

and guests at the college as well as Internet participants from Lake Valley School, a Bureau of Indian Affairs elementary school remotely located on the reservation about 150 miles southeast of

Shiprock. In his remarks, the President referred to Rebecca Lobo, player, New York Liberty, Women's National Basketball Association.

Remarks to the COMDEX 2000 Spring Conference in Chicago, Illinois *April 18, 2000*

Thank you very much. Thank you, Frederic Rosen, and thank you, Jason Chudnofsky. I am delighted to be here. I want to thank Director Tony Streit and the young people from Street-Level Youth Media who went on my tour with me over in the other part of the McCormick Center to see some of the new wonders of the information technology revolution. I want to thank those who have come with me here today on this last stop of this part of our new markets tour, including several Members of the United States Congress: Jan Schakowsky from Chicago; Stephanie Tubbs Jones from Cleveland; Silvestre Reyes from El Paso, Texas; and Representative Bill Jefferson from New Orleans.

I want to thank Secretary of Transportation Rodney Slater; Federal Communications Chair Bill Kennard; Reverend Jesse Jackson; Bob Johnson, the president of Black Entertainment Television; and Gene Sperling and Maria Echaveste, who operate this program for me out of the White House.

I am glad to be the first President to address this conference, but I am quite sure I will not be the last. Information technology has accounted for about 30 percent of this remarkable economic growth we've had, even though people directly working in IT only account for about 8 percent of our employment.

What we have tried to do in Government is to provide the conditions and give people the tools to make the most of this phenomenal new era in human affairs. What you and people like you all across this country have done, have made the most of that—the balanced budget, the Telecommunications Act, doubling our investment in education and training, and dramatically increasing basic research, opening trade to new countries. And it's given us the longest economic expansion in history, the lowest African-American and Hispanic unemployment rates ever recorded, the lowest female unemployment

rate recorded in 40 years, poverty down to a 20-year low, the lowest welfare rolls in 30 years, the lowest overall unemployment in 30 years. That is the good news. And it was brought about primarily by this incredible environment and the gifted people who have made the most of this celebration of ideas and innovation and ingenuity.

But as Mr. Rosen said when he introduced me, what I have been focused on now in the last year-plus of my term as President is the people and places who have been left behind in this phenomenal new economy, and I have for two reasons. One is, I think that all of us would like to see every American who is willing to work for it have a chance to be a part of this astonishing new era of enterprise. I think, just on pure ethical grounds, we all sense that the American values require that everybody be given a fair chance to participate. But secondly, I think it is in our economic interest to do it.

You know, we spend a lot of time in Washington discussing, how in the world can we keep this economic expansion going? It's already the longest economic expansion in history, far longer than any other one that did not include a major war. How long can it go? What will happen? How will it come to an end? Will we really have inflation that will somehow bring an end to this long boom?

Well, it's clear to me that if we want it to continue, we have to do more to find new markets. New markets mean creating new businesses and new employees, as well as new customers. And if you do both, it means you can have growth without inflation. So this idea of closing the digital divide is good social policy. It's good personal ethics. But it's also very, very important for our continued economic expansion as a nation.

So I came here today to ask you to set another trend, to devote more time and technology, more ideas and energy to closing the digital divide, the growing gap between those who have the tools and skills and motivation to succeed in the economy, which you've come here to explore and celebrate and push the frontiers of, and those who do not have those at this time.

Now, over the past year I have been to a lot of these places. I have been to the hills and hollows of Appalachia, to the heart of the Mississippi Delta. I've been to Englewood here in inner-city Chicago and to East Los Angeles. I've been to the Pine Ridge Reservation in South Dakota, the home of the Oglala Sioux. I have tried everywhere to shine the spotlight on the potential, not the problems, of these places.

Yesterday we began our third new markets tour in East Palo Alto, California, right in the heart of Silicon Valley, because I wanted the American people to know that even there, there are a lot of our fellow citizens who are not yet fully participating in the information age.

