not through yet." [*Laughter*] I said, "You need to run USAID." It's an important part of helping deal with global poverty. It's an important part of our strategy. I want to thank you for staying on, and I want to thank you for your hard work and your vision. You represent the very best of corporate America. You get your skills; you make a living; and then you come and serve your fellow countrymen and the world. Randy, I really thank you for the inspiration and the example you've set.

I'm going to talk about the Millennium Challenge Account. Colin mentioned it. The head of it is here today, John Danilovich. We were really kind of bureaucratic when we first got the thing set up. Like, we weren't moving money out the door, and Congress began to get nervous. I remember Colin was coming to the Oval saying, "Look, it's a great idea, but we got to show some results here pretty quick." Danilovich understands the job is to be less bureaucratic and more forward-leaning when it comes to implementing the Millennium Challenge Account strategy. I want to thank you for taking on this important job.

And I also want to thank my friend Rob Mosbacher, fellow Texan, who's running OPIC. Appreciate you serving the country. Thanks for coming up from Houston to serve.

Here's what I believe: I believe to whom much is given, much is required. This country has been given a lot. We've got a great system; we've got wonderful entrepreneurs; and we're wealthy. We're wealthy because of the ingenuity of the American people. We're wealthy because there's risk-takers. We're wealthy because we've got a fiscal system that encourages the private sector to flourish. We're wealthy because we're a country of rules and laws.

I also believe that with prosperity comes an enormous responsibility. We have a moral duty to care for those who hurt here at home, and we have a moral duty to care for those—as best as we can for those abroad. That's part of the foreign policy of our country. It's a foreign policy that Secretary of State Powell helped implement—helped form and implement. We believe every person, no matter their income or economic status, bears the image of a Creator. That's what I believe. I believe every person, no matter their income or their status or where they live, has dignity of matchless value. And we believe that those who live in the most extreme poverty deserve this country's help.

Fighting global poverty reflects this country's values. It serves our Nation's interests as well. It's the country's economic interest that we fight global poverty, because as developing nations grow in prosperity, they create better lives for their citizens and markets for U.S. products. It's in our security interests that we fight global poverty, because weakened, impoverished states are attractive safe havens for terrorists and tyrants and international criminals. We believe that young people without opportunities are susceptible to ideologies of hatred. And so by helping poor nations create a more hopeful future, we can not only build prosperity; we reduce the appeal of radicalism.

Our values and our interests draw us to the same conclusion: The reduction of extreme poverty in our world must be a key objective of American foreign policy. And it is. And so today I want to talk to you about the need for us to expand trade, to promote freedom, and to reform the programs that we have in place, in order to achieve results, in order to say that—to the American taxpayer, the money is not only being spent; it's being spent wisely.

First, the strategy to defeat extreme poverty begins with trade. That's sometimes hard for some people to connect with. It's kind of a—people don't quite understand why that's the case. One way to describe it, the value of trade, is this: The value of trade is more than 10 times the value of foreign investment and foreign aid combined. In other words, prosperity as a result of trade is more likely—10 times more likely to have a positive effect on somebody living in a poor society than just investment and grants.

History has shown what I'm talking about. Take the example of South Korea. It's probably hard for some to remember, back in the '50s, particularly if you were born in the '60s—[*laughter*]—but South Korea was one of the poorest nations in Asia. South Korea

reformed its economy and opened its markets to the world. And today, export growth—the capacity for people to find work in South Korea, for products that are sold elsewhere—has made this country the tenth largest economy in the world.

India, for a long period of time, had restricted its markets. India opened its markets to global trade 15 years ago. It has doubled the size of its economy since then and created a middle class which is larger than the entire population of the United States.

I don't believe these are isolated examples. The World Bank study found that developing nations that lowered their trade barriers in the 1990s grew three times faster than those that did not. Economic growth is one important way to reduce poverty. It's the most effective way to reduce poverty. The best way to help millions mired in poverty is to expand the benefits of global trade. That's part of this administration's strategy.

