

the White House, and I'm glad you're here to make it so special. Please welcome the First Lady.

NOTE: The President spoke at 10:48 a.m. on the South Lawn at the White House. Following his

remarks, Hillary Clinton welcomed the participants to the annual White House Easter egg roll. A tape was not available for verification of the content of these remarks.

Remarks at the Technology Reinvestment Project Conference *April 12, 1993*

I want to welcome you to the first of five White House briefings on the Technology Reinvestment Project, a key part of my defense reinvestment and conversion initiative. I'd like to thank the organizations that are hosting this event, the Northeast Midwest Institute and the New York Academy of Sciences, as well as the 10 States that are participating. You're in good hands today with Energy Secretary Hazel O'Leary and our science adviser, Jack Gibbons. They're here to kick off the event. A superb team lead by Gary Denman, the Director of the Advanced Research Projects Agency, or ARPA, and Fred Bernthal, Acting Director of the National Science Foundation, will fully brief you on the Technology Reinvestment Project and answer all your questions.

With the collapse of the former Soviet Union and the end of the cold war, we've been undertaking substantial cuts in defense expenditures, and they will continue while still maintaining a flexible and effective military force. Now we can turn our attention to other national needs.

But the adjustment to lower defense spending is still painful for many communities and workers and firms. An estimated 60 percent of the total loss in defense-related jobs between 1991 and 1997 will occur in only 10 States. Those of you here today represent communities and companies that face the challenges of moving to a civilian economy.

Defense conversion is one of my highest priorities. It's one of the reasons I ran for President in 1992. We simply must act to ease the pain of defense downsizing, while capturing the great potential that defense workers and firms offer to meet pressing national economic needs. And we have to do it quickly.

Last month, I announced a \$20 billion 5-year initiative to reinvest in workers, commu-

nities, and companies harmed by cuts in military spending. The plan provides immediate help for hard-hit defense workers and communities, as well as long-term investment in our Nation's industrial technology infrastructure. The reinvestment and conversion initiative will rededicate \$375 million this year alone to helping defense workers and military personnel hurt by cuts. They'll receive job training, employment services, and transition assistance to help them put their skills to work in a new setting.

We're also targeting assistance to communities that are hard hit by defense drawdown. Through programs in the Department of Commerce and the Department of Defense that provide grants and revolving loans, we're helping these communities identify new sources of economic strength that will create new jobs. These defense workers and the communities will succeed in adapting only if we have an expanding industrial base. The Technology Reinvestment Project, a key component of my conversion plan, will play a vital role in helping defense companies adjust and compete.

I've given this project another name, Operation Restore Jobs, to signify its ultimate mission, namely, to expand high quality employment opportunities and to enhance demonstrably our Nation's competitiveness. This project has generated enormous interest in the 4 weeks since I announced it at a Westinghouse plant outside Baltimore. More than 8,000 people have called our 1-800-DUAL-USE hotline. Many of you who have placed those calls are here today. Others plan to attend one of the briefings to be held later this week in Detroit, Orlando, Dallas, and Los Angeles.

As this enthusiastic response demonstrates, the Technology Reinvestment Project marks a new way of doing business. First, it begins a

new partnership between Government and industry aimed at making American companies more competitive. Industry must take the lead and share the cost. But, in return, the Federal Government will directly support commercial technology through industry consortia, regional technology alliances, and other collaborative activities. This approach rejects the reliance on defense spinoffs that has been the core of the Federal Government's technology strategy for more than 40 years. It recognizes that in the years ahead a growing number of defense needs can be met most efficiently by commercial products and commercial technology.

Second, the Technology Reinvestment Project marks a new partnership between the Federal and State governments. The States have pioneered programs to apply technology to industrial needs, and these programs often provide the most effective way to help smaller defense firms adjust and compete in commercial markets. By supporting industry-led consortia through this project, we'll nurture technologies with the potential to become commercial products and processes within 5 years. By funding regional technology alliances, we'll encourage companies in defense-dependent regions to share information and technology in order to develop new products and new markets. By supporting innovative manufacturing extension programs run by States and universities, we'll help small defense firms make the transition to commercial production.

The Technology Reinvestment Project will provide matching funds for efforts such as New York's defense diversification program, which has worked closely with more than 100 small and medium-size defense firms just in the last 2 years. For example, the EDO Corporation, which some of you visited this morning in Queens, makes antisubmarine warfare and aircraft armament. With help from the State's diversification program, this company is moving into the market for natural gas fueling stations. New York is also working with defense-dependent regions, particularly Long Island and the

southern tier, to develop regional strategies for diversification and economic growth.

Our past experience with defense conversion yields two lessons. The first is that the process of defense conversion can be improved by government policies designed to help companies and workers make the transition to new forms of production. The Technology Reinvestment Project, Operation Restore Jobs, is a model of how that can work. Lesson two is that conversion proceeds more smoothly if the domestic economy is growing rapidly. That's why it's so important for Congress to enact my whole economic program, including the stimulus package, which will help put Americans back to work and provide the kind of short-term boost that New York and New England so desperately need.

If you want this program to go forward, if you believe in the need for conversion, I need your help. While Congress has passed the broad outlines of our economic program, it will be considering the specifics in the next couple of weeks. And if you've been following the filibuster in the Senate, you know that just a few people can stop action on important economic legislation by talking and talking and talking. You've got to remind them that they can save jobs, indeed, create new jobs if they'll just save their breath, stop playing politics, and start responding to the needs of the American people for a change.

My mission is simple and straightforward. I want to create a healthy economic climate for all Americans and all businesses in all regions. I want to create a program of economic conversion for your businesses. I believe in jobs. I believe in the private sector, and I believe in you.

Thank you for attending this conference. And thank you for your work in creating profits, products, and opportunities for our economy and our people.

NOTE: The President spoke at 1:20 p.m. in Room 459 of the Old Executive Office Building.