

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

September 6, 1995

**Remarks by First Lady Hillary Rodham Clinton to the
United Nations Development Fund for Women Panel Discussion
"Women's Economic Empowerment"
Beijing, China**

MRS. CLINTON: Thank you, Noleen. Thank you very much. I want to commend all of you who are here because I think that this is one of the most important panels to hear from—the three people that you will be hearing from in a few minutes,—that will take place at this Conference. I want to thank Noleen and also the United Nations Development Fund for Women, which we all know as UNIFEM. It is a word that in any language translates into hope for women who dream of a better life for themselves, their families, and their nations.

Around the world, UNIFEM has invested in the lives and aspirations of women and has helped to empower women in ways that have not been tried before, which we will be discussing here this evening. I am pleased to announce that the United States is releasing its pledge of one million dollars to UNIFEM for 1995 so that it can continue this work.

We are here today to talk about micro-credit, where it's needed, what it is, what it can do, how it has transformed lives. It's called micro, but its impact on people is gigantic. It takes just a few dollars, often as little as \$10, to help a woman to self-employment, lift her and her family out of poverty. It is not a handout; it's a helping hand.

From the Grameen Bank in Bangladesh or to the Self-Employed Women's Association in India, or to the work in Ghana that you will hear about, to banks and programs modeled on these from Indonesia to the Dominican Republic, to my own country, we have seen that micro-lending works.

Women who have received loans from the Grameen bank, for example, have a repayment rate of 97 percent, and often within one year, and they invest their money well. Some buy milk cows to expand their family's agricultural livestock, some buy materials to make handicrafts which they then sell. Others make bricks, or repair bicycles.

But the fact is: give a woman a seed, and she will plant it, she will water it, nurture it, then reap it, share its fruits, and finally, she will replant it. In this way, step by step, the world's poorest women are leading their families, their communities and their countries to a better future. When we help these women to sow, we all reap.

I met many such women during my visit to South Asia earlier this year. I met women in India, I met women in Bangladesh. Whether it is a milk cow in Bangladesh, or a computer in Chicago, women need help and encouragement and credit to make that first investment.

I will never forget a woman I met in my own country at a program called Mi Casa in Denver that is modeled after these programs you will hear about this evening. It is a program designed not only to provide credit, but also to do something even more fundamental: to help build self-respect and self-sufficiency. The women who came to this program were on welfare, but they saw a better future for themselves and their children. And they just needed a little help—a jump-start—to realize their own potential. But often that jump-start is hard to come by.

As this one woman told me: "Many great ideas die in the parking lots of banks"—because women get only so far, they don't even get in the door, in many cases, before they are turned away. That kind of discouragement has killed the dreams of millions and millions of women.

In the United States we are attempting to build up a micro-enterprise network. It is still very young. But already several hundred programs have enabled tens of thousands of Americans to seek and find economic opportunity for themselves.

This Conference has identified economic opportunity as a critical area of concern, and we have to look for positive, practical ways to implement that concern. Access to credit, particularly through micro-enterprise, is a key priority.

Our country has accepted the challenge of making the World Conference on Women a conference of commitments. And I want to announce, this evening, some of the actions our government will take to further self-employment and microenterprise development in our country. Our Small Business Administration is already making more loans than ever to women. Through the Community Development Financial Institutions Fund, we will establish a new Presidential awards program to honor outstanding micro-lending organizations. These awards will provide challenging benchmarks for microenterprise programs throughout the nation and acquaint the public with the prevalence of such programs within our own economy. We believe they will also highlight the important work of programs that provide microenterprises with key support structures such as access to credit, markets, technical advice, and training.

The President also is establishing a mechanism to better coordinate microenterprise programs across a number of our federal agencies to ensure that those programs are doing the job they were set out to do. Additionally, the United States will continue to support microenterprise in developing countries through USAID.

We know that it will take a lot of education to spread the good word about micro-credit. Despite a record that is inspiring, we still meet with skepticism and outright disbelief. There are very few financial institutions anywhere in the world that can

report a 97 percent lending rate that is returned within a year. And yet, time and again, at conferences where microenterprise is discussed, bankers and others don't understand how they could actually do it in economies around the world. So in every way possible in our country we are going to spread the word and to provide such technical assistance as will make more microenterprise programs available.

We are also concerned that capital formation and growth in some economic sectors often is now accompanying higher unemployment, longer hours with less pay, and severe restrictions on access to credit. We cannot allow small enterprises to be marginalized as a result of greater consolidation within the global economy.

I became a believer in micro-credit years ago, when my husband was the governor of the state of Arkansas. It's a poor state, and we were looking for ways to help people who didn't have access to credit. We found our model at the Grameen bank from Bangladesh and the South Shore Bank from Chicago, Illinois. That bank helped steer private investments to neighborhoods that need them, and we worked out a partnership with both Grameen, thanks to Dr. Yunice, and the South Shore Bank, that created a development bank, that created a borrowing fund, and began to make the kinds of investments in that state that we would like to see made throughout our country.

It's been a privilege for me to meet leaders such as those who are on this panel because they have devoted their lives to finding ways of ending poverty, and they have been successful in changing the lives of so many people. They have particularly focused on changing the lives of women.

As Dr. Yunus has told me, when he started the Grameen Bank lending idea, he had the revolutionary concept in mind of providing loans in a fifty/fifty ratio, for men and women. He quickly found out that women were better credit risks, that women would invest the money more in the family, that women would repay the loans. Gradually over time, more and more women became the focus of the Grameen Bank's lending. That was not only revolutionary, but it set a fire that has gone through the developing world as a way of telling people that women are able to become self-sufficient if they are given the tools that enable them to do so on behalf of themselves and their families.

Because of the success of such programs, the World Bank and USAID, along with eight other major donors, have joined together to form a consultative group to aid the poor in order to finance small loans to the world's poor, the vast majority of whom are female. This is the kind of joint effort that we need to support.

I know that when we talk about issues such as lending money to women, whether it is in a conference such as this, or attempting to make the case to financial institutions around the world, there are often eyes that glaze over. Issues connected to women, such as poverty, education, health and children or micro-credit, are too often called "soft" by people who would have us think that these issues are unimportant. Nothing could be

further from the truth.

If there is any message that this Conference could bring about economic opportunity, it is that we must engage in micro-credit in order to build microenterprises. We must open the doors of banks and other existing financial institutions to women who can become self-sufficient and responsible borrowers and we have to do so while there are people like those on this panel who are able to demonstrate clearly that this approach works.

We really don't have a lot of time. The globalization of the economy has meant that many, many people are being marginlized, are being downsized, are being deprived of economic opportunities. We have to now, more than ever, make microenterprise a key element of providing economic opportunity for women and men everywhere in the world.

And I'd like now to introduce you to someone who has done that, whom I have had the privilege of visiting and seeing in action through the Self-Employed Women's Association in India. And so please join me in welcoming Ela Bhatt.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

July 26, 1995

REMARKS BY FIRST LADY HILLARY RODHAM CLINTON
AT THE WOMEN'S FOUNDATION OF COLORADO
Denver, Colorado

MRS. CLINTON: Thank you. Thank you all very much. Thank you for that warm welcome and thank you for filling this hall on behalf of yourselves and other women throughout Colorado and the United States who will be inspired and helped because there was a conference today that talked about the issues confronting women in our society. I'm pleased to be here with my friend, your governor. I appreciate greatly the introduction that your friend, the ambassador, gave me. And I want to thank all who are associated with this extraordinary foundation that is, I believe, the only statewide women's foundation in the entire country. And for that Colorado should be very proud and you should applaud yourselves. (Applause.)

I started my visit today by going to Mi Casa, an organization that the Foundation has helped in the past. One dedicated to providing women with the tools they need to become self-sufficient, self-respecting. To build a future for themselves, their families, and their communities. I was, as I often am, struck by the courage of the women I met. The women who were running the project, who every day come to work inspired by the belief that they can help others make a difference. And the women who came. Women currently on welfare who see a better future for themselves and their children, but need help and support in order to realize that. Women who are on the verge of starting their own businesses or who already have. And proudly tell you what they have accomplished and admit that they still have a long way to go.

