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New Economy

Bringing the New Economy to Western New York

Buffalo, New York

February 7, 2000

You know yesterday at my announcement I spoke about how I believe, and I have believed for 30 years, that politics is the art of making possible what appears to be impossible. And the reason I still believe that is because I have seen it work over the years. And I particularly have seen it the last seven years. If I had been here in this beautiful home in 1992 and I had stood here before you and had said, you know if you elect this new president and give all of us who are working with him a chance, we won't have a budget deficit this seven years.

We will lower the crime rate. We will end welfare as we know it and give people the chance for self-respect and self-sufficiency. We will make progress on a lot of our social problems. You all would have probably thought that's impossible. It can't be done. Politics doesn't work like that. Well, now I'm back to say it is possible and it's been possible because we've had good leadership with a good plan and with a majority of Americans and New Yorkers to support that leadership and plan. And I am proud and grateful that I've been a part of it over the last seven years.

Now what I want to do is to take that experience of a lifetime and particularly what I've seen happen in the last seven years and take it to the United States Senate on behalf of the people of New York. Because I know that the kind of possibilities that exist in the people here in western New York can be unleashed and directed so that just as New York led the industrial revolution of the old economy, the 19th and 20th century economy, I know that New York and western New York can play a leading role in the new economy of the information age.

Now how do I know that? Well, I know it because it makes sense. The people of New York, and particularly the people of this region of New York, have a great work ethic, have a lot of energy, represent the full range of human possibility and I know that we can make progress because it doesn't make sense that we can't. If you look to the west, the old upper Midwest where I come from, the Great Lakes region, that was

written off. Remember the 1980's the rust belt was never coming back You go over to the east to New England, you can see places that just seven years ago were on the brink of bankruptcy.

I remember when we campaigned in New Hampshire in 1992 - it had the highest rate of foreclosures in the entire country. Now, unemployment is about 2%. So if you look at the entire northern part of our country the only place that hasn't yet realized that possibility is upstate New York. So what we need to do together is put the economy and our possibilities for transforming this economy on the front burner of the national agenda.

Now how do we do that? Well, today I made a speech at the Advanced Training Center and I said there are really three parts to my strategy about what we needed to do: 1) We need to invest in our people and equip them with the skills that the new economy needs; 2) we need to do away with the rather stubborn barriers to economic development; and 3) we need to bring in new incentives for new business and for the kind of new technology investment that will fuel the new economy. With respect to each of those, if you just think about it, it's not at all difficult to imagine what we need to do. We just have to summon the will and have the partnerships among the federal, state and local governments, between the public and private sectors, between business and labor, with the educational system playing its role that will enable us to have a strategy that works.

And, very briefly, if you look at the first objective, we need to make sure that the skills people have in Western New York fit the jobs that are here. I have to confess it was kind of a sad experience for me this morning because I went from meeting all of these young energetic high tech folk like the Check.com people that I met with who were talking about how they can't find people to take the jobs they have that pay on average \$60,000 a year.

And then I went down and I met a group of people who had just kind of gathered from the neighborhood and from city hall and from other places. And the first person I shook hands with was a woman who said, Mrs. Clinton I'm going to lose my job this week. The company I work for is going out of business. And I said, well what do you do? And she said, well I work in the design-engineering department. And I said, well I

just came from people who have jobs that they can't fill. And she said, well what do I have to do to be able to get one of those jobs? I said, you have to be able to have skills in the information technology; you have to know how to work computers. You have to be able to do the kind of flexible work that is required in today's economy. And she said, where do I go to do that?

So what we need to do is get a better connection and a more comprehensive strategy which Buffalo and Erie County is moving toward now to make sure that people have the skills that they need for the new economy. And that's the kind of workforce training that will pay off in a very big way.

Secondly, we've got to get rid of the barriers. I don't need to tell you some of those barriers. New York has the highest state and local tax burden in the country. New York has the second highest utility costs in the country; has some of the highest airfare costs, and some of the most underdeveloped transportation arteries and accessibilities.

Now those are all barriers to doing what needs to be done. And I have obviously a few ideas about it although most of the work has to be done at the state and local level and one of those ideas is to bring back to New York more of the money that New York sends to Washington. I want New York to get its fair share because if we were able to bring back some of that 15 billion dollars that now goes to Washington, it could be used to lower state and local taxes because the federal dollars would be helping to pay for some of the needs that the state and local dollars are paying for now. And it is only fair that we do that.

I made the point earlier today that the reason New York sends so much more to Washington is rooted in the Great Depression when New York was an incredibly wealthy state compared to the rest of the country and it was only fair. I happen to think that it's good to have the entire country electrified, which is what we did in the 1930's, and to do a lot of other things that were important for development.

But now you have a lot of states that are doing quite well, and there's not much of a sense of gratitude there about paying back the people of New York who for 50 years have helped to really sponsor the development of other parts of the country.

