

What Can Business Do?
2006 Clinton Global Initiative Annual Meeting
September 22, 2006

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

[START RECORDING]

[Video]

MALE SPEAKER 1: Ladies and gentlemen, please welcome the former President of the United States, William Jefferson Clinton.

And please welcome our panelists. Chairman of the Board, Grupo Carso, Mr. Carlos Slim; Chairman and Chief Executive Officer, News Corporation, Rupert Murdoch; General Colin L. Powell, President and Chief Executive Officer, Wal-Mart, H. Lee Scott, Jr.

Ladies and gentlemen, please welcome our moderator Special Correspondent for NBC News, Tom Brokaw.

WILLIAM JEFFERSON CLINTON: Good morning ladies and gentlemen. We are going to begin with a few impressive commitments, which I will do as expeditiously as possible so our great panel get to work.

The first organization we recognize today is my neighbor in Westchester County, the Swiss Reinsurance Company. I would like to ask the CEO, Shaga [misspelled?] Grand, Roger Ferguson, chairman and chief broad member to come up. They last year you may remember made the largest dollar commitment of any of the attendees at CGI for clean energy projects across Europe to do their part to reduce the threat climate change.

Today Swiss Re makes a very interesting and

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

innovative commitment, which could be followed by virtually any company of any size on any continent. Swiss Re's new CO2 - listen to this. COU2 Reduce and Gain Program, will be launching in January offering each employee of the company 5,000 Swiss Francs, roughly \$4,000 every five years to match any investment he or she makes to reduce the emissions that they individually cause. [Applause] Amazing.

So that the company will match expenses that include buying a hybrid car, installing solar panels or heat pumps in the home. The program could also be used to pay for days that employers take off to work as volunteers in climate related activities. If half the company's employees use the program, Swiss Re would be investing \$5 million a year. So, we urge their full participation.

Eligible investments will vary from country to country just as effective ways to reduce CO2 emissions vary with locations. Since 1980, solar panels have become seven times less expensive, for what - in other words, their cost has dropped over 80 percent. New inventions and technical innovations are bringing those costs lower every year. There are some hybrid cars already that can get more than 50 miles a gallon. Heat pumps cost less to operate than all other types of heating systems. And we have already talked the savings that are available from more efficient lighting. As far as I know this is the first company that is offered

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

its employees financial incentives to reduce their own individual contributions to climate change. It's quite an advance and I thank them very much. Lets give them a hand.

[Applause]

now I would like to ask Margaret McGlen the President of Merck Vaccines of Merck Pharmaceuticals and Margretia [misspelled?] Urgand [misspelled?] from the Ministry of Health in Nicaragua to come forward.

This is a commitment by Merck to introduce Rotavirus vaccine in Nicaragua creating a new model to accelerate vaccine access in low-income countries. It is a \$75 million commitment over three years to vaccinate every child born in Nicaragua against rotavirus, a common cause of severe diarrhea among children.

Let me just reiterate the facts here. One in four of all deaths on earth are AIDS, TB, malaria, and infections from dirty water including cholera, dysentery, with the largest category is diarrhea, and 80 percent of the people who die are under five years of age. So, this is a very, very important commitment.

As part this three year partnership for the government of Nicaragua, Merck is going to give an estimated one and a half million doses of its rotavirus vaccine for free in hopes that this vaccine program will be a model of how to introduce not new vaccines around the world in the

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

future. This could help us all. The Gates Foundation for example, and others are spending an enormous amount of money to revitalize the efforts to seek an AIDS vaccine. And we need to know how best to do this among children. It is responsible, rotavirus for the deaths of 600,000 children age five or younger every year, 80 percent of them in developing countries, 15,000 in Latin America.

So, they are going to reduce the 1400 children who die from this every single day. And I'm very grateful to them. So let's give a big hand. This is great.

[Applause]

Now I would like to ask Pam Obeyard [misspelled?] the founder of Humanity United and Randy Newdrum [misspelled?] its executive director to come. They are doing a project with the Center for American Progress and the International Crisis Group. Humanity United will partner with the Center for American Progress and the International Crisis Group, both grassroots organizations and key analyst to mount a comprehensive nationwide campaign to end mass atrocities worldwide, in particular East Africa.

Now I want to personally thank Pam for her commitment on these issues and all the many times that she has talked to me in stern terms about our obligations to the more Endopore and elsewhere. This is more than a passing interest. They will be broad base, nonpartisan diverse and creative advocacy

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

to policy makers and decision makers in America and other countries to develop strategies to increase preventive measure against crimes against humanity and make relief immediately available when regions face extreme violence.

