

Remarks Announcing the Africa Trade Initiative

June 17, 1997

Thank you very much, Mr. Micek, for your testimony and your work. Congressman Crane, Congressman Rangel, Congressman McDermott, thank you all for what you have said today, and even more important, for what you have done.

Mr. Ambassador, to you thank you for your words. And to all of your colleagues, welcome and thank you for coming and for being a part of this important initiative, for testifying before the Congress and giving your ideas to help us put this together.

Thank you, Senator Lugar, for your leadership in the Senate on this issue. I thank all the Members of Congress who are here. There are so many, I think just to show you the depth of the interest, I would like to ask the Members of the House who are here to stand and be recognized so you can see them all. Thank you.

I thank Secretaries Glickman, Daley, Slater, and Herman for being here; Ambassador Richardson, Ambassador Barshefsky, our AID Administrator Brian Atwood; the Director of the USIA, Joe Duffy; the new leader of the ExIm Bank, Jim Harmon, thank you for being here.

There are so many people from the business community here and distinguished American citizens—I do think I would be remiss if I did not especially thank Jack Kemp. Thank you for coming. And thank you, Jim Wolfensohn, for coming. And now he will go back to the World Bank and write the appropriate checks, I know. *[Laughter]*

Thank you, Mayor Dinkins, for being here. Thank you, Reverend Sullivan. I thank Maxine Waters, who is chair of the Congressional Black Caucus, for the emphasis she has put on Africa. And many of the members here, most recently Congresswoman McKinney, have talked to me about Africa on a regular basis.

But I would be remiss if I did not thank four people especially who are personally responsible for making sure that I know about Africa. First, Congressman Donald Payne, thank you, sir, for all the times you have talked to me about it. Thank you, Congress-

man Bill Jefferson. Thank you Andy Young, Reverend Andrew Young, thank you. Andy Young was talking to me about Africa before he ever thought I would be in a position to do anything about it. *[Laughter]* And I would like to say a special word of thanks to C. Payne Lucas and the Corporate Council on Africa for the wonderful work they have done. Thank you, sir.

This is a moment of tremendous promise for the people of Africa. For the last 4 years we have tried to put our country in a position to be more active on Africa than we have been in the past. We had the first White House Conference on Africa. We have done a number of things. I think it's fair to say that the trip that Hillary and our daughter took to Africa was one of the most meaningful experiences they have ever had. I think it changed Hillary forever. I know it changed what I now believe I know and feel about what we should be doing forever. And so, I'd like to thank her for that because I think she's done a fine job on that.

We look at Africa today as a continent full of bright hopes and persistent problems. Everyone knows about the conflicts; they make a lot of news, from Sudan to Sierra Leone. We know that we have a responsibility to continue to work for peace in Africa's troubled areas. But somehow, we have to find a way to highlight and celebrate Africa's successes, and yes, even to participate in them in ways that work to the advantage of the American people. We have to dedicate ourselves to seeing that these gains will not only be maintained but will be enhanced.

These stories don't make the headlines, but there really is a dynamic new Africa out there and the far greater number of nations there are now making dramatic strides toward democracy and prosperity. Since 1990, the number of democracies in Sub-Saharan Africa has more than quadrupled. Now more than half the region's 48 states have freely chosen their leaders. Many are embracing economic reform, opening markets, privatizing, stabilizing their currencies. Growth has more than tripled since 1990. The economies in such countries as Senegal, Ghana, Mozambique, Cote d'Ivoire are expanding at rates up to 7 percent a year. Ethiopia was not long ago gripped by famine; it

grew 12 percent last year. Uganda, once a byword for tragedy, has become a magnet for investment; it grew almost 10 percent last year.

As Africa's nations join the global march toward freedom and open markets, our Nation has a deep interest in helping to ensure that these efforts pay off. An Africa that is gaining vitality while technology, trade, communications, and travel are bringing millions into the global economy is a continent of greater stability, growing markets, stronger partners. A nation that can help us work for peace, to preserve the environment, to fight disease, to grow our own economy, that's a nation, wherever it is located on the globe, that America should be a good partner to, should be involved with, should be committed to building the future with.

Today, I am proud to announce our collective effort with the Congress to help fulfill the promise of a stable, prosperous, and democratic Africa. And like Congressman Rangel and Congressman Moran before me, I want to say to you, Congressman Crane, and to you, Senator Lugar, we are well aware of the numbers in the United States Congress, and we would not be here today if there weren't a number of Republicans in leadership positions who care deeply about the future of Africa. And we thank you for that.

This new initiative upon which we have agreed has five key elements.

First, at the heart of our effort will be significantly increased access to our markets for African exports. African countries will be able to export almost 50 percent more products to the United States duty free. The most committed African reformers will receive even greater access. And in the future, the United States will be prepared to negotiate free trade agreements with these countries.

Second, we will increase technical assistance to enable African countries to take the fullest advantage of these new programs.

