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ForsterTo: NANCY HERNREICHFrom: JENIFER CAHMAN FOR AC FROM

Comments: _____

From the
Oval

If there are any problems with this transmission, please contact Jenifer at (202) 608-1205
or call (202) 546-0007. Thank you.

August 7, 2000

Memorandum to the President

From: Al From

Subject: Your Convention Speech

Given the bounce George W. Bush got out of the Republican Convention and the current state of the Gore campaign, your speech at the Democratic Convention seems to me to be critical to our chances this fall.

For you personally, this speech is important as well. It certainly will be your last speech as President to a national convention, and it may be your last big political speech as President. For that reason, I believe it is important that it not just be another political speech, but a speech that lets you go out as the political statesman you are.

I think you ought to have two political goals for this speech:

- * to reclaim the vital political center for the Democrats – a political center that we won by incredibly hard work and accomplishment and which George W. Bush, by aping you and your 1992 strategy, is dangerously close to taking away; and,

- * to raise the stakes of this election – to provide the edge the Gore campaign has not yet been able to provide.

By accomplishing those two goals, you can set the table for Al Gore, just as President Reagan did for President Bush when he said in his 1988 GOP Convention speech: "We are the change."

In sum, while Governor Bush is attempting to convince people that he is changing the Republican Party, you can make and document the point that our party has already changed – and a transformed Democratic Party has already brought America great prosperity and progress and is poised to lead it to even greater heights.

That's really all you can do for Gore. He has to do the rest himself. You can set the table, but he has to articulate the vision that will give a majority of Americans a compelling reason to vote him into the White House. Your version of "we are the change" is "I've taken you across the desert; now Al Gore will take you to the promised land."

I've always believed the Vice President's best, and perhaps only, chance to get elected is to get elected to your third term. To do that, the Clinton-Gore Administration needs to get credit for all the good things it's done – and Gore has to make the case that he is the best person to carry on that progress and lift it to the next level. With your speech you can clearly lay out the Administration's record – where we were and where we are – and Gore in his speech needs to make the case that he's the one who will take us to the next plateau.

I think it's also important that the tone of your speech be largely positive. I don't object to your going after Governor Bush, but I think it has to be done carefully, with a scalpel and with dignity. As tempting as it may be to go on the attack, I believe too negative a speech will be counterproductive. But I do believe you can clearly make the point that no matter what Bush would like voters to believe, he is not doing this year what you did in 1992.

Here are some specific thoughts about what you should say in your speech.

Reclaiming the Vital Center

While it may not be the only thing, getting credit for the good economy is critical to reclaiming the vital center. To listen to Governor Bush, you'd think that the good times of the last eight years just happened. He'd sure like us to think that. And, as incredible as it is, he seems to be getting away with it. I find it astonishing that in most polls, more voters believe Bush more than Gore will keep the economy prosperous. We need to reverse that – the Vice President is not likely to do it with a steady diet of labor union events and class warfare attacks on big corporations.

That's why I believe the most important thing you can do in your speech next week is to connect the dots between the Clinton-Gore policies and the spectacular results. In short, you ought to tell the story of your successes. It's not really a lot different than the basic speech you've been giving for months that in 1992 we had a theory, now we have fact.

I'd suggest that in meticulous detail, you lay out on issue after issue, what conditions were like in 1992, what we said we would do, what we did, and what we accomplished. For example, you might say something like this: in 1992, the economy was in shambles, unemployment and inflation were too high, the deficit was going up and out of control and incomes were going down; we promised to balance the budget, expand public investment, and pry open foreign markets; we balanced the budget for the first time in three decades; we increased investment in education and training, infrastructure, research and development and technology; and today we have the best economy in our lifetimes, employment is at record highs and unemployment at a three decade low, inflation is low and under control, incomes are up and poverty down, and the budget is in balance for the first time since 1969 and we're on a path to paying off the debt in a dozen years. That didn't just happen. It happened because of our policies and our leadership – and it's why we need to continue that leadership for another four years.

You can do that same thing on welfare, crime, education, streamlining government, any issue you want. But it is critically important that you connect the dots between your policies and the successful outcomes. To me, making that case is the single most important thing you can do in your speech. If that connection isn't made, there's no reason for people to vote for Al Gore.

(In case, it might be helpful, I've attached some ways I've tried to make that connection in my speeches and columns.)

