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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, makers 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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