Success stories that are being shared because women who have been successful as many in this hall are, have found time to come share their experience. I had heard about Mi Casa for a long time, but I had never had the opportunity to visit before. And I thought it was only fitting to visit a project that reflected what this Foundation and this Conference is all about before I came to speak with you this afternoon.

This summit, as it is being called, has great potential. Not only to equip individual women with the tools they need, but

to inspire all of us to reach out and provide opportunities for those who might themselves not even think to ask. I looked at the program and I've looked at what's ahead for you this afternoon. And I think there is an extraordinary opportunity for women this afternoon to participate by sharing their experiences, by asking what they can do, by asking for help.

That was one of the ideas that came out this morning. How often women are willing to say to one another if they are given the chance, I need help. How can you help me? I think in a very down-to-earth way that's what this summit is about. And I look forward to reading the report of the summit and am pleased that it will be shared with decision makers here in Denver and in Washington.

There are few issues more important than economic security. And if you are able to provide economic security for women, you are more likely to insure that families and communities will also be economically secure. That is something we have learned now all over the world. During my visit to South Asia, I saw programs that brought women together, like Mi Casa, gave them the belief they were able to do for themselves, gave them the confidence and the opportunity to go out and earn income for themselves and their families, and watched as those women brought their entire families economically along with them.

I met a women in a small dusty village in Bangladesh, who was a member of a borrowing group called the Grameen Bank, which lends money to the poorest of the poor in that poor country. The loans are maybe 10, 25, 50 dollars. But each of those loans represents a statement, a value, as to how that women who receives that loan thinks of herself and what she can do for her family. And one women whom I met said to me, she had gotten her first loan and she had bought a milk cow. She got her second loan and she bought her second milk cow. And she got her third loan and she bought a rickshaw for her husband so he too could be independent and no longer work for someone else.

It may look from so far away that those tiny steps are not related to what happens here in Denver or Colorado. But on a different scale that is what I saw at Mi Casa and that is what this foundation is doing and that is what this summit is about. It may be a milk cow in Bangladesh and it may be a computer to do desk top publishing in Denver. But each is a means to enable a women to pursue her own hopes and dreams.

Our economy is strong. Our economy is creating jobs. We have seen good, positive growth and change. And yet, despite what has occurred that we can be pleased about, we know that

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there are many men and women in America today who are working very hard and not feeling and not actually seeing the results of that hard work in increased income and a higher standard of living for themselves and their families. That is one of our biggest problems right now. How do we make sure that the energy, the entrepreneurialism, the excitement that you find in groups of women like the ones here can be replicated and spread throughout our society. How do we make sure that all women who are willing to work, willing to take responsibility, will be able to share in the results of that kind of hard work?

We began looking for answers as the foundation here has about what is happening in women's lives by commissioning a study through the labor department called Working Women Count. It was a survey of two hundred and fifty thousand working women who were asked questions about their income and what was happening at their work places and how they were trying to create a life that included home responsibilities and those outside the home. We learned as all of us in this room know firsthand about the challenges facing women who are attempting to create a better opportunity for themselves and gain a measure of economic security.

I have met with hundreds and hundreds of the women like those I met with at Mi Casa and those I met with around the country to talk about what economic security means to them. I'll never forget talking with a young woman in Santa Fe, a divorced mother of five children who has received no child support. Who did not want to be on welfare, but who could not find a traditional job that would enable her to pay for all of the services that she needed for her children. So she sought a position in an area she'd always dreamed of working. She wanted to be a fire fighter. It was a long struggle and she became one of only two women on the fire department's roster. But even with her salary there, she found it difficult to support her children, provide health insurance for them and do what is necessary to keep a family together. So she took another, full-time job. So there she was, working two full-time jobs, finding it difficult to keep her children going and wondering what else she was expected to do.

Wherever I go, I find the same concerns. I hear about the needs women have. The needs to be respected on their jobs. To be able to feel that they are taking good care of their children if they leave them in child care. The need for flexible schedules. The need for capital to start those small businesses they dream about. Women are striving for economic security but too often the tools they need are not readily available. What I hope will come out of your summit is a realistic depiction of

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both the opportunities and the challenges confronting women. What does it mean for us as a society that approximately sixty percent of women with children under six are in the workforce today. But a recently completed study about available child care deplored the conditions available in many child care centers.

What does it mean at ninety-nine percent of women in the United States will work for pay at some point in their lives. But that time may come at a different point during the life cycle. Some women may work in their twenties, and not in their thirties or forties. Some may not work until their children are grown and gone and want to enter the work force in their forties or fifties, only to be met by disbelief and discrimination because of their age.

How do we make the work world understand the full capacity and potential of women? It is not just young women who have a lot to contribute and should be given the opportunity. Women at all ages of our lives should be respected for what we can bring as well to the world of work. (Applause.) That means we have to be more respectful of the choices women make. I don't know about you, but I personally am very tired of seeing women pitted one against the other. (Applause.) Seeing women who make the choice to be full-time mothers pitted against women who have a full-time career and either do not marry or do not have children. And being pitted against women who are attempting to compose a life that consists of both family and children and work. We ought to stop pointing fingers at one another and hold out helping hands so that every responsible choice a women makes can be supported. (Applause.)

We have to be honest and realistic about the obstacles women face when they make certain choices. It is not easy in many homes in our country for a family with two working parents to make the choice that one of those parents, usually the mother, will take time off from work in order to care for young children. Given the pressures for material possessions. Given some of the social pressures that exist, that is not an easy choice. We should do more to support women and men who wish to make that choice. And we should do more to provide support through governmental regulations and business policy to support leave programs and flex time so that women do not have to make a very difficult choice between their children and their work responsibilities.

Before I came up here, I was handed a note from a women who said, I am writing this note to let you know of something very special that your husband, namely my husband, did for me. Two months ago my husband died of congestive heart failure after a

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prolonged period of several years of illness. Because your husband signed into law the Family Medical Leave Act I was able to transport my husband to doctor appointments and hospital visits and to keep my job and bring comfort to my husband at the end of his life. We should do more to enable women to be good mothers, good wives, and good caretakers if those are the responsible choices they make. (Applause.) And both business and government should be partners in that effort.

We also should do more in the work place so that women are given the opportunities they earn. One of the single biggest responses we received in the Working Women Count survey was to hear from women who knew they were still not being paid at the same level as men doing the same kind of work. They were not being given the opportunities for promotion and advancement. We should once and for all begin to treat people in the work place on the basis of what they can contribute to the business, not on what gender or what race they happen to be. But that is going to take some real effort on the part of all of us, beyond affirmative action. We should start practicing affirmative thinking and see people as individuals and treat them in accordance how they behave and how they perform on the job.

And then we come to that very difficult area of how to support all of these efforts and maintain the kind of economic security that families deserve to have. We've done a lot in this country to make sure that older people have economic security at the end of their work lives. Social security and medicare and part of a contract that enables older people, particularly older women, since women, on average, live longer than men, to have some measure of economic security.

I want to stress how important that is. Because in all of the talk about Medicare and Social Security it is easy to forget we are talking about real people. The median annual income for women sixty-five and over in our country is \$8,500. Now stop and think about that. The average median income. As you walk down the street, as you leave today and you see women who are over sixty-five, think to yourself, they are likely living on around \$8,500 a year.

I mention that because it's not only a question of their economic security. It is also one that affects their children and their grand-children. This intergenerational compact that we have entered into have enabled many families to achieve a level of economic security with the knowledge that their parents and grandparents would be given the basic needs required towards the end of their lives.

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We have to view things like health care as an investment in people that enables them to achieve economic security. As a part of what we mean when we talk about economic security. This is the kind of challenge that we are debating now in our country and there are many good ideas about how to provide the tools that women and men and girls and boys need. But I think much of what has to happen must begin inside each of us. As we assume responsibility for ourselves. It must then expand outward into the families that we are a part of. In the places where we do work. In the communities that we live in and help to lead. We should honestly discuss every one of the challenges confronting women as they attempt to achieve economic security. Not in an ideological way because I don't think there are right or left or conservative or liberal answers for a lot of the challenges we confront. I believe what is out there waiting for us to discover are down-to-earth, common-sense, pragmatic solutions to the problems people face every single day. As they work to keep body and soul together. To give their families, and particularly their children, better opportunities. As they work to achieve their own god-given potential.

