

The more diverse we get within our country and the more we compete with people around the world, the more we need some common standard. And that's the biggest fight we've got going in Washington right now in terms of what will really affect our children's future.

So I hope you'll all talk about this. Governor Romer is not only in better voice, he knows more about it than I do. But we've been fighting for this for 10 years, and it's crazy that we haven't done it. So I hope we can rally our party behind it.

Thank you.

NOTE: The President spoke at 10:52 a.m. in Salon Two at the Ritz-Carlton Hotel. In his remarks, he referred to Valerie Rogers, wife of Annapolis, MD, energy executive Wayne Rogers; Ellen Galinsky, president and cofounder, Families and Work Institute; Richie Garcia, teacher, Music Institute of Hollywood; Diana Lawrence, wife of Cincinnati, OH, attorney Richard Lawrence; Gov. Lawton Chiles of Florida; and Gov. Roy Romer of Colorado.

## Remarks in the Globalization and Trade Session of the Democratic National Committee's Autumn Retreat on Amelia Island *November 1, 1997*

*[The discussion is joined in progress.]*

### *Role of National Economic Council*

*Q.* Perhaps the time has come to elevate the National Economic Council to the level of stature that the National Security Council has had. Yesterday I attended in Washington a Council on Foreign Relations meeting which was a retrospective of the first 50 years of the National Security Council, at which a half-dozen former and the current National Security Adviser were present. And the scope of their remarks and their ability to integrate across the disparate organizational interests of Defense, State, other U.S. Government and nongovernmental organizations to create policy synthesis was, although not perfect, very impressive. And I was wondering whether you had a comment on whether the United States Government perhaps needed at this time a comparable structure.

*[At this point, the moderator invited the President to respond.]*

*The President.* First of all, while it doesn't have a 50-year history, I think the record will reflect that's exactly what we've done. I brought Bob Rubin in to be the head of a new National Economic Council to reconcile all the different economic agencies. And then Laura Tyson did it. Now Gene Sperling and Dan Tarullo do it. As a result of it, for the first time in most business people's experience, you have the State Department aggressively working in Embassies

around the world to help American business; you have the Export-Import Bank, Overseas Private Investment Council working with the Agriculture Department, the Commerce Department, and all the other economic agencies, especially, obviously, the Treasury Department.

And it works like the NSC does. We try to get everybody together, reach a common policy, and then all back it. Sometimes we don't quite get there, but we've had a remarkable amount of success, and I think that it is the single most significant organizational innovation that our administration has made in the White House. And I think that the economic record of the administration is due at least in part to the institution of the National Economic Council.

*[The discussion continued.]*

### *Integration of Diplomatic and Economic Policy*

*Q.* —I think the question is whether, organizationally the Government needs to think about different ways to both create that and sustain a free trade area of the Americas.

*The President.* Well, basically, I agree with you. The reason that I asked Mack McLarty to take on that job is that I thought our relationship with Latin America was of profound importance and that it cut across economic and political lines, and we needed to have somebody concentrating on it who could deal with not just specific diplomatic or security issues but the whole range of political and economic issues. And it's worked.

And what I'm hoping we can do now is take a look at whether we could do the same sort of thing in other parts of the world and how we'd have to reorganize the State Department and how we might integrate our diplomatic and economic efforts even more closely than we have to date.

Let me just say generically, one of the things that stunned me when I became President was how antiquated all the organizational and information structures of the Federal Government were. When I walked in the Oval Office as President the first day, Jimmy Carter's phone system was on the desk—you know, where you punch those big old plastic buttons and the light comes up—[laughter]—and you dialed. And if you were having a call with three people, everybody else in the White House that had the line on the button could pick it up and listen. It was unbelievable—1993—we had an almost 20-year-old phone system.

And believe me, that is a metaphor for other problems. One of the things that Speaker Gingrich and I have discussed as a possible bipartisan project is an effort to totally upgrade the information systems and communications systems of both the executive and the legislative branches, to try to get us in tune with the world. I know we had some high-tech executives testifying before Congress recently, and they were asked—they said, "One real problem is in communications. We operate at 3 times the speed of normal business decisions." Normal business operates at 3 times the speed of Government; therefore, we're at a 9-to-1 disadvantage in trying to harmonize these policies. [Laughter]

So I think Bob's made some very good points about that.

[The discussion continued.]

#### *Trade Policy and Domestic Economic Development*

*The President.* Before I go, if I could just say one thing about this trade issue, because we need your help on this. I think we ought to say, first of all, that the Democratic Party has moved on the trade issue. Even a lot of the people who are against fast track basically want it to pass in the sense—and they know that we need to open more markets to Latin America and that there are political as well as economic benefits to a free trade area of the Americas, to the African initiative that I have

announced. They know the biggest middle class in the world is in India. They know that the Indian subcontinent, if the differences between Pakistan and India could be resolved, would be an enormous opportunity. They know these things. This is not a secret. And there is much more of a willingness to embrace this in our caucus in the Congress than I think is—than you would sense.