Yesterday we also went to Shiprock, Navajo country, in the far north of New Mexico, and saw the vast differences, the literal vast distances, literal distances in this case that have to be overcome to build an information infrastructure that all of America is a part of. We visited a community living in the place where their forebears have been for more than 1,000 years. We celebrated the Navajo Code Talkers, who were very instrumental in America winning World War II with our Allies in the Pacific because they developed a unique means of communication. They transferred messages back and forth in Navajo, and the language was so different from any code or any known language that our adversaries in World War II couldn't break it. And it's quite ironic that a people whose major contribution to the modern world was helping us to win World War II based on unique communications now live in a place where 70 percent of them don't even have telephones.

I was introduced by a young woman, a 13-year-old young girl who won a contest—really a bright young woman, and she won this contest, and she won a computer. And she found that she couldn't get on the Internet because she didn't have a telephone line in her home.

Next week we're going to rural North Carolina to discuss the prospects of broadband communications and what it might do to open opportunities in poor, rural, isolated places. And then in a couple of months we will have a part of this digital divide tour devoted solely to the potential that web accessibility offers to disabled Americans to participate more fully in the educational and economic life of the United States.

Now, this is all sobering at one level, but increasingly hopeful to me, because I honestly believe that the new information economy has the potential, at home and around the world, to lift more people out of poverty more quickly than at any previous period in all of human history; and that tapping that potential is actually in our enlightened self-interest.

And that's why I came here today, because I need your help and your support, because now we've come through all these years of this remarkable economic expansion. We have finally seen even income inequality begin to diminish over the last 2½ years, as more and more Americans at the lower end of the income scale begin to fully participate in the economy. We have a very important choice before us. And only with your help can America make the right choice to make sure that no one is left behind; to use these new technologies to widen the circle of opportunity rather than allowing the digital divide to widen the lines of division in education, race, income, and region. I will say again, it's not only morally the right choice. It's not just good social policy; it is imperative, in my judgment, if we're going to keep the economy growing, to find new places where we create not only new customers but new businesses and new employees.

Now, I believe we've got to find the right combination of incentives and initiative to bridge this divide. The distances that exist are, in some cases, as I said, they're physical. They're also educational, and they're clearly economic. But on every one of these new markets trips, we have met people who are eager for opportunity. And like the young people here today who made this tour with me, they demonstrate that ability and drive and dreams are evenly distributed throughout the human race and throughout American society. It is opportunity which is still not evenly distributed.

Everywhere I have been, I find Americans who are not at all interested in charity but very interested in opportunity, not a handout but a

hand up. We can only tap the potential of these new workers, these new business owners, these new learners, if we work together. Over and over again over the last 7 years, I have found, in some of our most important endeavors, the only thing that really works is the right kind of public-private partnership.

I'll just give you one example. We have the lowest welfare rolls in 30 years. The welfare rolls have been cut roughly in half since I became President. And part of it is the laws that have been passed, including the Welfare Reform Act of 1996, which required people who could work to work, but also invested more money in child care for their children and transportation so they could get to work, and kept their kids in food and medicine while they were making the transition.

But part of it was this remarkable partnership now that numbers over 12,000 businesses, people who committed that they would personally go out and find people, help them move from the welfare rolls, give them the training, give them the support they needed to succeed. And these people alone, just the 12,000 people in our partnership, have hired hundreds of thousands of people from the welfare rolls, many of whom were difficult to place but have succeeded. No Government mandate could have gotten that done. If we hadn't had the public-private partnership, it would not have worked nearly as well as it has.