All through this country many businesses, many not for profits, many families and communities have begun to solve a lot of the problems that are discussed at this summit. We need to replicate programs like Mi Casa. We need to look at businesses that have been creative in providing flex time and emergency child care. Not just to treat them like their an aberration but to figure out how we can band together to replicate what they have provided which enables more people to take advantage of the opportunities that are out there. For them to achieve economic security.

This is a movement that is happening throughout the world. Because we know that if we can only invest more in women, we will not only lift up families, we will lift up communities and even countries. I've seen it firsthand. I know that it is an issue that if we pursue, we can move the agenda forward. Part of the reason that I am excited about the upcoming Women's Conference sponsored by the United Nations is because one of its primary emphases will be on economic security.

We can come from our country and share the success stories, like the Mi Casa resource center which did receive support from this Foundation, which has reserved support from our federal Small Business Administration, has received support from the state of Colorado. It is one of the many training and counseling centers that are beginning to make a real impact on the economies of their communities. And we can learn from others around the world who are making the same steps to invest in women.

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This upcoming conference in Beijing is an important opportunity to focus attention on women. It is the chance we have to come together as you have in this summit. And to share ideas, to share our successes, to share failures, to learn what works and what does not. It is important therefore in my opinion that the United States play a very big leadership role in shaping the agenda of this conference to focus on the bread and butter issues. The issues that people get up the morning worrying about and go to bed still concerned over.

Those who would argue we should boycott the Women's Conference because the host country has a poor record on human rights may be well motivated but as Madeline Albright, the chair of our delegation has suggested, they miss the point. Human rights cannot be separated from women's rights. Women's rights to economic opportunity, to fair treatment, to political participation, should be part of the human rights agenda. Women do most of the work in the world. They have the responsibility for raising our children in the world. They are the backbone of the vast majority of families and communities. Anything we can do to provide greater economic opportunity for women is a good investment and the United States should do all that it can to make sure that barriers to women's participation are broken down and that training and credit and political involvement and health care and education are available to all women.

I hope that this summit's report will be part of what is considered in Beijing. Certainly many of the issues that are on the agenda for this summit are exactly what should be looked at and discussed there. And out of it should come what you are going to produce: a report in the words of many of the participants about what is actually going on in the lives of women today. Not an abstract discussion or an academic treatise. But what does it mean to try to start a new business. What does it mean as a woman at Mi Casa said today, when your dream for a new business dies in the parking lot of a bank. What does it mean if you are a young girl who's dreaming big dreams about your own future but get no encouragement from anyone close to you? What does it mean that you have health care needs that you cannot get met because in our country you have no insurance or in another country there is no doctor or hospital to access? What does it mean if you have the right to vote, as we do here, and are able to celebrate the seventy-fifth anniversary of our suffrage, but so many women are too busy to exercise their vote? Too busy to become involved in the basic right of citizenship. Whereas women in other parts of the world are still denied suffrage or are so prevented from exercising it, that it's grant is a farce. What does it mean for all of us to know that

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economic security is not within reach for millions for our fellow women in America and billions of other women around our globe?

These are questions that don't belong just in the reports from summits, or just in the platforms from UN conferences. These are questions that each of us should be asking ourselves -- talking about with our friends -- discussing in our work places, our churches, everywhere we gather. Because as the Governor said, economic security is not an end in itself. We all know more people than we can count that have more economic security than you or I will see in a lifetime, but don't have a lot of what else makes life worth living. Yet it is absolutely fair to say that poverty and stress in the face of economic challenge render the lives of millions of women difficult, if not impossible.

So yes, let's work as hard as each of us knows to do what we can to make it possible for every women in every family to have enough economic security. That she's able to feel good about her future and the future she can hold out to her children. Because it is from that point then, when people at that level of security, that they can begin worrying about quality of life in their communities. When they can begin reaching out more to help each other. And then those of us who are economic secure, let's stop and ask ourselves what more can we do to make it possible for more people to feel that they have the choices that we have taken for granted.

So although the foundation is hosting this summit on economic security, I see its agenda as going far beyond what is being discussed today. I see it as a statement about the potential and promise of women everywhere. And I see it as a challenge to each of us. That we go forth from this day determined to do what we can for ourselves. To take responsibility. To quit, as a friend of mine said, wringing our hands over our problems so that we can roll up our sleeves and get to work. And I also see it as part of a great effort to make, that they we provide those opportunities necessary for every women willing to seize them. So that all of us can move towards economic security as a way of moving toward a juster, more hopeful society for ourselves and our children.

Thank you all very much.

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FOR IMMEDIATE RELEASE
May 2, 1996

VIDEO REMARKS OF TREASURY SECRETARY ROBERT E. RUBIN
ASSOCIATION FOR ENTERPRISE OPPORTUNITY

Thank you, Mrs. Clinton, and thank you for lending your thinking and support to the simple but important idea of using capital and capitalism to fight poverty and deprivation, here and around the world. You have been a champion of microenterprise development, and your involvement will help provide momentum to a program with a potential for a substantial impact on poverty both in the United States and in developing nations around the world.

One of the objectives of economic policy must be to bring the free market system to bear on the problems of poverty both here and abroad. This is in the self-interest of all Americans.

By helping poor people in the United States enter the economic mainstream, we reduce the social costs of poverty, increase national productivity, and improve social conditions for all of us. By helping poor people abroad, we create new markets for American exports and increase stability, thereby enhancing our national security. Helping the poor is clearly in the interest of the poor, but it is equally clearly in the interest of all Americans, no matter where they live or what their economic status may be.

That takes investment in education, in training, in skills. Toward these ends, the President has expanded Head Start and has helped our nation's schools better prepare our children for the 21st century. He has expanded the Earned Income Tax Credit to help families choose work over welfare and to make work pay.

And as you will be discussing here today, that requires expanding capital access, an important part of helping to reduce poverty in neighborhoods throughout the world. I saw it working in Manila at a micro-project underwritten by the Asian Development Bank. There, people in a poor neighborhood who couldn't possibly get capital in traditional channels are borrowing to start very small businesses. Moreover, the loans are profitable and the repayment rate is very high. This is micro-lending putting people to work.

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With strong public support for CDFI, the Community Reinvestment Act, the Low Income Housing Tax Credit, and our new micro-enterprise programs, we now have a chance to make locally driven, public-private partnerships reach communities across the land. We can help rebuild neighborhoods, create jobs, and restore hope in neighborhoods long left behind.

To accomplish this, all of us must meet our respective challenges. Our challenge, the government's challenge, is to act as catalyst with investments in people, seed capital and a helping start. Your challenge, and what this sixth annual AEO conference is all about, is continually to improve and grow. The challenge to individuals is to take advantage of educational opportunities and commit to hard work. The challenge to communities is to organize themselves for change. And the challenge to the business sector is to see its long term self-interest in bringing everyone into the economic mainstream.

It will take all of us rising to those challenges to succeed. But I believe that is the only way the United States can reach its full potential in the years and decades to come.

Thank you. Keep up the good work. It is making a difference all across America.

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THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

August 28, 1995

August 26, 1995

MEMORANDUM FOR THE SECRETARY OF THE TREASURY

SUBJECT: Micro-Enterprise Programs

I hereby direct you to take all appropriate actions to coordinate all micro-enterprise programs administered by the Federal agencies and departments. This should be accomplished through an interagency coordinating body chaired by the Administrator of the Community Development Financial Institutions (CDFI) Fund.

I also direct you to take the necessary steps for the establishment of a presidential awards program designed to honor outstanding micro-enterprise lenders, consistent with the mission of the CDFI Fund.

In discharging these responsibilities, you are directed to consult with the heads of other Executive departments and agencies as may be appropriate.

WILLIAM J. CLINTON

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DEPARTMENT OF THE TREASURY

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FOR IMMEDIATE RELEASE
May 2, 1996

Contact: Jon Murchinson
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MICROLENDING AWARDS PROGRAM ANNOUNCED

Treasury Secretary Robert Rubin and First Lady Hillary Rodham Clinton Thursday announced details of a Presidential Award program to recognize five aspects of micro-lending initiatives in the United States that broaden access to credit to lower-income Americans.