And, by laying out your record of accomplishments on the economy, the deficit, welfare, crime, etc., you will be reclaiming the vital center for the Democrats. The polling Mark Penn has done for the DLC shows that on the key issues we took on – fiscal discipline, crime, welfare, and streamlining government – you and your policies define the vital center. We need to re-stake out that turf. We can't let Bush claim it on the cheap.

Raising the Stakes

The Republicans would like this to be a low stakes election. They'd like us to think there's not much difference between Bush and Gore on the issues, that Bush will keep the economy going as well as Gore, so the basis for voting is that Bush will bring honor and dignity back to the White House. That's nonsense.

That's why you need to raise the stakes in this election and provide some edge to the campaign. I think the best way to do that would be to for you to lay out a list of everything the Republican Congress passed and you vetoed or that they threatened to pass and you threatened to veto. And you ought to challenge George Bush to answer where he stands on every one of them.

That seems to me to be the best way to link Bush to the Republicans in Congress and to expose the hypocrisy of the GOP convention. The Republicans learned in 1992 that they couldn't run effectively against you by pretending you were Walter Mondale. And, I don't think we can run effectively against George W. Bush by pretending he's Newt Gingrich or Tom DeLay. But I do think it would be effective for you to go item by item through what this Republican Congress would have enacted into law, but for your veto.

That's the clearest way of demonstrating that if voters want to continue the direction you've led them – and in almost every poll I see they do – they won't get there with the Republicans in power. By going through that litany, you can define the stakes in this campaign as going forward to more progress with Gore or reversing course with the Republicans.

Taking on Bush

It just seems to me that two things Bush should not be allowed to get away with are arguing (1) that you need to elect him to end the partisanship and nastiness in Washington and (2) that he is moving the Republican Party to the center just as you did the Democrats. Both of those arguments are gaining far more credence than they deserve – and I think you should deal with them in your speech.

The way to deal with the partisanship issue is not to point fingers, but again simply to lay out the record. You can talk about your many big, bipartisan achievements – the balanced budget agreement, welfare reform, trade agreements, the new markets initiative, etc. – and point out you passed all of these items with Republican and Democratic votes. You might also point out that if the Republicans are willing to put progress over partisanship, there's a lot more we can accomplish in the next month, including PNTR, a health care bill of rights, a prescription drug benefit and medicare reform, additional gun measures, etc. Again, this is a way both to give lie to Bush's point and to show with specificity how the two parties differ.

Finally, it drives me crazy to see story after story compare what Bush is doing to change the Republican Party to what you did to modernize the Democratic Party. The truth is that he hasn't done anything but call himself a compassionate conservative and make some good speeches. He hasn't really challenged any Republican orthodoxy. Think about what you did on fiscal discipline, on welfare, on crime and capital punishment, on trade, on racial quotas, etc. You took on the orthodoxies of our party and its strongest interest groups; we had big fights; and, in the end, you succeeded (sometimes with a minority of Democratic votes).

Contrast that with what Bush has done. He's caved to the right on the main social issues abortion and guns; his Social Security proposal is bold because Gore refused to move off the status quo for so long, but partial privatization of Social Security is hardly a sharp challenge to GOP orthodoxy; he's utterly orthodox on taxes; and, his only challenge is on education where he'd finally give up on eliminating the Department of Education, but he accompanies that with vouchers for the right wing. In short, there's a lot more conservatism than compassion.

I'm not sure about the best way to make that point, but I think you could do worse than pointing out that changing our party was hard work, but that you pushed change on big issues that were killing our party and not everyone in our party – including many, if not, most of the people in the convention hall – didn't want to go along. But you believed in what you wanted to do – and undertook the fights necessary to prevail. So far Bush has neither really challenged Republican orthodoxy seriously – or taken on any real fights. (Again, I've attached a couple of ways, I've tried to make that point.

So my bottom line for you on this speech is this: Argue the facts. Lay out your record as clearly as you can. It's a great record. It will give lie to the main thrusts of the Republican strategy. It's a record good enough to run on – and to win on.

But, in the end, you can't win this election for Al Gore. He needs to do that for himself. But you've built an incredible foundation for him to run on. And, in your convention speech, you can help set him up to take full advantage of that foundation.

Good luck and let me know if I can help you. I'm at your call.

For two decades, the American people refused to vote for a Democrat for President because they didn't think we could manage the national economy. But with a New Democrat President, we now have the best economy, that any of us have seen in our lifetimes.