The question is how to get over the hurdle of the feeling that it's not just foreign markets that are more closed to us but that other countries—through the use of labor practices we think are wrong, or Mark mentioned the pollution problem in Mexicali, which we are moving to address and have some money to do so—that they'll gain unfair economic advantage; and secondly, the feeling that while we all talk a good game—and I think this is really the issue—while everybody talks a good game, our country really does not have a very good system, or at least it's not adequate, for dealing with people who are dislocated in this churning modern economy.

And I might say that the Council of Economic Advisers did a study for me which indicated that 80 percent of the job dislocation was the result of technological change, only 20 percent from trade patterns. But my view is, if you're my age and you've got a kid in college and you lose your job at some company, who cares what the cause is?

So I think that really thoughtful people need to think about how are we going to set up a system of kind of lifetime education and training and growth, and how are we going to give people who are dislocated the transitional support they need for their families so they don't lose all self-respect and become desperate, and try to increase the flow here because we know we have—today—you've got significant shortages in America in high-wage job categories that could be filled by people who are being dislocated today from other high-wage or moderate-wage jobs.

So what I would like to ask a lot of you who agree with me on this trade issue to think about is, is we have moved our party. You may not be able to tell it on the vote here in the fast track, but the truth is, if you listen to the arguments, there's almost nobody standing up saying anymore, like they used to a few years ago, "Trade's a bad thing. We're always going to be taken advantage of. It's always going to

be a terrible thing.” You don’t hear that much anymore. People are genuinely concerned now about making sure that the rules are fair and that the dislocation is addressed.

So I say that to ask you, first of all, to keep on working on fast track, because our opponents are wrong and it won’t create a single job if we lose; it will cost us jobs. So that’s the short-term thing; we’ve got to fight for that. But we also have to recognize that you’ve got three categories of people out there: those that are displaced by trade; a much larger group of people that are just being dislocated by technological and economic changes that are going to occur anyway; and then you’ve got a group of people that we’re trying to address with the empowerment zones who haven’t been affected one way or the other by trade or economic growth because they live in islands that haven’t been penetrated by free enterprise in America. And in a funny way, we should look at them as a market, the way we look at the Caribbean or Latin America or Africa or anyplace else. We should look at these people as a market.

Mark Nichols represents a Native American group. If you think about the Native American tribes that aren’t making a ton of money off their gambling casinos, that need jobs and in-

vestment, if you think about the inner city neighborhoods, if you think about the rural areas that haven’t been touched, I think as Democrats we ought to be more creative about thinking about how we can push an aggressive trade agenda and say we need all these people, too, and it’s a great growth opportunity—and not be deterred in trying to do what we ought to be doing on trade but also understand that this other thing is a legitimate issue and we have to address it.

In the next few days we’re going to do more in the Congress to do this, but I think—I’m talking about this is going to be an ongoing effort. It’s going to take about 10 years, I think, to just keep pushing at it as we learn more and more and more about how to do it. And if the people in the country get the sense that this is a dual commitment on our part and that we’re passionate about both, I think that is not only the winning position, I think, more importantly, it is the right position.

NOTE: The President spoke at 11:20 a.m. in Salon One at the Ritz-Carlton Hotel. In his remarks, he referred to Mark Nichols, chief executive officer, Cabazon Band of Mission Indians.

## Remarks in the Arts and Culture Session of the Democratic National Committee’s Autumn Retreat on Amelia Island November 1, 1997

[*The discussion is joined in progress.*]

Q. With regard to the national, also looking to the international, I have a couple of questions I’d like to ask the President. What impact do you think, on our culture and our arts, Cuba will have after Castro?

*The President.* Well, if you think baseball is an art form, and I do—[*laughter*—it will be huge. [*Laughter*]

No, to be more serious, there are a lot of Cuban artists, Cuban musicians. All you have to do is look at the impact of South American, Central American music and arts in the United States now, Caribbean art. I think it’s obvious that it will be significant. It will be one—when we get back together with more normal relations

with Cuba, it will be one of the principal benefits of it.

Let me say, if I might, on the general point, Glenn made the points that I wanted to make about this. The assault on the NEA and the NEH needs to be seen against the background of the apparently less ideologically driven reduction in the availability of music and art generally in the schools, in the public schools, which we saw because of financial problems and other decisions being made.

If you look at what’s happened—and let me explain that. The cutting of the budget of the NEH and the NEA and the attempt to do away with them basically had two legs of support, not one. There was obviously the sort of right-wing ideological attack based on the symbolism