

## A National Economic Strategy

For the long term, Bill Clinton has put forth a national strategy to create a high-wage, high-growth, high-opportunity economy.

**Investing in the American People:** Bill Clinton thinks that if we're going to turn this country around, we've got to empower every American with the education, job training, and economic opportunity they need to get ahead.

**Education:** Bill Clinton is one of the leading voices in America for radical reform of American education. A Clinton Administration will create a trust fund out of which any American can borrow money for a college education, so long as they pay it back either as a small percentage of their income over time or with a couple of years of national service as police officers, teachers, or child care workers. Governor Clinton supports making Head Start available for every child who needs help, and the creation of a national examination system to make sure our children can meet world-class standards in subjects like math and science.

**Job Training:** A Clinton Administration will create a national apprenticeship program like the one he started in Arkansas, to enable high school students who aren't bound for college to enter a course of study designed by their high school and local businesses to teach them valuable skills, with a promise of a real job when they graduate. Governor Clinton believes that we need to become a nation of lifetime learners, and has proposed a national literacy program to teach every adult to read and write, and an innovative job training program that would require every employer to offer his or her employees valuable job training opportunities or to contribute dollars to a national training fund.

**Making Work Pay:** Bill Clinton believes we need to empower the poor to work their way out of poverty. As president, Clinton would make work pay by expanding the Earned Income Tax Credit for the working poor, and by supporting public and private partnerships to give low-income entrepreneurs the tools to start new businesses, through innovative institutions like Shore Bank in Chicago and its rural counterpart, the Southern Development Bancorporation in Arkansas.

**Tax Fairness:** Finally, empowering America's workers means letting them keep more of what they earn by cutting the average family's tax bill by 10%, approximately \$350 per year. Bill Clinton believes the people who earn more ought to pay more, not because he wants to soak the rich, but because he believes overburdened middle class families shouldn't have to live like they're poor.

**Radically Changing Government:** Bill Clinton thinks we need to reinvent government so that it can become an engine of opportunity, and not an obstacle to it. In Arkansas, Clinton has balanced his state budget year after year, improved services, and made sure government treats constituents like the customers and bosses they are. Clinton believes government can deliver better services with greater options for the same or less money if we restructure government the way successful American corporations streamlined themselves in the 1980s to remain competitive.

A Clinton Administration will reduce bureaucratic overhead through annual 3% cuts in federal administrative costs. Bill Clinton believes we need to increase the amount of the federal budget which is spent on investment in the future, and less on current consumption programs. To reduce the deficit, he has proposed an innovative budget plan which would tie the growth of consumption programs to the increase in personal income, so that the budget cannot grow faster than the average American's paycheck.

**A National Health Care Plan:** Americans currently spend 30% more on health care than any other developed country. Bill Clinton believes we cannot win in the global marketplace without a national health care plan. A Clinton Administration will introduce legislation in its first year in office to provide affordable, quality health care for all Americans for the same money we spend now, by slashing costs through insurance reform, holding down drug prices, stopping the spread of redundant technology, and reducing health care bureaucracy.

**A Revolution in the Workplace:** To get our nation moving forward again workers and management must work together to create a new, high performance workplace. Governor Clinton has called upon management to allow workers to assume new responsibility for decision making in exchange for abandoning out-moded job descriptions and work rules. Clinton believes we need to tie job pay to performance for workers and management, and increase incentives for employee ownership.

**No Deductability for Irresponsibility:** In the 1980's, corporate executives raised their pay by four times the percentage their workers' pay went up and three times the percentage their profits went up. The average American CEO is paid 85 times as much as the average American worker. Clinton wants to abolish the tax break for excessive executive pay, and end the special tax treatment of corporations that sell out their employees by transferring plants and jobs overseas.

### **A New Strategy to Compete and Win**

To compete in the global economy, Bill Clinton believes its time to organize the American economy to win against our friends in Europe and Asia.

**Incentives for Productivity:** Clinton has proposed a number of incentives to boost productivity including permanent extension of the R&D tax credit and tax incentives for the development of new technologies. As an alternative to George Bush's capital gains tax, which merely rewards the hollow paper profits of Wall Street, Governor Clinton supports an enterprise tax credit which rewards those with the patience, the courage, and the determination to create new jobs by starting new businesses. Under this plan, people who invest in newly created businesses would receive a 50% tax exclusion for profits on investments held for more than five years.

**Expanding Trade for a Strong America:** Bill Clinton believes protectionism is just a fancy word for giving up; Americans want to compete and win. Clinton supported fast track negotiations with Mexico for a free trade agreement, but insists upon the need for tough conditions which prevent our trading partners from exploiting their workers or damaging the environment. A Clinton Administration will tell Japan that if they don't open their markets and play by our rules, we'll play by theirs. To reduce the trade deficit, Clinton has called for an energy policy which reduces exports through greater reliance on clean, efficient natural gas, and through research and development of renewable energy sources.

**Getting Products to Market:** Bill Clinton believes that if we are going to restore American competitiveness, we need to be in the forefront not just in inventing products, but in bringing those products to the market. A Clinton Administration will create a civilian agency to provide basic research for new and critical technologies, and to provide assistance to U.S. corporations that want to bring these technologies to consumers. In addition, Clinton has pledged that for every dollar our defense research budget is reduced, he will increase the civilian R&D budget by the same amount. Governor Clinton also supports a transitional plan to convert the U.S. from a defense to a domestic economy in a way that creates more high-wage, high-skill jobs and doesn't destroy our most successful industrial base.