For most of the 1980's and I think even in the 1990's here in Idaho, we had to live with Ronald Reagan's label of tax and spend. But it took a New Democrat President, devoted to the principle of fiscal discipline, to give us the first balanced budget in three decades. We are no longer the party of tax and spend.

In the 1970's and 1980's we lived with the label of the party that took money from people who worked to give it to people who didn't work. It took a New Democrat President not only to end the welfare system, but much more importantly to replace it with a work system, a system that, believe it or not, over the last six years, has seen almost six million Americans move from the welfare roles to the work role. Those Americans are becoming part of the mainstream of American society.

We were a party that was often accused – and sometimes rightly accused – of being soft on crime. In our 1980 platform, we devoted more space to police brutality than to public safety. But most Americans don't feel that way. But with sensible, anti-crime measures, like community policing, we have now seen crime go down now for seven straight years, and the Democratic party no longer is viewed as soft on crime. In fact in most public opinion polls today crime is our issue.

We were the party that always seemed to ask what our government could do for us. But with ideas like Americorps – the voluntary national service program that has been the cornerstone idea of the Democratic Leadership Council – we've again become the party that asks in John Kennedy's most famous words what we can do for our country.

We were the party that was so devoted to big government that many people said we never saw a program we didn't like and that we couldn't embrace. But under the leadership of Vice President Gore and his reinventing government effort, we now have the smallest federal government since the days of John Kennedy. And, the federal workforce as a percentage of the national workforce is the smallest its been since before Franklin Roosevelt was sworn into office.

By adhering to that rule, we've made tremendous strides – for our nation and for our party. Indeed those successes have shaped the politics of America in the 1990's.

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The New Democrat Decade Subhead TK

By Al From

Each of the last five decades of the 20th century had defining political features. McCarthyism and conformity shaped the 1950s, Vietnam and social upheaval the 1960s, Watergate and double-digit inflation the 1970s, and conservatism the 1980s.

But the 1990s were the New Democrat decade.

We began the decade hoping to end the Democratic Party's losing streak in presidential politics. We end it with a New Democrat president finishing his second successful term and with our sights set on returning a transformed Democratic Party to its rightful place as the majority party in American politics.

As the millennium approaches, the New Democrat movement is vibrant, determined, and growing. Think how far we've come.

In 1990, when then-Gov. Bill Clinton of Arkansas became chairman of the Democratic Leadership Council, there were practically no New Democrats. There was no New Democrat movement, no New Labour in Great Britain, no New Middle in Germany, no Third Way philosophy sweeping progressive politics the world over. The Democratic Party was out of ideas, out of confidence, and out of power.

America was out of synch. Unemployment and inflation were high. The deficit was up and incomes were down. Crime was exploding and so was welfare. The federal government was bigger than it had ever been and still growing.

Today, America is on a roll. Our economy is the best it has been in our lifetimes. Employment is at an all-time high and unemployment at a three-decade low. Inflation is low and under control. Incomes and wages are rising and child poverty is falling. The welfare rolls have been cut nearly in half. The violent crime rate is at its lowest point in a quarter-century. The federal government hasn't been this small since the Kennedy administration.

And for the first time in six decades, a Democratic president -- a New Democrat -- has been elected and re-elected to the White House.

Hard Work

That incredible record didn't just happen. It's due to New Democrats' hard work, under President Clinton's leadership, to modernize our party. We developed bold innovations that expanded the economy, ended welfare, reduced crime, and streamlined government. We challenged the status quo in our country and old orthodoxies in our party. America is strong today because President Clinton had the vision and the courage to put so many New Democrat ideas into action -- ideas that are making this a better, safer, and more prosperous country.

New Democrat ideas shaped by the DLC and our affiliated think tank, the Progressive Policy Institute, have transformed the Democratic Party. These ideas have become the foundation for the Third Way political philosophy that has propelled the resurgence of center-left parties

throughout the democratic world. The return to power of progressive parties in the United States, Great Britain, and Germany is without a doubt the biggest international political story of the decade. As President Clinton has said, DLC ideas are sweeping the world.

We succeeded because we offered new and innovative ways to further our party's cherished values and highest ideals. We did not run away from our party. Rather, we modernized it. We brought it into the Information Age. We reconnected it with its first principles and grandest traditions.