Third, we will work to increase private investment in Africa. Through OPIC, we are creating a new \$150 million equity fund to finance increased private investment, and a \$500 million fund for infrastructure investment in the Sub-Saharan region.

Fourth, we will work to eliminate bilateral debt for the poorest of the reforming nations, and maintain our leadership in the effort to reduce their debts to the multilateral institutions. I heard you, Mr. Ambassador, and I know that you're right.

Fifth, to maintain our momentum, the United States will hold annual economic meetings at the ministerial level with all reforming African nations.

Now, as we deepen our commerce, I believe there will be a continued need for bilateral and multilateral development assistance. We know that. I am committed to maintaining funds for the USAID programs, the international financial institutions, and IDA. But aid cannot substitute for economic reform. We know that we must have both.

Our initiative opens the door to real, positive change. Only nations carrying out serious reforms will reap the full benefits. Those who strengthen their democracies and invest in their people will see their efforts pay off in increased trade that will create new jobs, increase wages, spur growth, and improve the quality of lives of people who have suffered some of the world's worst poverty.

As these economies grow, America's prosperity and our security will benefit. The potential of a Sub-Saharan market with some 700 million people is truly immense. The United States supplies just 7 percent of Africa's imports today, but already that supports 100,000 American jobs. Just imagine what this initiative can mean to the United States, as well as to Africa. Mr. Micek's company has shown what we can do for Africa and for our own people.

I also want to emphasize to all of you that this is about more than economics. A stronger, stable, prosperous Africa will be a better partner for security and peace, will join us in the fight against the new common threats of drug trafficking, international crime, terrorism, the spread of disease, environmental degradation. We need partners in Africa on every single one of these issues, and in the years ahead we will have to have more of them.

Everyone who has looked at the future, who has predicted the challenges we will face, knows that the globalization of our societies will mean that all these problems will

be transnational. They will cross all borders. They will sweep across continents. They will move in the flash of an eye, and we must be ready to work together.

By transforming our trade, I'd like to say one other personal thing. We're building on the legacy of another person who is not here, the late Ron Brown, who believed so much in the promise of Africa.

It builds on our work to resolve conflicts in Liberia, Burundi, Angola; to save hundreds of thousands of lives at risk from famine in Somalia and the Horn of Africa; to save so many in Rwanda and Burundi from the adversities they have faced. We are proud of our support for democratic transition and reconciliation in South Africa and for elections throughout the continent. We are proud when President Mandela takes the lead in trying to restore peace and harmony to troubled lands. And I love to see the United States not in a leadership position but in a position of saying, we support President Mandela. And I want more of that to occur.

I do look forward to visiting Africa later this term to pay tribute to the nations that have made such historic progress. And as has already been indicated by previous speakers, I do intend in Denver in just a few days to ask our partners from the other leading industrial democracies to join us in this effort. We have to work so that all of our nations coordinate policies toward Africa so that we can all encourage reform in trade and investment and relief to heavily indebted countries and so that we can all participate not only in the responsibilities but in the benefits of a growing, prosperous, freer Africa.

I will ask our partners to join us in urging the international financial institutions, the World Bank, the IMF, the Africa Development Bank, as well as the United Nations, to create innovative new programs so that reforming African nations can succeed in integrating themselves into the global economy.

And if we all persist at this, if we keep working at this, then people will look back at this moment as a pivotal one for Africa, for America, and for the global community. The Members of Congress of both parties who have shown such leadership in this effort have recognized that a prosperous, demo-

cratic America in the 21st century needs a prosperous, democratic Africa.

They are committed to cementing the ties of culture that bind us in heritage. And I might say, this is just the latest sterling example of what happens when we put the interests of our people and the values of our country throughout the world first and foremost. When we get beyond our partisan differences and reach to the depths of the human spirit and give light to our vision, we prove that we can advance the cause of America, improve the lives of our people, and, in this case, give hope to hundreds of millions living on the African continent.

Thank you all very much.

NOTE: The President spoke at 2:07 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Ernest Micek, chief executive officer, Cargill, Inc.; Ambassador Roble Olhaye of Djibouti; Jack Kemp, 1996 Republican candidate for Vice President; James D. Wolfensohn, president, International Bank for Reconstruction and Development; David Dinkins, chairman of the board, Constituency for Africa; Reverend Leon H. Sullivan, chairman and founder, Opportunities Industrialization Centers International; former Ambassador to the United Nations Andrew Young; C. Payne Lucas, president, Africare; and State President Nelson Mandela of South Africa.

Statement Announcing the Middle East Peace and Stability Fund

June 17, 1997

I am delighted to announce today the creation of the Middle East Peace and Stability Fund. This new U.S. fund will draw on existing allocations of economic assistance to respond to urgent new needs in that region. The fund's initial focus will be on assisting Jordan as it pursues economic modernization and reform.

King Hussein has courageously led Jordan down the path of peace, exemplifying the wisdom and tenacity necessary to negotiate and carry out peace treaties. King Hussein's concern about his people and all the peoples of the Middle East is abundantly evident in his actions to bring about peace and reconciliation.