The Vice President has worked for more than 7, or about 7 years now, in our partnership with the auto companies and the auto workers on the new generation vehicle, and we put a lot of money into it. But we couldn't develop a car in the Government. And yet you see—if you noticed in the last Detroit auto show, they're showing cars that they expect to market in the next year or two, including larger cars that get 70 to 80 miles a gallon. We have research going on now into the production of biofuels, not just from corn but from agricultural waste products, even from grasses. And if we ever get the conversion level down to about 1 gallon of gasoline for 8 gallons of fuel, biofuel, and then you get in a 70-mile-an-hour gas car, you'll be driving a car that gets over 500 miles a gallon in conventional terms. That will change the energy future of America and the world forever and will prove something I deeply believe, that we can conquer the challenge of global warming and continue to grow not only our

economy but the developing economies of the world.

All of this has to be done in partnership. And that's basically what I propose for closing the digital divide and creating new markets throughout America. What we want to do is to be a catalyst, to provide investment incentives and the kind of framework and tools that will enable people in the private sector to do what is in their interest anyway. We believe that tax incentives and loan guarantees can leverage private sector investment in distressed areas, get capital flowing to people in neighborhoods it might otherwise miss, having basically nothing to do, necessarily, with high technology investment.

Today, if you want to invest in a poor area of Latin America or Asia or Africa, we have a framework set up that could get you a combination of tax breaks and loan guarantees to lower the risk of doing that. Why? Because we think that we have an obligation as Americans to help poor people around the world develop stable lives. We know it promotes democracy; it promotes peace; it promotes environmental cleanup; it undermines the destabilizing forces at work in the world. All I'm trying to do, in terms of the law, is to give Americans who have money to invest the same incentives to invest in poor areas in America we give them today to invest in poor areas in Latin America or Africa or Asia. I think that's the right thing to do.

Last fall the Speaker of the House of Representatives, Dennis Hastert, and I came here to Chicago, met with Reverend Jackson and Congressman Bobby Rush and others, and we pledged to work together on a bipartisan initiative to spur investments in new markets. We are making real progress on our end of the deal. The House of Representatives took a very important step last week toward creating the American Private Investment Companies that I've proposed to spur as much as \$1.5 billion in private investment in our hard-pressed communities. Now, I understand Speaker Hastert is going to be with you tomorrow, and I think you will see, if this is part of the discussion, that his commitment is genuine. This should not be a partisan issue.

Every American—Republican, Democrat, independent, Green Party member, whatever—every American has got a vested interest in seeing that every other American has the chance to live up to his or her God-given potential.

So this is very, very important. And the main thing that we want to do with this portion of the new markets initiative is to make sure that we can get some investment in areas where people literally are isolated, where we need local, community-based investment because you can't just say, "Well, we'll give them an education. They can hop on the subway or get in their car and drive to a job." But we also have to have a comprehensive approach that gives individuals the ability to bridge the digital divide, to create businesses which are far distant because technology permits them to overcome distances, and to get the education and training they need in the first place to succeed.

Now, what have we done in that? Well, when the Congress adopted the Telecommunications Act a few years ago, we insisted—the Vice President and I did—on something called the E-rate, the power of the Federal Communications Commission to set the E-rate. It is now worth over \$2 billion, and it gives discounts to schools, to libraries, public institutions, so they can afford to be a part of the Internet. And it's had a huge impact.

When I became President, only 3 percent of our classrooms, about 11 percent of our schools, were connected to the Internet. We've been working on this hard, now, for 6 years. Today, over two-thirds of our classrooms and 95 percent of our schools are connected, including 90 percent of very poor schools. And we'll be, by the end of the year, we'll probably be at 100 percent of the schools connected, except for those whose physical facilities are literally in too much disrepair to have a connection.

I know that may be hard for some of you to believe, but it's true. We have cities where the average school building is 65 years of age or more. We have—there are schools in New York City that are still heated by coal-fired furnaces. But by and large, this E-rate has really worked.

We have a \$450 million technology literacy challenge, which is designed to make sure that we try to match contributions from others who put technology into our schools. Our budget offers \$2 billion in new tax incentives to help bridge the digital divide, to get the technology into the schools and into the rural communities, into community computing centers. And things like that can be available to adults as well as children.