Opportunity for all, special privilege for none has been our party's first principle since the days of Andrew Jackson. Under New Democrat leadership, we became the party of opportunity again by restoring fiscal discipline to government and delivering sustained, non-inflationary economic growth.

We reunited our party's policies with the values most Americans share -- work, family, responsibility, individual liberty, faith, tolerance, and inclusion -- by passing welfare reform and the Medical and Family Leave Act, by expanding the earned income tax credit, and by reducing crime with bold ideas like community policing and sensible gun control.

We reconnected our party with John Kennedy's civic ethic of mutual responsibility by creating AmeriCorps and by asking citizens to give something back to their country.

We are restoring our party's historic global outlook by promoting democratic and humanitarian values throughout the world and expanding trade to foster prosperity and upward mobility at home.

Finally, we have reconnected our party with Franklin Roosevelt's legacy of innovation by modernizing government, diminishing bureaucracy, and giving people the tools they need to solve their own problems in their own communities.

In short, New Democrats have created a modern, progressive political philosophy for the Information Age. To paraphrase British Prime Minister Tony Blair, our philosophy is not a compromise between liberalism and conservatism. Rather, it is a modernization of progressivism. It is progressivism distinguishing itself from the status quo of both the left and the right.

As a result, after decades in the political wilderness, President Clinton and the New Democrats now define and occupy the vital center of American politics, where presidential elections are won and lost.

Beware of Imitators

So it's not surprising that both parties' leading presidential candidates seem to be eager to continue President Clinton's course. And it is not surprising that Texas Gov. George W. Bush, the leading Republican candidate, already having tried to steal New Democrat rhetoric, is now in a headlong dash away from his party's leadership in Congress. He knows he cannot win if he runs on its agenda.

But we should not equate Bush's attempt to separate himself from the Republican right wing with President Clinton's transformation of the Democratic Party this decade. There's a big difference between the hard work of modernizing a party and reconnecting it with its first principles and traditions and the easier task of fashioning a slogan or a speech that expediently pushes off a party's unpopular leadership.

New Democrats understand the difference very well. We undertook that hard work during pivotal DLC conferences in New Orleans and Cleveland. We challenged party orthodoxies and

took on the tough debates and the hard fights. We even got a few scars along the way.

Because of our effort, the vital center of American politics starts here with the New Democrats -- in the DLC, in the transformed Democratic Party. It is a progressive center. We defined it. We developed the ideas that shaped it. New Democrats put those ideas into action. And we intend to carry those ideas to fruition to transform America in the 21st century.

So to our compassionate conservative imitators, we say: We're flattered that you want to imitate our rhetoric, but after all we went through to modernize our party, we will not sit idly by and let you reclaim the vital center on the cheap.

The challenge to our turf is real. New Democrats cannot become complacent. We need to keep challenging the status quo, to keep the mantle of progressive reform firmly in our grasp. We need to continue to modernize our party. We must resist any temptation to retreat. Our candidates for president need to understand that there's one proven formula for winning the White House and governing effectively. It's the New Democrat formula. There's no other way.

The Vital Center Starts Here

If we want to hold on to the vital center of American politics, and that is the key to our holding on to the White House, New Democrats must continue to push our party to modernize for the Information Age.

We must keep our movement politically strong by building the next generation of New Democrat leaders -- not just in Congress, but at the state and local level as well. In an era of decentralized economic and political power, the impetus for political reform and innovation will come increasingly from states and localities. State and local New Democrats will increasingly be the face of our movement that most Americans see.

We also must continue to tackle new policy challenges with bold ideas and innovative approaches. In the Information Age, voters increasingly will judge us by the quality of our ideas. To succeed politically, we must keep our movement intellectually dynamic, continuously pressing for progressive reforms. We can never unthinkingly accept the status quo.

At the dawn of the new century, New Democrats should remember that for all we have accomplished, our movement is still young, and our best days are still ahead of us.

In the 1990s, the New Democrats reversed our party's fortunes in presidential elections. Now we must set our sights on making a modernized Democratic Party the majority party in America once again.

We made the 1990s the New Democrat decade. Let's make the 21st century the New Democrat century.

We can do that if we keep our sights set on the future. We know that if we let our memories outweigh our hopes, then we will become old. That will not happen, because we will not allow it to happen. It is the destiny of this New Democrat movement to remain forever young. The vital center starts here.

Al From is president of the Democratic Leadership Council.