Sudan and Kenya continue to suffer from ongoing civil conflicts and there have been many, many others in Africa in recent years. So, I think we can safely say that someone needs to do something to raise not only public awareness but determination that leads us to a more systematic respond so that we can respond to these kind of things in a more timely fashion.

Pam Obeyard founded Humanity United in 2005 as a catalyst to end human suffering caused by mass atrocity and this is a big first public step for them to do something that I think has a chance if the rest of us help them to change the way policy is made in America and throughout the world. Let's give them a big hand.

[Applause]

I would like to now invite to the stage Martin Sullivan, president and CEO of the American International Group, AGI, and Maria Ortello [misspelled?], the president and CEO of Axion.

Their commitment is fund 30 micro finance institutions to provide more than 1 million new entrepreneurs with innovative financial products like housing loans,

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

insurance, savings and remittances. They will also establish the AIG prize for micro financing innovation to reward institutions that devise new and successful products and delivery measures in micro finance. Sponsoring Axion's financial literacy program, which will deliver no fewer than 450,000 courses in business development and financial literacy.

AIG and Axion believe the next major step in micro finance is a shift from credit driven to demand driven institutions that focus on what clients need. In spite of the explosion in micro credit in the last ten to 15 years, 80 percent of the world's population still has no access to credit. And 500 to 600 million people we know by today's commonly used criteria are eligible for it who do not have any access.

So, this is very exciting. If you think about the fact that the World Bank now estimates that there are over 7000 micro finance institutions that serve about 16 million poor people, with an annual turnover of about two and a half billion dollars, the fact that at this conference we have had commitments that in the aggregate will add millions and millions of people to the ranks of those eligible for micro finance. This is one area when you go home and they say what did you do to change the shape of things, you can say that we have had in a one three day period we have a substantial

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

increase in the base of people all across of the world eligible for micro finance and we should be grateful to AIG and Axion for their role in doing that.

[Applause]

Now I would like to ask Vanote [misspelled?] Gossler, Jim Wolfenson, Ron Berkel, and Steve Ming to come forward. All these four people are good friends of mine and I have to say something very personal about the advance of CGI. As far as I know this is the first time in his adult lifetime that Ron Berkel has worn a tie three days in a row. [Laughter] And Steve Ming did buy me a tie for my birthday. And Vanote Gossler has now become the world's international authority on the most fashionable way not to wear a tie. [Laughter] Wolfenson and I, we are just two grey-haired guys in suits. [Laughter]

I want to say that these men represent a commitment that also includes my personal involvement to do something to raise substantial funds to make green investments. Climate change already contributes to a 150,000 deaths a year. The United States in spite of the growth of China, India, and other countries with only 4 percent of world's population, still contributes 22 percent of its carbon emissions.

We know that if we reduced emissions 50 percent by 2010, 75 percent by 2015, 85 percent by 2020 just of diesel fine particle emissions, we could save a 100,000 lives

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

between now and 2030 in this country alone. So what we are going to do is to team up to pursue clean renewable energy sources, new conservation technologies, and try to raise as much money as we can to finance a significant dependent reduction independence on fossil fuels and create more jobs, not only in the United States and in other developed countries but in the developing countries as well. We have to be able to prove that there are economically viable ways for countries to get rich and avoid the greenhouse gas path that we took. So, I thank particularly the Vanote Gossler for his unbelievable passion in the area of biofuels and developing a green future. And I thank my friends for joining me with him to try to raise the funds necessary to make this transition much, much more quickly. So let's give them a hand and Mr. Gossler you begin.

[Applause]

I would like to say a special word of thanks to this extraordinary group of panelists that have joined us today. I'm indebted to many of them for many things but a lot of the specific things they will talk about today and I would be remiss if I didn't thank Rupert Murdoch and his unusual partner Barbara Streisand for funding my Foundation's efforts to help. We now have 32 of the 40 largest cities in the world signed up to make a joint effort to have a major reduction in our greenhouse gas emissions. And we couldn't be doing this

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

work if weren't for him and thank you, Rupert. Thank you, Barbara. Let's get on with the program. [Applause]

TOM BROKAW: Good morning everyone. I'm Tom Brokaw. I'm very happy to be here. If you believe as I do that a lot of life is like high school, this is not a bad cafeteria that we are assembled in here this morning. And I'm not sure how I got to such a cool table as we have assembled here on the stage tonight. Most of you know who these people are so we are going to move right into the discussion, and we hope that during the course of the next hour or so we can help ourselves and help all of you find new ways of dealing with this much smaller planet on which we are all living, where there are more people and disappearing resources. As I travel the world I'm so acutely conscious now of how many traditional boundaries have dissolved or have been lower. I'm acutely conscious of the seismic shifts and political and economic power. And I'm extremely aware of the fact that no government can do it all when it comes to the needs that we have, economically in terms of social responsibility and our natural resources. And very rapidly filling that gap of course are NGOs who are the private sector.

