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**REMARKS BY FIRST LADY HILLARY RODHAM CLINTON  
TO THE COUNCIL ON FOREIGN RELATIONS  
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MRS. CLINTON: Thank you so much. I am delighted to be here. I want to extend my congratulations to the council and to Lesley Gelb, Pete and Dwayne and all who have not only kept it going, but have kept it vital, and for this invitation to come and speak with you about women and development.

When a friend of mine found out that I would have this opportunity, which struck him as somewhat odd, he asked what my subject was. And I told him that I intended to talk about women and development. And his response was all too typical. He said, "Well, why would the council really care about that?" And I think it's a great tribute to the council and to all of you here that you do care about this issue, which I believe is among the most compelling, yet most overlooked, in the foreign policy arena. I also believe it has direct consequences for how we attempt to develop our own country.

My ideas on this subject are rooted both in personal observations and experiences here at home and overseas, and in the growing body of research and literature about social development.

Some of you may have wondered how I've spent my time lately. Among the areas that I have spent time working on for the past three years are those that effect women's' development and their children, with particular emphasis on what we as a nation can do both alone and through multi-lateral arrangements.

I have been very fortunate to meet with women literally all over the world. I've met with new mothers in Jojakarta, Indonesia, who gather in their village each week to learn about family planning and better nutrition for their children. I have talked with doctors and nurses in Belarus and Ukraine who are trying to keep alive the children of Chernobyl. I have met with women from Tokyo to London to Ottawa to Santiago, to talk about what we have in common, what we can learn from one another and how we can best utilize our resources to assist in the process of development.

On Saturday, I will be heading for Bosnia, Turkey and Greece -- again to highlight both what we are doing alone and with our partners in the reconstruction work in Bosnia, and the many efforts that are ongoing in Turkey and Greece.

So this is an opportune time for me to share with you a few of my own observations, and I hope you will accept these comments in the spirit in which they are offered. I am not here as a foreign policy spokesman for the White House or the Clinton Administration, or even for my husband, but as a person who cares deeply about our nation's engagement in the world, and who sees investing in women as a realistic, practical and moral approach -- a way to fuse both American ideals and interests.

I have long subscribed to the belief that investments in people, particularly women and children, are just as essential to the prosperity and stability of our national family and global community as investments in open markets and trade. I certainly have seen first hand, having had the privilege to travel on behalf of the United States, what that means in practice.

I remember very well the stop that I made last spring, in Ahmedabad, India, a textile center. On the edge of town is a women's bank, founded by a disciple of Gandhi, named Ela Bhatt. The bank has one room. The teller's counter is an old kitchen table. Bank clerks record all the transactions by hand, on yellow sheets of paper bound in volumes that look like worn-out telephone books.

I was there for only a few hours. But in that time I met women who had walked 12 to 15 hours from remote villages to take out their small loans -- some as small as \$1 -- to invest in dairy cows, or plows, or goods they could sell at market.

Women run the bank. Only women are allowed to make deposits and borrow money. And today this bank has assets of more than \$3 million. Its loan repayment rate, which would be the envy of most commercial banks, is nearly 100 percent. It has 60,000 members -- all women, many of whom are among the poorest, least educated and most ostracized in India.

Against enormous political, social and economic odds, these women have joined together in a trade union and cooperative, called the Self-Employed Women's Association, or SEWA, that provides them with job training, microcredit and mutual support. One after another, these women who had gathered together in a tent behind the small building with their bank, stood up to tell me their stories. There was a sea of saris, mostly reds and pinks; there were translators as these women told me what being part of SEWA and taking out these small loans had meant to them and their families. Their lives had been transformed. They had acquired authority over themselves to an extent that they had

never dreamed possible. And as a result of their cooperation through SEWA, they were beginning to influence local government, police and commerce, all because they were finally recognizing they had a contribution to make and had been given the tools of opportunity needed to make that contribution.