Created within the Treasury Department at the direction of President Clinton, the awards program will honor undertakings that offer not only access to credit, but technical assistance and training to micro-entrepreneurs. Awards will be presented for the first time this fall.

"This nation will fall far short of its full economic potential for all Americans unless our cities and distressed rural areas are healthy," Secretary Rubin said in video taped remarks prepared for the Association for Enterprise Opportunity where the award details were announced. "By helping poor people in the United States enter the economic mainstream, we reduce the social costs of poverty, increase national productivity, and improve social conditions for all of us... We don't have a monopoly on good ideas in the United States. This works overseas, and if adapted to our own economy, it can work in America."

Mrs. Clinton, who has encouraged micro-enterprise lending in the United States and abroad as a development vehicle, added, "Whether it is for a milk cow in Bangladesh or a computer in Chicago, women and men need help, encouragement -- and credit -- to make that first investment. Here in the United States, we are working to build up a micro-enterprise network."

Secretary Rubin said awards will recognize outstanding and innovative programs that provide access to credit, technical help and training. Four categories of awards to development organizations will highlight excellence in program innovation, access to credit, development of entrepreneurial skills, and poverty alleviation. A fifth category will reward private sector, foundation and governmental support for these micro-development organizations.

Microlending -- small loans, often just a few hundred dollars to budding entrepreneurs -- is centered in community-based banks, credit unions, community loan funds and other local institutions. Interest rates are generally comparable to commercial lending rates and loan repayment rates often exceed those in the commercial sector.

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FOR IMMEDIATE RELEASE
Remarks as prepared for delivery
May 2, 1996

VIDEO REMARKS OF FIRST LADY HILLARY RODHAM CLINTON
ASSOCIATION FOR ENTERPRISE OPPORTUNITY CONFERENCE

Good Morning. Although we can't join you in person, Secretary Rubin and I wanted to take this opportunity to congratulate the Association for Enterprise Opportunity and all your members on the important work you are doing to expand economic opportunity to all Americans. This is a vital undertaking, and your gathering comes at a crucial time.

The basis for any long-term solution to poverty rests in a community's ability to help those living in poverty raise their own incomes. Low-income Americans are capable and hard-working. What they lack is not initiative, but opportunity and access to credit. As one woman working to establish her small business in Colorado said to me, "Too many great ideas die in the parking lots of banks."

Members of AEO know the importance of microenterprise. You have provided people across our country with opportunity -- the opportunity to borrow small amounts of money and prove that all kinds of people are credit-worthy. You have given people the opportunity to gain technical knowledge to start small businesses or to bring some great ideas to life, and most important, to improve their own lives and the lives of their families.

In my travels throughout our country and around the world, I have seen first-hand the transforming effects small loans can have, especially for women and their families in both the developing and developed world. At the Grameen Bank in Bangladesh, I met a woman who used a small loan to buy a milk cow. After she paid off the loan with proceeds from the milk, she took out a loan for another cow. After repaying that loan, she decided it was time for her husband to help increase the family income. She took out a third loan to help him buy a rickshaw.

And I met a woman in Chile whose whole outlook on life was changed by the fact that someone took a risk and lent her money to buy a sewing machine. She said she felt like "a bird freed from its cage" when she received her first loan.

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REMARKS BY FIRST LADY HILLARY RODHAM CLINTON
FOR "BEYOND BEIJING: ACTING ON COMMITMENTS TO THE WORLD'S WOMEN"
WORLD BANK
WASHINGTON, DC

MR. WOLFENSOHN: Good morning, ladies and gentlemen. It is a great privilege and an honor for me to introduce this morning to you the First Lady of the United States, Hillary Rodham Clinton.

I know that I speak to you, Mrs. Clinton, on behalf of everybody when I say that we are absolutely thrilled that you are here with us. All of us know that you play a major role in the life of this country and the life of the world. Those of that heard you or read your speech in Beijing had a reaffirmation of your deep concerns for women's rights, for women's education and empowerment, and social justice for all.

As I re-read your speech last night, I was reminded that really no one can forget your statement where you said, "If there is one message that echoes forth from this conference, it is that human rights are women's rights, and women's rights are human rights."

And you went on to comment about the role of women and their families, where you said, "If women are healthy and educated, their families will flourish. If women have a chance to work and earn as full and equal partners in society, their families will flourish. And when families flourish, communities and nations will flourish."

I know that you understand the role of the World Bank, and I know that you know that we share your concerns. We cherish your leadership. We cherish your interest. And may I say personally I cherish very much the many references you now make to the World Bank as you speak in terms of giving us support in places where we need it.

We share with you your interest in education for girls, in basic health care, and in access to credit and services. And we know, as you do, that loans as small as \$100 to a woman can help double her family's income over a five-year period.

In fact, in just this last week, Jan Piercy helped us organize here at the Bank the first meeting of our Policy Advisory Group on Microenterprise Lending, including Mohammad Yunus, whom you know well, Nancy Barry of the Women's World Banking, Mario Atara of Action International, and other leaders in the field. And we committed ourselves yet again to move forward in this area of financing which is of such great importance to the development of women's roles in the world.

I would like to say to you that in my Annual Meeting speech, by accident I wrote that we judge our effectiveness and not by a bureaucratic process but the smile on a child's face. Having read your speech and having been to Beijing, I should amend it and say that you judge our success by the smiles on a mother's and a child's face.

Faces, I guess it is. And so I say to you today that we cherish the fact that you're here. You have within this group people who care greatly about the issues about which you care, and I want you to know that we all admire and respect and are grateful for the efforts that you give to the causes that we share.

May I introduce the First Lady of the United States, Mrs. Hillary Rodham Clinton.

MRS. CLINTON: Thank you. Thank you very much. Thank you all. Thank you very much, Jim, for that kind introduction and for inviting me to be part of this significant series of meetings that you will be having about follow-up to the Beijing Conference.

I appreciate the conference organizers for putting this together because I think that the conference itself opened many doors and minds, but now it falls to all of us in our various capacities to determine how we will keep those doors open, to walk through them, and to take the opportunity that those open minds give us to work together to make change on behalf of the issues that you have worked on so hard and that many of us share with you.

As I look at this audience, I am reminded, as I always am when I think about the World Bank, of how representative this institution is of people all over the world and their aspirations. And I want to congratulate all

of you and the Bank on its continuing commitment to the difficult but crucial task of improving lives of people everywhere and to congratulate you on your emphasis on women and children.

I know by your very presence here you need little persuading that investing in women should be at the core of any strategy to alleviate poverty, energize economies, and strengthen our global family. I know that you here at this Bank seek to maximize the return on your loans and investments, and supporting projects that raise the social, economic, political, and legal status of women in their families and communities is one of the soundest investments countries and the World Bank can make.

As Jim said, I believe strongly and I think we are now all recognizing that, if women are healthy and educated, their families do better. If they are free from violence, their families do better. If they have the opportunity to earn and work as full and equal partners in society, their families do better. And when those families do better, then the communities and nations of which they are a part do better as well.

But these simple calculations are ones that many in our world, even after all the work of the World Bank in recent years, even after the U.N. conferences in Copenhagen and Beijing, still fail to understand. There are many who seem to think that so-called women's issues--education and health care, for example--are soft issues, not worthy of addressing in any strategic manner, or in conferences such as these. But that is wrong, and you are helping to prove that it is wrong every day.

Issues that affect the well-being of women and families across the world are just as hard and just as central to our future success and prosperity as figuring out budgets, determining defense strategies, and negotiating trade agreements.

The economic security of every nation hinges in part on the productivity and well-being of its women. This is particularly true in developing nations where so much of your work takes place. Women represent more than half the world's population. They tend to be the primary nurturers and teachers of the world's children and caretakers of our elderly. Women in developing countries grow at least half the world's food. In short, they are the unrecognized backbone of the world economy.

But women are 70 percent of the world's poor, and two-thirds of these are not taught to read and write. To

this day, they continue to die from diseases that should have been prevented or treated. They too often are forced to watch their children succumb to malnutrition caused by poverty. While they often grow and prepare the food their families eat, women in some countries continue to be fed least and fed last. Women are often being denied the right to go to school by their own fathers and brothers. They are being barred from the bank lending office and banned from the ballot box.