The Vital Center Starts Here
Remarks of Al From
President, Democratic Leadership Council
1999 DLC Annual Conference
Washington, D.C.
Thursday, October 14, 1999

As we gather for this, the last DLC conference of the 1990s, we are reminded of how far we've come since our first conference in this decade, but we are well aware that our job is still not finished.

We began this decade hoping to end the Democratic Party's losing streak in presidential politics. We end it with a New Democrat president finishing his second successful term, and with our sights set on returning a transformed Democratic Party to its rightful place as the majority party in American politics.

At the end of the 1990s the New Democrat movement is vibrant, determined and growing. What a decade this has been for New Democrats.

When we met in New Orleans in March, 1990, when we inaugurated a young governor from Arkansas as Chairman of the DLC, and issued that landmark document, the New Orleans Declaration, there were no New Democrats, no New Democratic movement, no New Labour in Great Britain, no New Middle in Germany, no Third Way sweeping progressive politics in the world. The Democratic Party was out of ideas, out of confidence and out of power.

And America was out of synch. Unemployment and inflation were far too high. The deficit was going up and incomes were going down. Crime was exploding and so was welfare. The federal government was the biggest it had ever been and getting bigger.

As we meet here today, America is on a roll. Our economy is the best in our lifetime, employment is at an all-time high and unemployment at a three-decade low. Inflation is low and under control. Incomes and wages are going up. Child poverty is down, and the welfare rolls have been cut nearly in half. The violent crime rate is the lowest in a quarter century. And the federal government is the smallest since the Kennedy administration.

Need I remind you, all of that has been accomplished under a New Democratic president, the first Democratic president to be elected and re-elected to the White House in six decades.

That is an incredible record, and it didn't just happen. It happened because of the hard work we undertook under President Clinton's leadership to modernize our party, to come up with bold and innovative ideas for growing the economy, ending welfare, reducing crime and streamlining government – ideas that challenged the status quo and often challenged the orthodoxies in our own

party. And it happened because President Clinton had the vision and the courage to put into action so many New Democrat ideas – ideas that have worked and made America a better, safer and more prosperous country.

I'm proud of what the New Democrat movement has accomplished for America, and you should be, too. And I'm proud of what we have done for our party, that New Democrat ideas have transformed our great party and that our success has become a model for the Third Way political philosophy that has propelled the resurgence of center left parties throughout the democratic world. That indeed is the biggest story in world politics in the 1990s. As President Clinton said at our conference last year, in just 15 years DLC ideas are literally sweeping the world. I'm proud of that, and I sure hope you are too.

Now, as we look to the future, we need to understand what is really at the core of our success. We reconnected our party, the oldest and greatest political party on the face of this earth, with its first principles and its grandest traditions. We modernized its programs and its policies. We brought the Democratic Party into the information age. But we did not run away from our party; we brought it back to its more cherished principles, and its highest ideals, and we offered new and innovative ways to further them.

We brought our party back to its first principle as the party of opportunity, by understanding that if you want to be a party of opportunity in the 21st Century you have to be a party of private sector growth.

We reunited our party's policies with the values that most Democrats and most Americans share, by passing welfare reform and the expanded earned income tax credit, the Medical and Family Leave Act, and by reducing crime with bold ideas like community policing and sensible gun control.

We reconnected this party with the civic ethic of John Kennedy by passing AmeriCorps and by asking citizens to give something back to their country.

We are in the process of bringing this party back to its historic place as the party of internationalism, the party that believes in expanding trade throughout the world.

Finally we reconnected this party with Franklin Roosevelt's true legacy, that of innovation, by modernizing government under the leadership of Vice President Gore, so today the federal government is smaller, but we have an activist government all over this country that is equipping people with the tools they need to solve their own problems in their own communities.

In short, we have shaped a modern, progressive political philosophy for the information age. To paraphrase our friend Tony Blair, it is an incredibly wonderful speech that he gave to the Labour Party of Great Britain about two weeks ago, our New Democrat philosophy is not a compromise between liberalism and conservatism; rather, it is a modernization of progressivism. It is progressivism distinguishing itself from the status quo forces of both the left and the right.

And, it is progressivism once again defining the vital center of American politics, the vital center where presidential elections are won and lost, the vital center that President Clinton and the New Democrats now occupy.

So it is no wonder that the leading candidates for president in both political parties seem to be running to be elected to President Clinton's third term. And it is not surprising that the leading candidate in the other party, having already tried to steal our rhetoric, is now in a headlong dash to run away from his party's leadership in Congress.