That is but one example of grass-roots enterprises targeted at women that are reshaping local and regional landscapes around the world. Many of the projects that I have visited have received some support from the United States Agency for International Development. And after seeing those dollars at work on several continents, I am more convinced than ever that small amounts of American aid can be a catalyst for untangling the web of poverty, illiteracy, inadequate health care and cultural hostility that today still prevents women and girls from becoming full and equal partners in their societies.

I am also pleased that based on these results -- which we can point to and measure -- the Clinton Administration has doubled the investment in social development through the development banks.

These investments that we make with our tax dollars are not a one-way street. In fact, I have also visited projects here in the United States, projects that have borrowed from what works overseas. Not only from a project like SEWA, but other microcredit enterprise projects, most notably one begun by Dr. Mohammed Yunus, the Grameen Bank in Bangladesh. I have also visited projects run by FINCA, another microcredit enterprise bank in Latin America.

I wish that all of you could have been with me in Bangladesh, to visit the village that was picked out to show me the way the Grameen bank worked in action. It happened to be a village of Hindu untouchables, and once that village was selected, the village down the road a few miles demanded that they too wanted a visit. It was a Muslim village. Because of my schedule there was no way that I could go to both villages, so for the first time ever the Muslim women came to the Hindu village. They worked together to prepare the village for my visit. I met with all of them in their borrowing groups, and listened to them tell stories about the way their being a borrower of the Grameen Bank had changed the way they looked at sending their daughters to school, working outside their homes, cooperating to sink wells. It was one of the most amazing experiences that I have ever had.

And then half a world away, in a barrio in Managua, Nicaragua, I met with women that had borrowed from the FINCA bank. After they finished telling me about their own enterprises, I asked if they had any questions. And one woman said, "I saw you on television, talking to other women very far

away. I think in India. What did you talk to them about? What do we have to learn from them?"

That's the kind of experience that I have also seen beginning to be replicated here at home. We are starting to invest in microcredit efforts. I have visited a program called Mi Casa, in Denver, that helps many women on the model of the Grameen Bank or SEWA, to acquire the same skills and the same access to credit that transformed lives many, many miles away.

I will never forget one woman in Denver who said to me that she had tried for years to borrow enough money to be able to expand a small bakery business because she considered herself the best baker in her neighborhood in Denver. She would go to the bank and the bank would tell her she didn't have enough collateral, she didn't have enough experience. They weren't going to lend even the \$1,000 she asked for, until finally she found this program at Mi Casa. She said, "You know, many great ideas die in the parking lots of banks." I thought that was a telling statement, because in this country, particularly with the way banking has changed, many, many ideas die in the parking lots. And to provide credit to small entrepreneurs, to those who are on the brink of poverty themselves but who have a market in neighborhoods and communities that other businesses shun, is one of the best investments we can make in helping to lift our own people out of poverty.

Certainly, we know that the kind of investments that work in helping people to become self-sufficient -- particularly in an economy as complicated as ours -- will take time and effort, just as it has taken time and effort elsewhere. But we are finally beginning to put into action some of what we have learned. The Small Business Administration is making more loans than ever to women. And through the Treasury Department we are finally seeing the Community Development Financial Institutions Fund, recognizing through new Presidential awards, programs to honor outstanding American micro-lending organizations.

Certainly these kinds of cross fertilizing lessons -- that we can learn from because we have helped to seed them elsewhere and to bring them home here -- are a way of demonstrating that our national interest must take root in the values that we profess here and abroad.

There is another example I would like to mention, and that concerns our support for family planning programs to help stabilize populations, to help reverse or ameliorate the environmental degradation and to help reduce abortions in the developing world.

At the moment, roughly 100 million women cannot get or are not using family planning services because they are poor,

uneducated or don't have access to care.

Some 20 million women will seek unsafe abortions. Some will die, some will be disabled for life, some will go through with unintended pregnancies, some will find their lives, their opportunities therefore curtailed. If the United States does not want women here and elsewhere to have abortions, then the United States should do more to support family planning programs, particularly in overpopulated developing nations.