I asked Congress, and Congress granted trade promotion authority. It took a lot of work, as you recall, Mr. Secretary, but it was a necessary part of our capacity to expand trade. And since then, we've completed negotiations on free trade agreements with 15 nations on 5 continents with a combined population of 200 million people.

We've built on the success of the African Growth and Opportunity Act. For those of you who follow the economic vitality of Africa, you know that AGOA has been a very effective policy. It was put in place by my predecessor, President Clinton. And we signed into law the AGOA Acceleration Act. In other words, we took the step that President Clinton took and took it farther.

And it's worked. That's what's important for our citizens to understand. Trade helps lift people out of poverty. Since AGOA's inception, U.S. imports from Africa have increased by 114 percent. Last year, over 98 percent of U.S. imports from AGOA-eligible countries entered this country duty-free. When somebody is able to sell a product into the United States, it means somebody is working. It means somebody has got a job. It means that people aren't reliant upon the Government to help them realize their dreams. This is like—AGOA has created new opportunities. Americans have got to understand that when we talk about trade, we're not only talking about enhancing economic growth and vitality; we're helping people get out of poverty. Trade is an important part of making sure that we implement this strategy.

You know, the AGOA showed that bipartisan cooperation here in Washington is possible. And one thing you can help is to make sure that bipartisan cooperation on other trade agreements is possible in Washington, DC. If you're genuinely serious about reducing poverty, you need to help us make sure this Nation does not become a protectionist nation. The tendencies are to say, "Let's just wall ourselves off from competition." But if we become a protectionist nation, if we lose our confidence and our capacity to compete in the global economy, it will make it much harder to achieve the common goal of reducing global poverty.

Now we're confronted with a really good opportunity, by the way, to deal with global poverty, and that is to complete the Doha round of the WTO negotiations. And it's tough sledding right now. You know, national interests seem to be kind of more important than a—than reducing barriers and tariffs across the world. You know, local politics has a lot to do with whether or not this Doha round is going to get completed, and I understand that. And I knew that going into the negotiations.

And that's why at the United Nations last year, I made this pledge on behalf of the American people: We're ready to eliminate all tariffs and subsidies and other barriers to free flow of goods and services, and we expect other nations to do the same. That's what I said to get the Doha round moving. See, we're ready to make the move—on agriculture and services and manufacturing, but we expect other nations to do the same thing. We expect other nations to give us market access. I want to be able to go to people here in the United States, producers, and say, "We got you market access so you can compete fairly." And that's why we're going to get rid of the subsidies that now exist on the books.

The Doha negotiations are at a critical moment. It is—in my view, countries in Europe have to make a tough decision on farming. And the G–20 countries have to make a

tough decision on manufacturing. And the United States is prepared to make a tough decision along with them. That's my message to the world.

Susan's going to carry that message. I'm going to carry it to Europe next week at the EU summit. Now is the time for the world to come together and make this world a free trading world, not only for the benefit of our own economies but as an important part of the strategy to reduce poverty around the world.

I think we have to expand freedom in order to reduce poverty. Free nations produce the vast majority of the world's economic output. Many of the worst dictatorships are some of the world's most poorest nations. I believe there's a correlation between prosperity and freedom. And this country of ours will continue to pursue an agenda that understands that human liberty is universal. It's just not a U.S. thing; it's its own—liberty is something that everybody yearns for. And freer the world becomes, the more prosperous the world becomes and the more likely people will not be mired in poverty.

Nations that build institutions that secure the rule of law and respect human dignity also are more likely to create an economic climate that fosters investment and growth. And so we support the rise of free and democratic societies across the world. And the story of freedom is one of the really, really interesting chapters of the 21st century, when you think about it. From Afghanistan to Iraq to Lebanon to Georgia to Ukraine to Kyrgyzstan, people have gone to the polls and elected their leaders. In the last 5 years, more than 110 million people have joined the ranks of the free. That's an astonishing development when you think about it. And it's a positive development for those of us who care deeply about global poverty.

As more people gain their freedom, they will also gain the opportunity to build a better life. That's a fact of life. And so this country has got to be confident in our willingness, in our desire to help people—to help free people from the clutches of tyrants. I said in my second Inaugural speech, "The goal of this country ought to be to end tyranny in the 21st century." I could have easily have said, "One way to reduce global poverty is to reduce tyranny in the 21st century."