Now, I understand why any Republican who hopes to be elected president would want to identify with New Democratic principles. They're the principles that most Americans embrace. And I certainly understand why a Republican candidate for president would want to run away from the polarizing right wing of his own party. He knows he cannot be elected president on their agenda.

You know, as I think about that republican agenda, balancing the budget on the backs of the poor, a 13-month fiscal year and all the other nonsense that comes out of that Congress, I can't help but once again hearken back to the words of Tony Blair as he was describing the Tories under William Hague: "Weird, weird, weird."

But let us not confuse an attempt to separate from the Republican Party's right wing with what President Clinton did to transform the Democratic Party during this decade. There is a big difference between the hard work of modernizing a political philosophy to reconnect with a party's first principles and historic traditions, and fashioning a slogan or a speech that expediently pushes off a party's unpopular leadership.

Many of you know how hard the work of transforming a party really is, because you were part of it, you were there in New Orleans and Cleveland at those defining DLC conferences. Together we took on the tough debates and the hard fights. Along the way, we even picked up a few scars.

But let's be very clear: The vital center of American politics starts right here.

Let me repeat that: The vital center of American politics starts right here, in the DLC, in the modern, transformed Democratic Party. It is a progressive center. We defined it. We developed the ideas that shaped it. We put those ideas into action. And, we intend to carry those ideas to fruition to transform America in the 21st Century.

After all we went through to modernize our party, we are not about to sit idly by and let the Republicans reclaim the vital center on the cheap.

So my message to our compassionate conservative imitators is this: We're flattered that you want to imitate our rhetoric, but by November of next year the American people will know the difference between the imposter and the real thing.

But we need to understand that the challenge to our turf is real. We cannot become complacent. We need to keep challenging the status quo, to keep the mantle of progressive reform firmly in our grasp. We need to continue to modernize our party. We must resist any temptation to go back. Our candidates for president need to understand that there's just one proven progressive formula for winning the White House and governing effectively in the United States. It's the New Democrat formula. There's no other way.

If we want to hold on to the vital center of American politics, and that is the key to our holding onto the White House, New Democrats must continue to drive our party politically and intellectually. That's just what we intend to do at the DLC and PPI.

That's why we're expending so much energy and resources to building our network of the next generation of New Democrat leaders in Congress and all across this country.

We all know that the most exciting and significant development in Congress in the past three years has been the establishment and the success of the New Democrat coalition under the leadership of Cal Dooley, Jim Moran and Tim Roemer. We've always been strong in the United States Senate with leaders like Joe Lieberman and Jon Breaux, and we're getting stronger. Every new Democrat elected to the Senate in 1998 was a New Democrat. We're making important progress in gubernatorial elections as well. Last year in Georgia, South Carolina, Alabama and in the big enchilada, California, we elected Democratic governors, every one of them a New Democrat. In fact, every one of the 17 democratic governors governs as a New Democrat.

But in many ways, our efforts to build our network around the country are just beginning. We saw some of the fruits of that effort in July with our fabulously successful national conversation, hosted by Lieutenant Governor Kathleen Kennedy Townsend in Baltimore, where we had 175 of America's most exciting and talented future leaders to demonstrate that the future of our movement is in good hands.

It's critical now that we continue to build that network at the state and local level. In an era of decentralization, of economic and political power, the impetus for political reform and innovation will come increasingly from the states and localities. The actions of state and local New Democrats will increasingly be the face of our movements that most Americans see in their own communities and in their everyday lives.

For that reason we've launched our DLC leadership workshop program; our effort to teach state and local leaders about the values and principles of the New Democrat movement. With your help, that program got off to a great start this year in ten states. Next year we need to bring it to scale.

And if we're going to shape politics for the information age, we need to operate in the information age. We intend to do that too. Next month, if all goes well, we hope to sponsor, in

partnership with Excite.com, an Internet search engine with 38 million subscribers, the first- ever online video town meeting.

Later this year we will undertake a major expansion of our website, so that we can better serve and better connect our New Democrat community all across this country and increasingly around the globe. As important members of that community, we need your help in that undertaking. Don't put your hand on your wallet; I'm going to ask you for some ideas, not for money. In your packets you will find a survey sheet -- this one -- that has been put together by our web team. I hope you'll take a minute and fill it out and drop it into one of the boxes marked surveys, or give it to a DLC or PPI staff member. We need your input.