I have visited hospitals where I have seen half of the women admitted being there as a result of the consequences of self-induced abortions. Most recently I visited a hospital in Salvador, Brazil. I saw classrooms throughout that hospital displaying charts and diagrams of information about reproduction and family planning. I also met with the Minister of Health, who told me about what a difference it was beginning to make that USAID was supporting family planning information and services. And he said something that I have long remembered. He said, "The rich women and the middle class women here in Brazil have always had access to family planning. It is only the poor women who have not." And so even there, in a predominantly Catholic country, there is growing recognition that family planning saves lives, and that American aid to such efforts is in our interests as well as those who need help.

Now I'm not suggesting that through microcredit or family planning programs, or through any of the other social investments that I believe make a difference, U.S. foreign aid is a panacea for women or for developing countries. Nor am I starry-eyed enough to believe that every just cause in the world, whether or not it is related to women, is ours to embrace.

But I do believe that as long as discrimination and inequities persist, and are so commonplace around the world -- so long as women are valued less, fed less, fed last, overworked, underpaid, not schooled and subjected to violence in and out of their homes -- the potential of all of us to create a stable, peaceful, and ultimately prosperous world will be far from realized. And that in turn affects stability, peace and growing prosperity that is in our national interest.

If we care, as we do, about opening foreign markets for American goods and services...if we care about making our country secure in the face of new post-Cold War threats...if we care about enlarging the world's community of democracies, then I believe we have to address the conditions and circumstances of the world's women, who after all comprise more than half of the population, but are 70% of the poor and two-thirds of those who are not taught to read and write.

So many of the everyday indignities and tragedies that women

around the world face -- seeing a child die of malnutrition, watching a son go off to school, but not a daughter, being forced into prostitution or indentured servitude, being barred from the bank or the ballot box -- are reversible if enough women have enough education and enough authority over their own lives.

Women remain the primary caretakers of the world's children and elderly, and families throughout the world rely on women for emotional support and increasingly for outside income. In a time when the pressures of consumption and technology place greater burdens on family life in virtually every country on the planet, women will be relied on even more to sustain and protect the family unit. And investing in those women will ensure that they have at least an even chance of being able to do that.

The single most important investment any developing nation can make today is in the education of girls and women. What we are discovering in country after country is that education is not just a means of acquiring knowledge, but that it has positive effect on women's health, nutrition, wages, and level of political participation.

Deputy Treasury Secretary Lawrence Summers, who has studied for a number of years and written about the economics of women and development, argues that, "investment in the education of girls may well be the highest return investment available in the developing world."

Today, more than 600 million women worldwide are denied the opportunity for education. I have seen some of the reasons and talked with people about why women fall into that category. It's so clear that for many families, sending a girl to school still makes no economic sense since the girl will be sent away to live with someone else's family. Sending them to school in the face of the daily struggle to survive, planting crops and harvesting them, and fetching water, and doing all of the other domestic chores, makes no sense. Sending a daughter to a doctor when money is scarce, or feeding her when she is hungry but the boys have not yet eaten, makes no sense in the cultures and the reasoning of so many families.

But where we see exceptions to that kind of thinking, we see positive results. Take the very poor state of Kerala, in India. Now, Kerala has the highest literacy rate and life expectancy, as well as the lowest infant mortality rate, in India. "Why?" many people have asked. The answer seems to lie in their tradition of investing in health care and education, and including girls in that investment. We have also seen that a commitment to education is slowly making a difference in countries as far from one another as Jordan, or Pakistan, or Nepal.

In Bangladesh, I saw the struggling efforts of a country to

deal with the problem of girls not attending school. I visited a school run by the Bangladesh Rural Advancement Committee, a non-governmental organization, that believes education is a precondition for economic development. They also believe that educating girls is essential. Because of that, some of the BRAC schools have been burned, because extremist groups disagreed with educating girls and even with education itself. The schools keep being built.