Free peoples need to do more than cast their ballots. We recognize that. Going to the polls is not the kind of freedom necessary to reduce global poverty. It's just the beginning of a process to reduce global poverty. And so the United States has an obligation to help others build the institutions necessary—in a civil society—necessary to be able to deal in a—with the advent of freedom. And so we're helping new democracies build free institutions that are responsive to the people's needs. And we're doing so through organizations like the National Endowment of Democracy. We've worked to double its budget over the past 5 years. Those funds support programs that will help form civic organizations. We're helping dissidents become legislators. We're helping businesses in new market economies organize trade associations and chambers of commerce. It's the things we take for granted here in America, these funds are meant to do.

It's one thing to promote trade; it's one thing to promote freedom, but we've got to recognize that our own aid programs have got to help complement those objectives. In other words, we want results from the money we spend. That's what the American people expect, by the way. See, when we talk about foreign aid, they expect the foreign aid to mean something. You know, I travel around a lot. I think about people out there that are working hard for a living, and they say, "You know, you're spending this money overseas. Why?" And the answer is, because not only do we have a moral duty, it's in our national interest to do so.

But I've got to be able to tell them, as well, and anybody in elected office has got to be able to say, "We're making a difference with the money, see; it's actually producing results." For decades, we provided aid with good intentions. We didn't always ask if we were getting good results. One of the great reforms of Colin Powell's tenure as Secretary of State is, he started asking, "What are the results of the programs; what are we achieving?"

Since 2002, we've committed to increase the resources we devote to fighting poverty

across the world. As Colin mentioned, since taking office, we more than doubled assistance around the world from 10 billion to 27½ billion. It's the largest increase, by the way, of foreign aid since the Marshall Plan. And you get a lot of credit for that, Mr. Secretary. I remember you coming into the Oval Office saying, "Let's put our hearts out there for people to see." And one way to do it is by increasing our budgets.

I want to remind you what we're doing with that money. We're fighting HIV/AIDS, and we're helping countries fight malaria. We're expanding education for women and girls. We're rewarding developing nations that move forward with economic and political reform. And by the way, shortchanging these efforts—Congress has got to understand, in shortchanging these efforts, if they choose to do so in the appropriations process, they would undercut our long-term security and dull the conscience of our country. I urge Congress to serve the interests of America by showing the compassion of America and approve my full funding request for foreign assistance this year.

And as we increase the resources, we'll increase accountability for those who have received American aid. In many poor countries, it's really important for all of us who are involved in this program to admit that corruption runs deep. And a lot of times, the assistance we have provided has been wasted or put in the pockets of corrupt officials. I know that's unpleasant for some to hear, but it's a fact. If we expect the people to support us in our efforts to be robust in our compassion overseas, then we've got to recognize that sometimes that money gets stolen and people don't get the results for the money that they expect.

And so we decided to do something about it. We decided that our foreign policy ought to recognize true compassion as measured by real improvements, not just by the amount of money spent. And real improvement is the goal of our assistance.

And so we've set up the Millennium Challenge Account. And it was set up under the—in the State Department when Colin was there. And here's what it says, it says, "We want to grant you money. We want to give assistance, but you've got to be responsible. You, the recipient, have got to be responsible for fighting corruption, embracing democratic government, encouraging free markets, and investing in the health and education of your people."

I remember when we put that out, it was a little controversial, as you remember. I don't see what's controversial in that. I don't see what's wrong with saying to a nation, "You don't get any money if you're corrupt." Because we believe countries are capable of getting rid of corruption. I don't see what's wrong with saying, "You've got to show real investment in education and health care in order to receive our money." I think that's a wise thing to ask. I think if part of the goal is to encourage economic development, we ought to say to countries, in return for U.S. aid, open your markets so you can enhance the prosperity of your citizens. Every nation that applies for a Millennium Challenge grant develops its own priorities and develops its own strategies. But one of the things we do—and this is what Danilovich does and his staff does—they develop clear goals that are measurable. So we say, "This is what you're going to do? Fine. Show us as time goes on that you're doing it."