We provide \$150 million to train new teachers to use technology in the classroom, so that they aren't repeatedly embarrassed by their students knowing more than they do, and so that they can actually make the most of it; and \$100 million to create more technology centers in 1,000 communities across the country.

Today I can tell you that 214 of these community technology centers will be created this year alone and 136 more will be expanded. These are very important because they are not only available to young people but also to adults who can use such centers after work and themselves acquire these skills. It's very, very important that we recognize that this cannot be solely the province of the school years. We have got to do more to bring adults who have been left on the other side of the digital divide into the economic mainstream. We are going to expand our investment in these centers by about \$86 million from State, local, private, and Federal sources together.

Not far from here, on Chicago's West Side, is one of these centers. I mentioned the young people I met today from there, at Street-Level Youth Media. They spend a lot of their time there. They are here in this audience today. They can access the Internet and a lot more. They can have classes in website design, projects in video production, and, most important, the chance to apply their skills in real work for real wages. Every child in America should have this opportunity, and we are trying to give it to every child in America.

If the budget passes, we will have 1,000 of these neighborhood networks next year. That is double the number we have now in the country. These computer learning centers are the fruit of public-private partnership under the leadership of the Department of Housing and Urban Development. They have already helped residents of some of our poorest neighborhoods move from welfare to work, increase their earnings, even start their own businesses.

One of the things that is totally unappreciated about the nature of the Internet revolution is the extent to which it gives people who are otherwise completely out of the economic mainstream, who could never have access to the kind of up-front capital it would take to start a traditional business and rent a big office space, the chance to actually earn money on the net. The first time I discovered this was when some of my friends at eBay told me that they now have

30,000 people making a living off eBay—not working for the company but making a living buying and selling and trading—and that the profiles indicated to them that a very substantial number of these people had previously been on welfare.

So again I will say, if you believe that there is an equal distribution of intelligence, ability, and dreams throughout the population, and if you have seen in your own lives what this has done for you and for this economy, it seems to me that closing the digital divide is one of the most important things we could do that would have the quickest results in alleviating the kind of poverty which is inexcusable in the kind of economy we're experiencing today.

Let me also say that—I made a joke about it earlier, but I think the idea of having teachers who are really able to make the most of technology in the classroom and teach their students is something that's very important. Everybody I have ever worked with on this in the last several years, all the heads of all the companies that have tried to really help our schools continue to hammer this.

I got a letter from the deans of more than 200 colleges and universities, pledging to join in that effort, holding themselves responsible for results, being willing to test their progress with a tool designed by the CEO Forum on Education and Technology, a forum that includes a lot of the companies that are represented in this auditorium today. But this is a big deal. This is a serious commitment that we haven't had in the past. And I want to thank the Forum on Education and Technology and these 200 deans for what they want to do to train our teachers.

But this is just the start. So here is what I came to do, really. I want to ask you to do the following things. First of all, if you are not already a part of it, I hope that the companies, everyone represented here from the largest to the smallest, would support our national call to action, which I issued 2 weeks ago. Its basic goals are to provide 21st century learning tools for every child in every school and to create digital opportunity for every family and every community.

I have asked for businesses and schools and community groups and volunteers to enlist in the effort. More than 400 organizations have signed on in the first 2 weeks, and they are already doing amazing things. Many of you have

been working at this for some years now, to help in education and in economic development. But if you are not part of this, I hope you will become part of this. I hope you will do more than sign a pledge. I hope you will commit to fulfill it.

I want you all to ask if there is anything you are not doing that you could do to give our schools computers and high-speed connections, to design the educational software our children need to succeed, to make sure our teachers are as comfortable in front of a computer as in front of a chalkboard. Again I say, many companies are leading this effort today, but we need more. The biggest problem in American education and the biggest problem in combating poverty and creating economic opportunity is not that there are no good ideas. Every problem in American education today has been solved by somebody somewhere.