Those who enjoy the opportunities of education, health care, jobs, credit, and legal and political rights are flourishing in the new world economy. Those without such opportunities--and most often they are women and children--are lagging farther and farther behind.

So long as those obstacles exist, so long as women are prevented anywhere from realizing their God-given potential, the vicious cycle of poverty that traps not only women, but also their children, husbands, communities, and nations will continue. And this trend threatens the very institutions we are seeking to uphold: strong families, strong economies, and strong democracies.

As Jim Wolfensohn told the delegates in Beijing, not to empower women is a tragically missed opportunity, not only to create a more just but also a more prosperous society.

At the conference in Beijing, women and men from all walks of life and all regions made clear that democracy and prosperity cannot be attained or sustained in countries that do not value women as full and equal partners in society.

It was a historic conference. More than 180 nations agreed to implement a platform that enumerated specific ways to expand the rights and opportunities of women around the world. So the conference was a success, despite many of the naysayers before it began. But it was only a step.

Now it is up to every nation, every non-governmental organization, every concerned individual to make sure that the spirit, energy, and commitments of Beijing are carried forward. And the World Bank is a crucial partner, a vital player in our world's efforts to ensure that the goals and remedies agreed to in Beijing become reality.

The Bank is already supporting several projects that have made a significant difference in the lives of many

poor women. And your participation in international microfinance programs, including the new consultative group to assist the poorest, is already yielding returns.

During visits to South Asia and South America this year, I saw firsthand the transforming effect small loans to women can have on families. In many cases, those loans do double family incomes. They do lift families out of poverty. And, maybe more importantly, they give confidence to women who before had none, confidence to believe their lives are worthy, their children's lives are of value, and confidence in the future which is the first step towards sustaining the kind of prosperity and democracy that future hope relies upon.

Anyone who has visited Ela Bhatt and SEWA in India has seen that look of confidence on the faces of those women. Anyone who has visited the Grameen Bank in Bangladesh has seen that look of confidence.

I know that when I went to the village where I visited the participants in the Grameen Bank, I was told before going that it was a village of Hindu untouchables, that no one goes to that village. And because I was going to that village, a nearby village of Muslims wanted me to come there as well. But, unfortunately, my schedule did not permit. So for the first time, Muslim women came to the Hindu village. They were sitting together in rows on benches. And as I walked toward them, seeing them in their multicolored saris, I could not tell who was a Hindu except for the red dot on the forehead. Then as they talked, I could not tell any difference in their aspirations or their hopes for themselves and their families. And as I talked with them individually about what they had spent their loans for, I heard the same stories from Hindus and Muslims alike: buying a milk cow, buying a second milk cow, buying a rickshaw for a husband to make a living.

All that I heard reinforced my belief that providing this kind of opportunity was not only a bridge to economic prosperity, but at least a hoped-for bridge across many other divisions that keep up apart from one another.

Expanding a woman's access to credit is essential to elevating her status in her own home as well as in her society. Microlending institutions have helped women with that status to become recognized breadwinners. They are responsible for the first time to help improve the living conditions of their families.

At a roundtable discussion in Santiago, Chile, I met a seamstress who compared her new situation, having

received a microcredit loan, to that of a caged bird set free. Without a sewing machine, this woman could barely make a living and compete with other factories and seamstresses. She told me, "I felt like I had all this potential and all this energy, but like I was a bird in a cage." Then she applied for and received a small loan. With it, she bought a modern sewing machine. "I kissed that sewing machine over and over again," she told me.

In the United States, we too are trying to establish microlending networks to help our poorest women and families become independent and self-sufficient. Even here in the United States, women's access to credit is still very difficult. As one woman at a microlending project in Colorado said to me, "Too many great ideas die in the parking lots of banks."

That is a situation we can do something about. At each of these small banks supporting microlending in Chile or Nicaragua or Bangladesh or India, the loan repayment rate is consistently near 100 percent. It is a rate of return the world's most prestigious and powerful banks can only dream of.

The United States believes strongly in international microlending efforts and has pledged through U.S. AID to support such programs abroad. And through the creation of the Community Development Financial Institutions Act, we plan to do so here at home as well. And we have learned a great deal from the experience of microlending abroad.

When my husband was Governor of Arkansas, he called upon Mohammad Yunus in 1985 for advice in creating Arkansas' own group-based borrowing program called "the good-faith fund."

In keeping with one of the commitments the United States made at the Beijing Conference, the Treasury Department is establishing an annual Presidential award for microenterprise excellence. The Department will also coordinate a Federal microenterprise initiative that will help publicize microcredit and microenterprise, set benchmarks for programs to use in assessing their own efforts and better standardize existing efforts.

Women cannot become full participants in the social and political lives of their countries without proficiency in reading and writing. And what we have tried to do here at the Bank and what you have been accomplishing around the country is taking steps to ameliorate the situation many women find themselves in. Jim Wolfensohn and

his predecessor, Lew Preston, have long noted that investments in education are the single most important contributions the Bank can make to strengthening women's role in development. And I welcome the Board and the Bank's creation of the Lewis Preston Fund for the Education of Girls.

Educated women tend to marry later and plan the size of their families. With fewer children, they have more time and resources to care for them. They stress the importance of school to their children and recognize the need for basic health care. Most importantly, education helps women gain self-confidence and encourages them to reject traditional notions of second-class citizenship that condemn them and their children to lives of poverty.

The World Bank is an important guarantor in the effort to make sure the world meets the goal set by the U.N. Summit on Children to increase primary school completion rates for both girls and boys to 80 percent. I encourage you to maintain your commitment to this goal, as well as the new goal of raising secondary school completion to 60 percent, proposed by Jim Wolfensohn in Beijing.

Also fundamental is health care. Girls cannot study and women cannot work well without basic nutrition and protection from disease. Too many women in developing countries still die of unnecessary complications from childbirth, and sick girls are often denied potentially life-saving treatment simply because of their sex. These issues should be at the forefront of any strategy to assist women.

I want also to congratulate the Bank on its latest efforts to ensure equality between the sexes and its lending programs and its own employment practices. As a major source for many developing nations of both funding and example, you are in a unique position to influence their anti-poverty programs. I am heartened to know that through your new gender analysis and policy group, gender issues will be addressed in all country assistance strategies and lending programs sponsored by the Bank. I am also pleased that the World Bank recognizes the unique perspectives women bring to these issues and has actively sought to increase the representation of women in leadership positions within the Bank.

Women sometimes know that others around the world are engaged in the same struggle they are. It has been one of the most heart-warming experiences that I have had to bring women together and to see women in different contexts learning from each other.

When I met with small borrowers at the FINCA Bank in Managua, Nicaragua, I met women who had carved out livelihoods as bakers, seamstresses, makes of mosquito netting, automobile parts saleswomen, and they asked me about women in India who were doing the same thing. Apparently they had seen some television coverage of my trip to South Asia, and they wanted to know what women half a world away were like and what they were doing with the loans they received.

At that moment I felt I had witnessed a profound connection among women around our world, one that transcends borders and reaches from the barrios of Managua to the villages of India and beyond.

So now two months after Beijing, we still have much to do in making the message of that conference live in the minds and hearts of people all over the world, and we have even more work to do in implementing the agenda for action that was adopted. But I believe that we have turned an important corner, that for the first time institutions as significant as the World Bank, governments like that of my own country, and people throughout the world in NGOs and on their own are finally saying and believing that women should be valued and invested in. And if we carry forward on that promise, then I am confident we will see results in the short and medium term that will in many ways reflect that this new commitment is well founded. And your leadership, both in articulating it and implementing it, will be crucial to any hope for progress that we have.

Thank you for what you are doing, but more than that, thank you for what you will be doing now and in the future on behalf of women everywhere. Thank you very much.

MR. WOLFENSOHN: The First Lady has agreed to answer questions and has asked me if I can call on a few of you that I hope will indicate that you want to ask questions.

MRS. CLINTON: But if you don't, that's all right, too.

MR. WOLFENSOHN: Yes, sir?

QUESTION: Mrs. Clinton, I heard you in Beijing, and I also heard here your emphasis on improving access to women and girls in education. It is quite well placed.