Also in Bangladesh, I have seen the government working to provide incentives for families in two ways: The food for education program, where very poor families are enticed to send their children, including their daughters, to school in return for food allotments, given out every week. And then, as further encouragement to give girls the chance to go onto secondary school, the government is actually paying families by depositing a small amount of money in a bank account, so long as the girls attend school.

In Sri Lanka, women have had the right to vote for the better part of this century. Not surprisingly, they also demanded and received more education. So again, Sri Lanka, in comparison, has the region's best health care system and lower maternal mortality rates than many wealthier nations.

Outside Lahore, Pakistan, in a very small village, I met with ten women who talked to me about how they view their children's' futures. We were sitting in a dusty courtyard of a school that had been built for girls to receive primary education. One mother of 10 children, 5 boys and 5 girls, said that she had sent her daughters to this school, but now that her daughters had graduated, there was nowhere for them to go. There were no secondary schools nearby, and the family would not send the daughters, unlike the sons, to attend school somewhere else. That woman asked me, and the other mothers echoed her, if I would pass on to the government of Pakistan their interest in having a secondary school for girls built in their village.

Many of the problems that stand in the way of educating girls are ones that will take both government action and the concerted support of non-governmental organizations.

But we can begin to see the results. Chile has made enormous strides thanks to education reform and a return to democracy. I visited a poor area of Santiago where the schools are open on weekends to accommodate parents' work and provide babysitting. I also saw other examples of efforts to involve parents in their children's' education, and to persuade fathers to accept parenting responsibilities.

The United States recognizes the truth of what we are now learning about investing in girls education. And in Copenhagen,

last year, I was pleased to announce a new \$100 million USAID initiative for girls' and women's' education in the developing world. The first distribution has been made to India. This American aid can make a huge difference. And certainly those of us who believe that investing in people, particularly their education, is good for the United States should be supporting such programs.

Sadly, though, there are some in our country today who question the value of our political, economic, military and social engagements abroad. They believe that our commitments to other nations, and even to multilateral arrangements including the United Nations, are undermining our national sovereignty and sacrificing American interests.

I believe that America's global engagement is essential to strengthening our free market interests and spreading our democratic ideals, as well as providing for our security. By contrast, it is isolationism and its corollary, misguided unilateralism, that pose a great threat to our position in the world, as well as to the hopes and dreams of hundreds of millions of women, children and men.

We are at a turning point, as many of you in this audience know far better than I, where we, as a nation, have to decide whether we will remain engaged and then how we will act upon that engagement.

Over time, we have learned that our ideals and interests cannot be divorced from the political, economic and social cross-currents swirling around us. And I hope we have also learned that engagement represents opportunities as well as obligations.

For these reasons, it is troubling to see our bipartisan tradition of engagement and multi-lateralism threatened today. It is troubling to see negative stereotypes fostered purely for narrow political purposes, whether it is the distorted idea that the U.S. military would be under United Nations command, or the public ridiculing of the U.N. Secretary General's name.

This brand of demagoguery is a poor substitute for a forward-looking and forceful foreign policy.

Social development, the investment in people and their potential, is foreign policy, not social work. It is a realistic and moral way for the United States to help expand the global economy, nurture young democracies, and improve our own chances for peace and prosperity.

So as we reconsider today, and as we look forward into the future about what kind of leadership our nation intends to

provide to the rest of the world, I hope we will consider as a very practical part of that engagement social investments in women that will create a dynamic a new source of energy for a growing global economy and civil society.

I believe this development policy must become a central priority of our own foreign policy, and also it must be understood as a part of what we need to do here at home. By following through on such an investment approach we have the chance to bring us closer to a world in which distinctions between men and women are viewed ultimately as complementary parts to a greater whole. And we...really converge to reconsider what is in our best interests both here at home and abroad. Thank you very much.

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