I remember when I started running for President and I was coming to Chicago, there was a woman here from my home State of Arkansas who was principal of a junior high school that was in a neighborhood with the highest murder rate in the State of Illinois. And you had to ask to get into this junior high school. They had 150 mothers and 75 fathers in that school every week. They had a strict no-weapons policy; if you had one, you were history. They had a zero dropout rate. The kids went on to high school and did well, and a phenomenal percentage of them went on to college. And I could give you lots of examples like that.

The problem we have—and in terms of closing the digital divide and education and economics, there are examples everywhere. The problem we have in America with social change is getting things to scale, is reaching a critical mass of people. That's why I came here today. This is a critical mass of the IT community. And you need to reach a critical mass of the at-risk kids and the communities where economic and educational opportunities are needed to close the digital divide.

The second thing I want to ask you to do, so that today's students can become tomorrow's success stories, is to expand internships and to deepen your talent pool. I just received a survey that I read just the day before yesterday indicating that, even making allowances for differences in education, women and minorities are still comparatively underrepresented in most IT occupations. We can do a lot to close the digital

divide just by equalizing the representation once people do have the education and skills they need.

The third thing I would like to ask you to do is to recognize, as I said before, there is a limit to what the Federal Government can do. I intend to set up a framework and to try to provide the necessary tools and to generate as much activity as I can. But we need more partnerships at the local level with the schools, with the local communities, with the local community groups, and with local government. I think you will find that if you are not involved in this kind of work, there is more interest in it than ever before, and people are eager for help.

If we work together, we can empower people with the tools and the training they need to lift themselves out of poverty. If we work together, we can give people the ability to use new technology to start new businesses. If we work together, we can close the digital divide and open digital opportunities.

I am asking you to do this because you can. I am asking you to do this because it's right. And I am asking you to do this because America needs it to have a continually growing economy.

The productivity increases generated by information technology in the IT companies themselves, and then through application throughout the economy, is what has enabled us to continue to grow at 4 percent and to keep inflation down. I am doing my best to open new markets around the world and to keep our markets open, which helps to keep inflation down and to grow. But the best opportunity we have are all those people out there that are dying to be part of what the rest of us may take for granted.

And I can tell you, I have lived longer than most people who do very well in the work that you do. Our country has never had an economy

like this. The last time we had anything close was in the 1960's. It came apart over the competing claims and crises in civil rights and the war in Vietnam and the attempt to finance all that and deal with the problems of the poor. I see a lot of people who are gray-headed like me out there nodding their heads.

And when it happened, when I grew up in it, I thought that economy would last forever. I just took it for granted that we were the most productive economy in the world; we were going to win the cold war; we'd solve the civil rights problems in the courts and the Congress, and everything would be hunky-dory. And then boom, one day it was gone.

And I've waited 35 years, as a citizen, for our country to have the chance to give all our people the future of our dreams for our children. That's the chance we've got now. And I know you're very busy. I know you have a lot of other things to do, but I don't know how many years we'll ever have to wait again until a moment like this comes along.

I can't do it alone. The Federal Government can't do it alone. But if we all do it together, there is nothing we can't do. We will never, ever, ever have a better chance, and, therefore, a more profound responsibility, to close the digital divide.

Thank you very much.

NOTE: The President spoke at 2:10 p.m. in the Arie Crown Theater at the McCormick Place Convention Center. In his remarks, he referred to Frederic D. Rosen, chairman, Key3Media Group, Inc., who introduced the President; Jason Chudnofsky, president, SOFTBANK COMDEX, Inc.; Tony Streit, administrative director, Street-Level Youth Media; Rev. Jesse Jackson, civil rights activist; and Myra Jodie, student, Steamboat Navajo Nation, AZ.

Statement on the Community Reinvestment Act Report

April 19, 2000

Ensuring that all Americans have an opportunity to share in our Nation's economic prosperity has been at the core of my administration's domestic agenda. We have made progress, but there is much more that we can do to

extend the benefits of the vibrant American economy, including our innovative financial markets, to all Americans.

The Community Reinvestment Act (CRA) is central to that goal. Early in my administration,