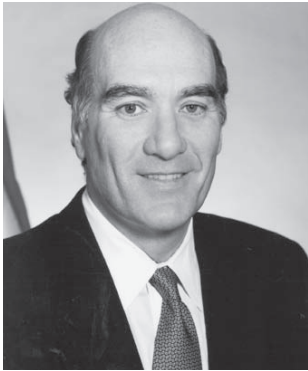


cial, as citizens. That is our charge to keep, our calling to fulfill, our rendezvous with destiny: to take this marvelous tapestry of many peoples, cultures, and traditions—called America—and help it achieve a society that celebrates diversity while bringing people together...”

**William M. Daley:
The New Economy**

U.S. Commerce Secretary William Daley addressed The Economic Club of Chicago on December 18, 1997, on the subject of the new economy.



“The new economy is one where the tough competition comes not just from down the street, but also from companies halfway around the globe. In the new economy, technology and innovation are moving faster than ever before,

and we must harness them to create growth and opportunity for all of our people. And in the new economy, we have to constantly develop more human capital, building a workforce with world-class knowledge and skills that can compete in global markets and keep pace with innovation...

“The first thing we have to understand about the new economy is that it’s a global economy. The President recognizes this and understands how to turn it to our benefit. Exports have accounted for a third of our economic growth over the last four years. And Chicago is the Michael Jordan of exporting—exports here have jumped more than 50 percent over the same period...

“The breadth and scope of trade opportunities are staggering. Consider that 96 percent of the world’s consumers live outside the United States. And with market reforms taking hold in every corner of the globe, those consumers will have more purchasing

power than ever before. Consider that half of the people in the world have never used a telephone, but are eager to do so and need to do so to be part of modern economic life. Think about what kind of market that means for Motorola. In India, they barely have enough phone lines to adequately serve the state of Texas, let alone their own nation of nearly a billion people.

“The opportunities are there, and American companies are poised to seize them. My job is to introduce them to those opportunities, to be the private sector’s most aggressive advocate and champion as they go up against the global competition. And to be an effective advocate, I have to go where the opportunities are. So I led three trade missions this year, to Latin America, to Canada and last week to India, a trip that included 32 CEOs and senior executives, the largest business delegation any Secretary of Commerce has ever taken abroad.

“It makes an enormous difference when the United States government stands behind American firms. When I was in China this fall, I pressed for the completion of a sale involving more than \$3 billion worth of Boeing Aircraft. When we signed a deal at a ceremony at the Commerce Department last that month, Boeing suppliers from 42 states traveled to Washington to be there. Their presence drove home the point that export sales aren’t just good for corporate giants like Boeing. They create jobs for small firms in cities and towns across our country...

“When we talk about the New Economy being a global economy, it also means that the fate of markets and currencies halfway around the world means something in our own lives. The financial crisis currently gripping much of Asia isn’t just an interesting news item. It’s something that can have a real impact on American jobs and American livelihoods.

“And yet, the reality and the reach of globalization are still lost on a lot of people. One of the biggest challenges we face in our trade agenda today is getting people to understand that trade matters.

That when Motorola wins a contract in Honduras or Hungary, for example, it creates jobs in Arlington Heights and Schaumburg. That when our consumers can buy high quality, low priced imported goods, it's good for the American economy...

"Now, a lot of people think that helping firms...is not a proper role for government. But how do you think the United States became a world leader in biomedicine? The research conducted and the drugs developed at the National Institutes of Health had a lot to do with it. Do you think our aerospace industry would be so strong without investments made by NASA and the Pentagon?"

"It was the Federal Government, 20 years ago, that pumped resources into a computer system that eventually blossomed into the Internet. And now the Internet is fast becoming a powerful commercial vehicle. In five years, the value of goods and services exchanged electronically will change by 4,000 percent. And the Commerce Department is leading the effort within the Clinton Administration to promote the growth of this emerging digital marketplace..."

"In my conversations with high-tech CEOs and venture capitalists, they tell me that the biggest obstacle they face is this: they're creating high-tech jobs faster than we can train people to handle them. This skills gap is responsible for tens of thousands of vacant jobs in the information technology industry alone. But it's also affecting the entire economy, as even traditional industries like steel and autos have come to rely on technology as never before...The Commerce Department doesn't manage job training programs, but we are involved in a range of efforts to empower people to prepare themselves to handle the tools of the modern economy."

"We are helping to introduce information technology to schools, libraries, and communities across the country. We work with distressed communities, providing technical assistance and helping people develop new skills...We have to

acknowledge that, even as we bask in the sunshine of economic revitalization, many of our people have yet to make the transition required to succeed in the new economy...

"The old economy was based on repetition of tasks learned by rote. The new economy, a knowledge and information based economy, demands a new approach, one where we encourage workers to constantly learn new tasks and assimilate new information..."

"Not a day goes by that I don't think about my father...about how he helped build this great city. Yes, there were expressways and skyscrapers you could point to, but he made his mark by building long-term relationships, starting in the neighborhoods and starting with Chicago's business community. He was loyal, and you were loyal in return..."

"Washington, of course, is no Chicago. It's a one-company town—politics. And I might add, it's a no-baseball town, too...There's also a rootlessness to Washington, people are constantly moving on, leaving town, and their relationships are often transient and fleeting..."

"And so, when I come home and you ask me why I continue to log all those miles, I say it's to build a better future in neighborhoods that have gotten a little bigger, even as our world has gotten a little smaller."