The dilemma which we face in the international organizations is that poverty reduction involves keeping the

women who are already below the poverty line come up with education and opportunities for employment. So given our collective role, should we invest in girls' education for the primary schooling, which will take, you know, many generations and many decades, or should we really allocate our resources for literacy of the adult women? And I would very much like your opinion because you have traveled both in South Asia and other parts of the world, where poverty prevails, as to the international organizations such as the World Bank, where should our emphasis be and where our priority should be.

MRS. CLINTON: Well, I think that's a very important question, and I do not pretend to be an expert about any region of the world, nor of that particular subject. But I do believe that the short answer is you have to do both, and how you allocate those resources is obviously the challenge.

But I think there are some creative ways of leveraging resources and maximizing them that I have seen in action in various parts of the world. Let me just mention a few.

I think providing incentives for families to keep girls in school through direct food aid, even through direct monetary assistance, is a relatively cheaper way of engaging those families in supporting girls' education than some of the other ways we have tried in the past. So I would urge that the World Bank look at some of the food for education programs. I know there is one that I personally visited in Bangladesh that the Prime Minister there has supported where I saw families lined up once a week to get commodities which they were only able to receive because they kept their girls in school.

There was a secondary program also in Bangladesh where the direct payment of compensation to families in relatively, very small amounts was enough of an incentive to keep their daughters in secondary school.

I also think, though, that there has to be some emphasis on what I would call family literacy, and there I think one of the benefits of the possible spread of global technology may be to use some of that technology for enhancing literacy among adult-aged women. And yet one of the best ways for engaging adult-aged women in literacy is through their child's education. I have seen that being very successful, either at the workplace but more successfully within the family unit.

Israel has a program that I imported to Arkansas

called HIPPY, the Home Instruction Program for Preschool Youngsters, which it began to implement following waves of refugees primarily from North Africa and Ethiopia in the late 1960s and 1970s who were having a difficult time socializing their children to be successful in the Israeli school system. By working with the mothers to make even illiterate mothers feel like they were their child's first teacher, there was quite a success in both preparing the child and in convincing the mother to increase her own literacy level.

So I think direct grants to families to keep them in school with a commitment to girls' education, family literacy programs, and then I think if you are going to follow through on your secondary program, 60 percent completion rate, there will have to be more schools built. And anything you can do to encourage nations to do that, because one of the great impediments, even if they send their daughters to primary school, is that many families have no access to a secondary school that is within easy commuting distance, and they will not send their daughters off to a strange place, as I probably wouldn't either, for a secondary school under those circumstances.

So those three elements just off the top of my head would be things I would look at, at trying to encourage.

MR. WOLFENSOHN: Yes, ma'am?

QUESTION: I am Zeeshan Fatima, and I have been with the Bank for 14 years, all of it in Pakistan except two in the U.S. I happened to write to you just before your visit to Pakistan, and I am glad to say I got an acknowledgment from you.

I had a question which, in the Bank language, is not necessarily the views of my government. It is my personal view. My personal view is that there is a very fine line between religious beliefs and human rights. And most often than not, religion is viewed as an excuse to suppress human rights.

Firstly, where do you see this line meeting and leaders and preachers being actually influenced for the better by forums like the Beijing Conference?

Thank you.

MRS. CLINTON: Well, my views are not necessarily those of my government either, so I understand that.

MRS. CLINTON: I think you have asked, you know, an incredibly complex and difficult as well as sensitive question, and I think that it is a question all of us are searching for: What is the proper balance between sensitivity and respect for religious beliefs and concern about religious beliefs being used to deny human rights and, even beyond that, justify violence, as we have just seen over this past weekend with the assassination of Prime Minister Rabin? And I think that it is going to be one of the great issues we all have to grapple with, and it is one of the reasons why we have to be willing to stand up against expressions of religion that are filled with hate and intolerance toward other people, because very often those mask political and other agendas. They are not strictly religious in any definition.

And I believe that showing respect for every religion and working to create an atmosphere of tolerance for every religion is an important obligation that we in leadership positions here at the Bank or anywhere have. But being willing to speak out against abuses of human rights and misuses of religion for political and other gains I think is also an obligation.

You know, words of hate can incite deeds of violence. There is a very direct line there. And when one makes political arguments based on one's religious beliefs, there's no discussion possible. How does one have a discussion, whether it is in our country or any country, with people who say, you know, here's what God told me to do?

Well, we have to do more to work with people of good faith across all religious lines to build an atmosphere of religious respect and tolerance, but intolerance for violence, for abuse of human rights that is rationalized by religion. And I would hope that all of us are going to be more willing to speak out against that wherever we see it. And it will take some--it will take some risk to do so, because the forces of negative energy that are often fueled by extremist religious views right now are very strong because they command a lot of media attention, they are dramatic, they are controversial, they are often given attention far beyond what their numbers warrant, and they have a chilling effect on people of good faith and reason who are afraid then to speak out against such intolerance. And I think all of us have an obligation to do more of that.

So I think there is a way to be respectful and at the same time speak out against the extremists.

QUESTION: Hello. As you have described, in your travels you often meet with the leaders of non-governmental organizations and secular women's organizations. I am wondering what your sense is of the capacity of those organizations to tackle the problems the breadth of which you have described, and specifically, if you can give some advice to the World Bank on how we can enhance that capacity and perhaps work more effectively with these organizations.

MRS. CLINTON: Well, I believe that there are an enormous number of effective, well-functioning organizations that are devoted to women's issues around the world, and there are many who are not as effective. I think that is always the case.

But I believe there ought to be more attention paid as to how we can replicate through technical assistance and support the effective NGOs and provide more assistance to those who share the same aims for are not as effective in implementing them.

For example, I think it would be hard to argue that--you know, SEWA in India has been a great success. There are many groups that could learn quite a bit, and with technical assistance from the World Bank could be more successful.

Part of our dilemma in all of these non-governmental efforts is that so often they arise from and depend on a charismatic leader who is the person around whom the organization is built and who really holds it accountable. And there is no succession, and there is very little in the way of reasoned replication efforts. And I have for a long time believed that organizations such as the World Bank and others should spend some serious time trying to figure out how you can replicate the successes of these organizations in the absence of a charismatic leader.

There are certain institutional imperatives that we ought to be able to support. One of the reasons why I think Grameen Bank has been successful is that Mohammad Yunus from the very beginning understood it had to be a bank, not just a project or a program or an NGO that was on the margins of the financial delivery system. And I think that made a big difference in the success of that organization because from the very beginning it was seen as an institution, and an institution that looked like other banks.

Well, I believe that there are ways that we can learn better how to replicate the successes of the effective women NGOs. I also think that in many situations a lot of

those NGOs could be more effective if more attention were paid to their relationships with other organizations so that they could leverage their impact. Many NGOs lead very isolated lives. They don't interact with either governmental sources of assistance or other NGOs. Anything that we could do to bring people together in more of a cooperative sense--I think often of what northern Italy could teach us in the way that it brought together small entrepreneurs through organizations that provided bookkeeping assistance to many small businesses, for example, so that each business wouldn't have to go out and worry about that particular aspect of its functioning.

In that work, you can see how the dollars that are available to support these NGOs can be stretched so much further if they could be brought into more of a cooperative mentality.

So those are two things, the replication and the cooperation, that I think would assist already effective NGOs and bring others up to a level of higher functioning.

QUESTION: My name is Sweta Gandhi. I have been with the Bank seven years. I am from India. And next year I am taking leave of the Bank to work on (inaudible) development with a values focus for children back in India with my little organization that I started as a charity organization. It has grown a little bit. And I wanted to know, because education in and of itself, while it leads to a sense of dignity, what happens often in many developing countries is that people don't get jobs after they are educated, and women find increasingly they are frustrated. And I have found that in my work in Morocco. And I was wondering whether you feel that we should be also considering the content, and especially in the context of religious problems that we face, the focus on tolerance and other values that allow us to look at people as people and not as against the context of their religion or their race or whatever.