I said a minute ago that if we are going to hold on to the political center we have to continue to push progressive reform. And as Joe Lieberman has outlined, that's really why we are here today. Last night we heard the President tell us that the unfinished business in the modernization of our Democratic Party is on the issue of how we respond to the new global economy. Most Democrats today have moved to the New Democrat position on managing the economy, fiscal discipline, welfare, crime, streamlining government, educational standards and so many others. But our party remains sharply divided on trade and globalization.

That division has hurt our party. It hurt our party and it hurt America in 1997 when it was the lack of Democratic support in the House of Representatives that denied a Democratic president the authority he needs to negotiate trade agreements in America's best interest, in the interest of American workers and American businesses. That was wrong.

Next month, when the WTO ministers meet on America soil in Seattle, it is incumbent upon all Democrats to help the President achieve the goals for that meeting he outlined so eloquently and passionately last night. We owe it to him, but more importantly we owe it to our country and to our party.

If we are going to be a majority party in the 21st Century, we need to be the party that leads America into the global economy, that stands for expanding trade and opening markets, that stands for expanding the winner's circle here at home, so that all Americans can reap the benefits of the new global economy.

In his speech last night, President Clinton challenged us in the DLC to help forge a new consensus on trade, so that our party can continue to move forward and not fall back. We accept that challenge, and I'm confident we can meet it. I'm confident we can meet it because I see a new willingness among those in our party that have supported expanded trade -- and those who've resisted it -- to seek common ground.

That's why we're delighted this afternoon to welcome Dave Smith, the Director of Public Policy for the AFL-CIO to our conference. Of course, New Democrats and the labor movement have had sharp differences over the years on trade and globalization. Everybody knows that. But I hope

discussions like the one we will have today can begin to bridge those differences. But even if differences remain, as we welcome Dave Smith here today, I want to repeat what I said in the heat of our battle over Fast Track in 1997: We should never forget for one moment that this country has always needed and will always need a progressive labor movement that fights for the interest of working families, whether they are members of unions or not.

As we begin our discussions today, it is important to understand that the differences in the Democratic Party on trade are based on real concerns. Most Democrats who are worried about globalization want to make globalization a positive development for all Americans. Certainly New Democrats, who are proud to stand in the Democratic Party's historic tradition of open trade, are very concerned about making sure that every American and every community has a chance to benefit from economic growth, change and prosperity.

The main purpose of this agenda today is to explore, as Senator Lieberman said, a Third Way approach to globalization that can unite progressives and all Democrats, a Third Way that rejects both the laissez faire belief that the global economy is self-regulating and the protectionist belief that America can withdraw from the global economy and maintain high living standards and economic growth.

Our Third Way philosophy on globalization is grounded in those three simple principles: expanding trade, having a new set of rules that help regulate trade in the global economy, and expanding the winner's circle here at home.

If Democrats can unite on this Third Way of rules-based internationalism and domestic empowerment, then we can help build a national consensus that links U.S. leadership abroad with growth and equity at home, just as Democrats have always done in the past. New Democrats, who have been the strongest advocates in our party for globalization, need to lead the way to forging that new consensus.

I'm confident that we will reach this new consensus on a Third Way on trade and globalization, because in the end, as the President made so clear last night, we really have no choice. The global economy is here to stay. It won't go away simply because we resist it, or we wish it away. Globalism is not some accident that came out of the blue. It is a product of two big forces: technological change, which is breaking down traditional barriers to exchange of goods, services and information and ideas, and political change, which is creating a convergence in most parts of the world toward the principles that we hold so dear: democracy and market economics.

So let's go to work. Let's meet the President's challenge. Let's forge a new consensus on globalization. Let's make that consensus yet another example of how New Democrats are leading our party into the information age, into the 21st Century.

And let us remember that for all we have accomplished, our New Democrat movement is still young, and our best days are still ahead of us.

In the 1990s the New Democrats reversed our party's fortunes in presidential elections. Now we must set our sights on making a modernized Democratic Party the majority party in America once again. Let's make the 21st Century the New Democratic century.

We can do that if we keep our sights set on the future. We know that if we let our memories outweigh our hopes, then we will become old. That will not happen, because we will not allow it to happen. It is the destiny of this New Democrat movement to remain young forever. The vital center starts here.

Thank you very much.