It is not just New York that is in this position. That's why I'd like to, in the Senate, help create a coalition of all the states, crossing party lines. And I talked with Carl McCall, with whom I was with earlier today, and I said, Carl, what's happening to the northeast, Midwest, California coalition? Because all of these states are disadvantaged. He said, well we need some leadership. We need some energy. Because if we pull together we could change a lot of those funding formulas that now disadvantage New York.

So there are a lot of ideas that I have, including the deregulation of the utility industry-the electricity primarily-and changing some of the rules under which costs are allocated, so that it doesn't just go to consumers and businesses.

But the third piece of this strategy is what we can do that is new that will enable us to really reach deep into the business community in western New York. And I put forth a plan today that I think could help. There's a piece of it for the federal government and there's a partnership which I believe in strongly between the public and the private sector.

Shortly I will be laying that out for the press and for the people of western New York I spoke about it today. I'll be trying to distribute what I am planning as broadly as possible so that we can start a conversation. Just let me mention a few of the things that I believe we should do.

I want to propose something that would be comparable to the old Agriculture Extension Service. I don't know if any of you have an agriculture or farming background but again it's something the Federal government did years ago to help farmers know how to keep up with the latest in information about erosion or a lot of other things that would affect their development.

But we need a technology extension service because there are a lot of businesses right here in Buffalo and throughout western New York that don't have either the capital or the know-how to get in to the new economy. I have been in some businesses here in this region that have some very unique products. They don't have websites advertising what they do; they don't know how to do a website, and they don't know how to afford to get a website done. They aren't connected to the Internet. They don't know how to break into the broader national and international market. But they have a good

product.

So if we were able to give them the technical assistance and some support, we could generate a lot more business for people right here in western New York. I also want to give local government something that I call Tech Bond that they could use to help build up the infrastructure that we need.

I was in a "smart" building today, and, you know, the new Buffalo Bite Belt, which I think is a great title for what's going to be happening here, and I heard about how it was necessary for the federal government to give the million dollars that enabled Buffalo to create this "smart" building.

Well, that's the kind of infrastructure that we need to be building all over western New York. So that buildings are wired and ready for the future. So that more people understand how they can use the fiber optics that is being laid across this region by Bell Atlantic and others. This is the kind of partnership that I stand for, and there are many other details that are part of what I think would make a difference economically.

But let me just end by reiterating something that I said yesterday in my announcement. For thirty years I've worked on issues that I think have a direct relevance to what's happening in New York today. I've done it with respect to children and families, and I've done it with respect to education and health care, and I've done it with respect to economic opportunities.

For many years, in Arkansas, which has always lagged behind the rest of the country, we searched for ways to jumpstart the economy. And I spent a lot of time bringing ideas to that state. Creating banks that were set up to extend credit to people who might not be considered as credit-worthy as commercial banks would like but who had good sweat equity and would pay back a loan if they got a chance to get one. Creating networks of market, so that people who didn't know how to get an idea to market could get some extra help. I worked with the Rochester National Center on Education and the Economy. I used to come up to Rochester every couple of months for a couple of years, and I wrote some legislation that I took to the Senate and testified on behalf of in 1990, long before I thought my husband would be President, and the idea of running for the Senate from New

York never crossed my mind.

But I knew then what I'm asking you to think about today. That if we invest in our best resource, our people, if we give the people of western New York the tools they need to seize these opportunities, we can skip over some of the layers of development that other places have gone through.

I was pleased when I was here before to meet some people who are thinking along the same lines. And they had given computers to their workers and hired somebody to come in and teach their workers how to use the computers. I just heard that the UAW has negotiated a contract with Ford to do the same. Delta Airlines is doing the same. Every business in Buffalo, Erie County, and western New York who can figure out a way to do that here would be jumpstarting the economy and enabling their own workers to get the benefits of the information technology which will increase productivity and also have a ripple effect into homes and young people in a way that you can't even imagine. Right now, Buffalo has one of the lowest Internet usage ratios in the country. It's about 32%, in terms of being connected. Rochester is about 44%. So, there is work to be done that we don't have to wait until I'm in the Senate, but we can do together and we can sell together.

And I want to end with something that Steve said: I can't make any grand promises-I won't do that. You know, I want to level with all of you to tell you what I think I can do, try to get it done, and to work with you because, together, it's that kind of partnership that I think will make a difference for the state and for western New York.

But I will work my heart out for western New York. Partly because there isn't any reason that we can't do better. Secondly, I think I have some ideas about what would work, and, thirdly, I want to bring people together. I'm not interested in playing politics with economic development or education or healthcare. I'm interested in results. You know, yesterday I said that when it comes to education, I believe in the six R's: you know, Reading, Writing, Rithmetic, Responsibility, Respect and Results. Well, I believe in responsibility, respect, and results across the board. If you support me, as you are tonight, going forward for the next nine months, I know that this Senate race will be successful, and I'll be honored to serve in the United States Senate. But, more than

that, I think we'll have a lot to celebrate together. And that's
what I'm interested in: results that will improve the lives of the
people of western New York. Thank you all very much.