MRS. CLINTON: Well, I hear two different questions, both of which I think are very important. The one is education for what in a global economy and how effective education will be in providing real employment for people. I think that is one of the huge issues that the entire world has to face, because the flip side of this globalization is, I think, an ultimate reduction in employment opportunities for many people already in the labor force, and for many others whose educational levels, despite the promises made to them, will not support adequate employment in the so-called global economy or information age. That is a problem for the private sector as well as

for the not-for-profit and public sectors, and I believe that we are going to have to give some very serious thought to that, because it is not only a worthwhile altruistic matter to consider, but if economies don't flourish because education pays off in rising incomes but instead results in either stagnant or falling incomes, or even the inability to find work, that will increase political instability. It will drive people into all kinds of identification with negative forces, whether ethnic, religious, or whatever. And it will ultimately undermine markets, which is something that business should be concerned about.

So the second part of your question is very timely as well, because at the same time that we are trying to increase levels of education, figure out how in the global economy there will be enough jobs for all these people we are trying to get educated, we also have to put a stress on the values of respect and tolerance and the importance of diversity, both as a way of opening up employment and educational opportunities and as a way of perhaps holding back some of the tide of discontent and disappointment that will be inevitable as we make this economic transition.

So I think anything one can do, and it goes back to the question about the role of religion and the abuse of human rights, anything one can do to create a more open society, to create more ladders of opportunity, to rid societies of the artificial divisions, whether it be caste or religion or race or class or whatever, the more likely it is you will be able to buy some time to try to successfully navigate this transition into this new economy. So I think that both of those questions are very important ones for us to think about.

One of the hardest questions I have been asked in the whole time that I have traveled, I was asked on a Moscow radio station--I was on a call-in in Moscow, which was interesting, and a woman called in and asked me what she was expected to do. She was highly educated, as were all of her friends, and they were all having trouble finding work and keeping work that gave them any decent income or sense of security. And she said, you know, you go around talking, all these leaders go around talking about the need to educate people in the developing world; we are highly educated, and we don't know what our future is.

So this is not just a problem for what we consider the so-called developing world. This is a problem for many, many other countries that are confronting a lot of these social and economic changes at the same time.

QUESTION: I was very happy to hear your emphasis

on microfinance, both here and in Beijing when I was privileged to hear you speak with Professor Yunus and Ela Bhatt. But I do have a worry that is associated with even what I've heard today. The focus is often--the word credit is used a lot, and I think that there's a general tendency to think that if we can just get a lot of credit out there, a lot of things will happen.

I think as you said yourself it is really the systems, the financial systems that get built by people like Ela and Professor Yunus that really leave something in their place when the donors have gone away and the governments get bored, the systems that actually can keep going with the women's own savings once that effort is put in. And I just would like to have your response on what I think is a problem for many of us in the development world, is that we are under an institutional imperative, quite often, to lend, to make a big loan, have a credit line, get that money out there. And there is less of an emphasis than perhaps there should be on the institution building, what I call the social intermediation part, rather than the financial intermediation.

Basically, I think this touches on a contradiction that the Bank faces between being a bank--our product is loans, and we've got to get money out there--and being a development institution where our real product is systems and institutions and people with better capacity. And I as a person in the Bank trying to work in the field of microfinance, I think a lot of our task managers face this over and over again, that the big bosses are looking for a large loan, and the people out there really need institution building.

Thank you.

MRS. CLINTON: Well, I think you're right, and I think it's an inevitable tension, but one that I would hope is going to be resolved more in favor of institution building than it has been in the past, in part because I think now there is more of an awareness of the importance of institution building.

There was an idea--and not just in the World Bank, but in many large institutions, both doing development and governmental programs within countries in the past--that money itself would seed the ground for institution building and the creation of intermediary institutions that would lead to stable structures that could then carry on on their own. And we know that that is much more difficult to do than we had originally thought and that money alone is not the answer. Money, however, is a great incentive, and given

the fact that your business is making loans, using those loans to further institution building I think is not an incompatible mutual objective.

How you do that, I don't pretend to know, but I do know that when one looks at many of the successful institutions that have been built over the past 10 or 15 years, two of which you have named, it was both. It was both lending the money, but also creating an infrastructure so that that money had a context. It wasn't just out there.

And part of the reason Grameen worked and Sewa works and other things like it have worked is because they didn't make it an either/or issue.

It is amazing to me that in many commercial banks, loans that are bad loans get written off and more bad loans get made. It's like inevitable. That's the idea of lending, you know, you make some good loans, you make some bad loans, without a recognition that if commercial banks would spend just a small fraction of their resources supporting microenterprise and microcredit, even as difficult as the start-up costs are, even as difficult as it is to think on that kind of a level, that they would be adding to the financial stability of the entire region. And that is to the good for the big loans they make.

It is all interconnected, and I think understanding that interconnection will begin to open people's minds, perhaps, to some new ways of leveraging assets and resources. So I think that many of the loans should be tied to infrastructure and to development in ways that haven't been done quite in the same way in the past, and I think there is a lot of creativity in this Bank and there are a lot of people around the world who are more open to it than were in the past.

QUESTION: You mentioned your trip to Moscow. There has been a dramatic decline in women's participation in that part of the world. The new democracies have become very male democracies. What role do you see for American women to help women in this part of the world make their voices heard in shaping the transition of their societies and their economies, and what role for international organizations such as the World Bank?

MRS. CLINTON: I think you are right, and certainly friends of mine who are working in the NIS countries and elsewhere have remarked to me about that, and many of the women I have met with, particularly in Moscow, but also in Belarus and in other countries, as well, have remarked on it to me.

I think that you have to do what we are doing, encouraging women NGO's, helping to create such entities in those countries, providing some good role models and technical assistance to give people the confidence about making these decisions on their own. There is a great need for building confidence across the board in a lot of those countries about people's capacity to make these independent decisions, whether it is on behalf of an NGO or in any other arena of the political or economic life.

So I don't think the work is that different than it was anywhere else in the world, but I think that it has to be approached with some real sensitivity, because we are dealing with women who have higher levels of education in general, women who often held positions, both in the government or in other capacities, who no longer hold them.

So trying to be sensitive to the conditions that they are living through, while trying to support them, I think is very important.

I have worked to create partnerships between maternal hospitals and children's hospitals in some of these countries and ones here at home, because most of the doctors in those hospitals are women and they have really been left in a very precarious position. The whole health care infrastructure has collapsed around them and they don't get a lot of attention from the government officials who are preoccupied with the big macro issues. So I am trying to create relationships so that these women have support from peers and professionals.

We have one going on between the nursing school at the University of Pennsylvania and nurses in Kiev. And the idea that they are talking to one another as peers, not somebody coming in from the outside to tell these women how they are supposed to do it better, but trying to create a situation of mutual respect. So that kind of effort I think should be pursued and supported as much as possible.

QUESTION: Mrs. Clinton, the success of Beijing, of course, is going to depend to a large degree on the effectiveness of transferring from the rhetoric in Beijing to programs of action, particularly by the government. What are the mechanisms that the U.S. Government has to pressure or encourage these governments to undertake those programs of action? You specifically talk about not the aid-related activities, but other political or official channels.

MRS. CLINTON: I can tell you what we are trying to do here in our own country. The President has created an inter-agency council on women that is tasked with following up on Beijing. It is chaired by the Secretary of Health and

Human Services, Donna Shalala.

It includes both Cabinet officers and other high-ranking officials in our own government in this inter-agency council, and each has been assigned a different aspect of the Beijing platform, so that the Department of Labor works on many of the issues related to pay equity and other working conditions for women, the Health and Human Services Department is working on follow-up to health issues that were raised, the State Department is tasked with keeping track of human rights issues. So there is an effort that we are making to try to house our follow-up in one place, so that it is not disbursed through the government so that it can basically get lost and so that nobody is responsible for it.

I hope that that will be effective in bringing a lot of these issues to the forefront in our own country and making linkages. For example, we have this new law that was passed last year, the Violence Against Women Act, and we have an office now set up in our Justice Department.

If you track the U.N. Women's Conference as one of the great changes that occurred was between Nairobi, where violence against women, particularly in the domestic sphere, was mentioned for the first time as a problem, and the emphasis that was put on it at Beijing. So what we are trying to do is not only better coordinate our own resources to react against domestic violence in the United States, but to reach out to other countries.

For example, when I was in Pakistan, Prime Minister Bhutto was opening up special police stations so that women who are subject to violence in their homes have a place to go and to be heard and get recourse of some kind. So we are attempting, both internally within our own government and externally, reaching out to keep this discussion going and to demonstrate to other countries what the United States is doing to fulfill its commitment, so that it is not just bringing home the rhetoric, it is actually bringing home an action plan.