So far, eight nations have compacts in place that's worth over $1½ billion. Additional 15 countries are now negotiating with the Millennium Challenge Account. And we're going to get the money out the door so long as they meet the criterion.

But the point I'm trying to make to you is that wise use of Government monies can help us achieve objectives which lead to the reduction of global poverty. And so we're just through spending the money without asking for results.

We're an optimistic nation. We believe countries have got the capacity to change; that's what we believe. We refuse to accept the status quo. It is time for other countries around the world to demand anticorruption regimes. If we're truly interested in reducing global poverty, those of us who are granting money need to stand up with a united voice and say, "We're not going to tolerate corruption."

One of the things Randy Tobias and others are going to do at the State Department, they're going to apply the same principle I've

just described to you to all our development aid. We're going to insist upon transparency and performance and accountability. We're going to ensure that every American aid dollar encourages developing nations to build institutions necessary for long-term success. And we're going to help developing nations achieve economic independence. That's what we're going to do. We're going to get away from this notion about, kind of, just analyzing monies based upon percentage of this, that, or the other. We're going to be generous in our contribution and demand results in return.

Now, what's interesting about the goal of eliminating poverty is that about 85 percent of American resources to the developing world come from the private sector. It's one thing for me to talk, and now I'm changing from what we're doing to encouraging you to continue doing what you're doing.

The truth of the matter is, our generous Nation is—the generosity of our Nation is reflected in the private sector a lot. I think that's what makes us such a unique country. You know, government helps, and government does a lot. As I said, we've doubled aid, but what our private sectors do is—it's unbelievable, when you think about it.

And corporate America has a responsibility. And for those of you who represent the NGOs and faith-based groups, thank you for joining the cause as well. This is a collaborative effort. Some of the best work in fighting poverty is accomplished in partnership with private institutions. The Global Development Alliance has successfully built 400 worldwide alliances. That's good. You've leveraged about 1.4 billion of taxpayers' dollars to over $4.6 billion. In other words, you've taken the money we're spending as kind of a—I wouldn't call it a downpayment, but it's part of a way to really leverage your generosity.

And you're making a difference in the lives of millions of people. I'm grateful for you. That's what I've really come to say. I've come to assure you that the effort to eliminate global poverty is an integral part of our foreign policy. And I think it needs to be a foreign—part of foreign policy after 2½ years, by the way. I think it needs to be a—I think it needs to be part of the calling of the United States in the 21st century.

One of the moral objectives of our time—the great moral objectives of our time is to reduce poverty. I like what Alexis de Tocqueville said about America. He's a pretty interesting observer. Back in 1832, he captured a lot of the spirit of this country. He said this, he said, "When an American needs the assistance of his fellows, it's very rare that it be refused. When some unexpected disaster strikes a family, a thousand strangers willingly open their purses."

That was the America he saw in the 1830s. It's still got to be the America of the 21st century as well, but not only to help our fellow citizens here at home but for our national interests and our economic interests, and just to answer the call of our hearts, it ought to be our foreign policy. It ought to be the center of our foreign policy and the center of the social entrepreneurs in America.

I want you to know that when disaster strikes, we move. We moved hard for the tsunamis, with a military presence that helped organize relief. When the earthquake came in Pakistan, we didn't hesitate—we moved. We know that when a neighbor needs assistance, that we have an obligation to help provide it.

My assurance to you is that we will continue to stand with our brothers and sisters who are poor, to help as best as we possibly can, and I want to thank you for helping as well. God bless your efforts, and may God bless our country.

NOTE: The President spoke at 9:55 a.m. at the Willard InterContinental Washington.

Remarks on Signing the Broadcast Decency Enforcement Act of 2005

June 15, 2006

Thank you all. Please be seated. Thank you all for coming. In a few moments, I will sign the Broadcast Decency Enforcement Act. This is a good bipartisan bill. It's going to help American parents by making broadcast television and radio more family-friendly.

I appreciate the many citizens groups who are here, and I want to thank the Members of Congress who worked hard to get this bill