

face of poverty and deprivation and the lack of opportunity is colorblind. This is an American challenge.

We were in Appalachia; we visited a company called Mid-South Electronics that now makes communications equipment—some of you might buy it—that makes its way onto the desktops of many Fortune 500 companies represented in this room. Ten years ago, in a distant place in Appalachia that's hard to get to, they had 40 employees. And now, thanks to the availability of capital, they have 850—way back in the hills in Appalachia.

In East St. Louis, with the great Mel Farr, Jesse Jackson and I visited a large new Walgreens store, first store that had been built in this distressed neighborhood in 30 years. And the manager of the store was a 24-year-old woman who just graduated from college a couple of years ago—running that store with 30 employees. And I believe every one of them but two were older than her, and they thought she was great. And the neighborhood was coming alive because of capital.

In Mississippi we met a woman who had been working for years in a small computer store and never made any money at all—just in this little, bitty store in a town in Mississippi. She had no money in the bank, and they were going to close her store. But she got an equity capital investment, and then she could get some loans. And she bought her business, where she had just been an employee all these years, but within a year she had more than doubled the size of the business and was making good money. She went from modest wages to being a proud business owner.

And there are lots of stories like this everywhere. But for every story like it, in these distressed places there are 10 more people who could be this story and aren't yet. And that's why people like you come to events like this.

This country owes a lot to visionary business people who are part of this movement. We owe a lot to the Members of Congress who are trying to help me pass my initiative, without which I could do nothing, and I thank them for being here. And we owe a lot to you, Jesse Jackson, for understanding that this was the next great frontier in the civil rights movement, years and years ago, and fighting for it all these years.

Now, here's what I'm going to try to do this year, in our last year in office, to set up a framework that will enable us to bring oppor-

tunity to the people and places that have been left behind. First, I will resubmit, with certain changes, my new markets initiative. The general idea is that I want to give people the same incentives to put money in underdeveloped neighborhoods and towns in America that we give them today to put money into poor areas in Latin America and Africa and all over the developing world.

Now, I strongly support that, too. I believe that when Americans give people in distant villages a chance to build a decent life, they're more likely to be good citizens and to support democracy and less likely to join the narcotraffickers or the people that are trying to corrupt governments and end freedom or later try to cause problems in the world that the United States will have to deal with. So we need to keep reaching out there. But we can't say, at this moment of heightened prosperity and a real challenge to keep our growth going, that we're not going to give the very same opportunities to our own people.

Now, what are we going to do? First, I will propose a major expansion of the new markets and empowerment zones tax credits, to give investors tremendous incentives to give a long look to the underdeveloped areas in urban and rural America. I want to thank especially Representative Charles Rangel for the very large role that he has played in leading the charge on both these tax credits. I'll ask for more than twice the funding I asked for last year for this tax credit to spur \$15 billion in new investment.

I'm also going to ask Congress to authorize two new components of our new markets agenda. First, our New Markets Venture Capital Firms, a program geared toward helping small and first-time entrepreneurs; and then America's private investment companies, modeled, as I said earlier, on the Overseas Private Investment Corporation, to help larger businesses expand or relocate to distressed inner-city or rural areas. Now, together, all these components of the new markets initiative will leverage over \$20 billion of new equity investment in our underserved communities.

Here's how it works. Through our New Markets Venture Capital initiative and the American Private Investment Corporation, we'll spur new investments in both small and large businesses by telling investors the following: If you put