QUESTION: Mrs. Clinton, I have heard you speak before on the importance of women's political participation and women's role in decision-making. It was a major theme at the Beijing conference, as you know, and the United States Government announced two initiatives, complementary initiatives in women's political rights and women's political participation. I wonder if you could comment on how you see women in decision-making and women's political participation in relation to some of the initiatives to alleviate poverty, to empower women across many different

sectors, and how that might play out for an organization such as the World Bank and other major donors.

MRS. CLINTON: I hope that one of the results of Beijing will be to raise awareness about women's political participation and to catalyze a variety of ways that each of us can promote that. There are small ways of doing it.

When you attend meetings in some countries and you know that there may be a woman buried in the bureaucracy who has been working on this and she is not invited to the meeting, ask that she be there. When you make site visits and you are taken to the male leaders of the village or the project and you know that women are doing at least half the work, ask to see them. Those are small, but significant signals about who is important in the eyes of the World Bank. I think any conversations, Bank-to-government conversations, and certainly government-to-government conversations should do the same, to try to raise the role of women and their participation.

There is a funny phenomenon going on in most parts of the world, probably with the exception of the Scandinavian countries. There really is a noticeable pull-back in the participation of women at the highest levels of decision-making, whether in the public or the private sector.

I think some of that is due to the fact that most women, regardless of their income in the world today, hold down two full-time jobs, one in their home and one outside the home, and the amount of energy that it is taking for women to fulfill all those responsibilities is very draining, and politics has become, if not a disaster in their eyes, certainly of no help to them, and so they have withdrawn from political participation. We noticed that in voting numbers here even in our own country.

So we have to make these issues, whether it is poverty alleviation or ending discrimination against women and the treatment of domestic violence more real in the lives of everyday women, so that they will feel connected to actions that seem abstract and distant from them and feel in some way empowered to take more authority over their own lives.

So I think in both very small ways, each of us can make some points, and then in larger ways we can continue to try to link a lot of the work that is being done to what the changes will be in women's lives if this work is continued or if it is discontinued, so that they feel some stake in it.

Finally, I think everywhere we can work to eliminate the barriers to participation that still exist in many countries, we should speak out again. And I think that goes back to the question about your job is lending and how far can you go in lending in terms of making both financial infrastructure suggestions or even linkages between what you do and political change.

But I certainly think there is a legitimate role, given what we know about how nations flourish if women are active participants, that it is in the long-term interest of the Bank and its rate of return that you do link some of this political participation and decision-making on behalf of women with the projects that you fund, and I think that would begin to open some eyes that might not otherwise be open.

QUESTION: I work in a region which is not traditionally a region where promotion of women has been high on the agenda. Now, those are also very hierarchical societies and it seems to us that the most important thing is to get commitment from the top of the political leadership in those countries to putting women's issues higher on their priorities.

Beijing was a good step in that direction, but I am afraid that quickly people will forget what happened in Beijing. Since you are someone close to the top, what would you recommend as strategy -- a moving target.

What would you recommend as strategies for reaching those traditional political leaders in those countries?

MRS. CLINTON: Oh, goodness, I don't know.

I think that one of the ways that perhaps we all could do more to work with, as you say, hierarchical leadership in many countries, not just in that region of the world, is to share some of this information with them about the effects that investing in women have for the long-term stability and prosperity of their country.

I find it amazing that many people really don't know what you all know. When I was preparing for Beijing, the best information I got were some early studies that had been done at the World Bank correlating investments in women with outcomes for prosperity and democracy.

Some of the large multinational corporations do these ongoing assessments of where they are going to make

investments, and one of the factors they look at is how women are treated. But somehow that information doesn't get conveyed effectively to the leadership in a lot of those countries.

I think it would be very significant if a major executive of a multinational corporation, accompanied by a major executive of the World Bank, paid a call on a lot of these countries' leaders and did a presentation. I know that may sound simplistic, but I am convinced that a lot of that is just not known, it has not been said often enough, it is not yet absorbed.

You cannot imagine how difficult it is to get information like this across to people, and I have seen this in my own country where things that we take for granted, those of us who know how the government works, we are stunned when we go out into the country and people don't know. So that would be one suggestion.

I think some targeted presentations that don't attempt to make political points so much as to inform leaders about what it is that multinational corporations and others look like. I mean if you have a lot of natural resources, they are going to come to you anyway. They are going to want to get it out of the ground and then they are going to want to leave you. But if you have a more complex economy or you are hoping to develop a more complex economy, these factors are important.

Secondly, I think that talking about girls is less threatening than talking about women.

So I would talk a lot about girls and a lot about daughters -- A lot about daughters and daughters' opportunities. I have had several conversations with leaders in very, very conservative countries who have told me how difficult it is to educate girls and to combat the extremists in their own culture who are against educating girls, but how there seems to be kind of an epiphany when it comes to their daughters, and to link that kind of commitment to their daughters with commitment to other girls who have promise I think is an effective way of beginning a conversation. Because if you start with young girls and you educate young girls, then you do have at least an opportunity for people to be less threatened for several years, anyway. We will deal with that later.

I guess finally I think that it goes back to the points that several of you made. You know, this difficulty we find ourselves in in talking about very hard problems and the consequences of all the changes that we are confronting

and what it is doing to people's individual and collective psyche is something we don't have a very good vocabulary for yet.

We are not doing a very good job of articulating a more positive vision. We are not doing a very good job in this country, but frankly nobody is doing a very good job around the world. We are caught in this transition that we are trying to work our way through and we don't have an adequate vocabulary to express what it is we are trying to present as an alternative.

If the alternative is rampant consumerism, materialism, debasement of values and alienation, that is not very attractive. And if people turn on their television sets and they see the advanced world and they look at both men and women who are caught in all of the personal dilemmas that get portrayed endless on television, why would anybody want to change what they have in order to move toward that?

So I think part of the West's and the advanced economies and however we want to describe what it is all of us are trying to communicate need to do is to spend some real time thinking through how do we talk about it and how are we honest about the shortcomings in our own society.

I mean it is a little daunting to visit countries that at least have the feeling that they are able to maintain a network of familial and kinship networks that are very important to them and to see their panic at the idea that they will be broken down because of the intrusion of the electronic media and the relentless pressures for consumption that drives so much of what they see happening elsewhere, or when they see the breakdown of families and the absence of fathers and all of the other social problems.

When we were in Nicaragua, there was a huge billboard on the side of the road with a crying child saying, "Father, why have you abandoned us? Please come home." And they have this huge problem now because of war and earthquakes and everything else, where family structure has just taken a terrible beating in the last decades. You find this litany of social problems that is marching its way through the world connected in the minds of many conservative leaders and many religious people with all that they don't want. You know, they link education with these problems. They link credit or political participation.

We ought to be recognizing that this is a major dilemma for us and there ought to be a way we can better express both honestly the drawbacks we have in our own society and what we intend as individuals and collectively

to do about them, and the vision we have of what individuals who are given a chance to express themselves, but can remain rooted in culture and religion and the larger society, are able to do if given the support to do so.

So these are issues that I would like to see all of us spend some time thinking about, because we don't discuss them very well. And everywhere I travel, political leaders in democracies describe how their countries are divided right down the middle.

Whether it is the separatist vote in Quebec, whether it is Prime Minister Rabin attempting to get the Knesset to ratify his moves toward peace, whether it is election after election where the margins are razor thin and people are very divided one against the other, that should tell us something, that there is a great deal of concern, discontent, confusion about what the future means to all of us. And those who believe in progress and development, which includes everyone in this room or you would not be here, we must do a better job of expressing what we mean by that in today's world, and showing more respect for the moorings that culture and society give, but rejecting the intolerance and the divisiveness that they also lead to.

So until we can better articulate what it is you are doing to achieve, we will continue to encounter skepticism, as well as resistance, and we can only begin to wear that down by trying to present a better vision that is more honest and more inclusive about what it is we are working toward in the 21st Century, and that is a challenge for all of us. None of us, in my view, is doing a very good job of it. All of us are trying to find our way in our words, and any help that the World Bank could give on that front I know many of us would welcome.

Thank you very much.

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