When I don't have any news, JoAnn [Inaudible] overseer of International Rescue Committee is kind of the gold standard in dealing with refugees around the world. Since 1996 our budget has gone up 300 percent and we now have

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

13,000 people around the world and we have been dealing not just with the traditional problems in Africa but with new refugee crisis and Lebanon and Afghanistan and Pakistan and in spumone region. That's just one tiny snapshot of the challenges that are before us here today.

So I would like to begin by asking our distinguished panelist Colin Powell who has worn so many hats, the commander of troops on the ground, The Chairman of the Joint Chief of Staff occupying the national security office in the White House and of course the Secretary of State, whether we need a new model or to be thinking about that, about the interface between government, private sector and the NGOs.

GENERAL COLIN POWELL: Thank you Tom. It's a great pleasure to be with you this morning and with these distinguished panelists. I think a new model has emerged that we are trying to catch up with. When I think about my life in government and most of those years as a soldier. The world that I knew and the battlefields I worried about whether it was a cold war battlefield in Europe or the hot wars that I was involved in Asia. All of that has fundamentally changed and all of the political, cultural, social, and other kind of boundaries that we use to have just 15 or 20 years ago that segregated the world, the red side of the map or blue side of map. Not only segregated us with respect to the ideological systems we believe in but segregated us with respect to

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

economic activity. The kind of things that we are doing now, the sort of things we are talking about now were impossible just 15, 20 years ago.

Twenty years ago, right now I was a corp commander in Germany. I had the narrowest section of the NATO front. It was my job to stop the Russian 8th Guard Army if it ever came through. And if a plane ever approach Frankfurt from that direction coming from Prague I would engage it with Hawk missiles. That was just 20 years ago. And I watched all that plus. I watched all of that come down.

I'll never forget the day that Gorbacvich [misspelled?] looked me in the eye sitting in the Kremlin and with a smile on his face said to me, "General, general, I'm so very, very sorry but you will have to find a new enemy." [Laughter] And as a professional soldier I thought to myself at that moment, I don't want to. I like this enemy.

You know life is simple. We got our product, you know products in place. We got our market share allocated. Just because you are having a bad year, why should the rest of us have to change? [Laughter] But he was having a bad century. [Applause] And so it all changed.

Several things happened. Iron Curtain came down. Germany unified itself. Suddenly, trade began back and forth. You just heard samples of it in the last few minutes and in the course of the last day or two. China discovered that it

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

was getting nowhere with Mao's red little book and Chaung Da Peng [misspelled?] came along said I no longer care if it's a black hat or a white hat as long it catches mice. Meaning its irrevalent whether it's a communist economic model or a capitalist economic model, the only thing that counts is does it catch mice. Does it create wealth?

Both in China and in the Soviet Union, the realization came about that they couldn't have both guns and butter so both of those systems had to fundamentally change. And when they changes enormous new opportunities opened up for trade, for investment. These nations knew as did other nations in the world watching all this take place. But it really was democracy that worked. It really was the market ecomonic system that worked. And great opportunities were created for businesses represented on the stage and represented throughout this audience.

What can those businesses do? What is their role? What is the nature of the partnership they should have with the government of the country that they were going to do business in? First of all the most important contribution that a business makes to the country that it is going to do business is not philanthropy. It's to create jobs. Create jobs for the people in that country so that on a Friday evening they can bring home a paycheck and bring dignity into the home and demonstrate to their fellow citizens the value

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

of hard work and the value of allowing investment to come into the country.

The other thing that businesses do when they go into these countries is they pay taxes, which contribute to the economic well being of that society. The most important thing that businesses do when they go into these countries is to generate a profit for themselves. And all of that other stuff that we are going talk with respect to philanthropy will only come about if businesses are developing a profit, creating a profit for themselves.

That means they have to go places where the rule of law exists where there are high standards of corporate governance, where commercial law exists, where there is recourse to the law, when commercial disputes come along. They have to go to places that are now friendly toward business. Capital as we know is a coward, it will go only where it can be safe and more and more nations are realizing that.

So a new model was created and we have moved from the battlefields of my youth to playing fields. And I think one of the most important playing fields that we have to think about is the economic playing field. When you see the emergence of the East European and Central Asia nations that are trying to develop economies that work in this 21st century world. When you see what China is doing, when you see

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

what India has done to become a strategic partner of the United States of America. When you see how the world trading organization has exploded. When you see how China decided that the way to assault the United States is not with little red book and ideology but the filling Walmart stores with their products and making sure we buy those products. And when we run out of money to buy those products, the Chinese are lending us the money to buy their products. They have gotten very, very smart with respect to how this world is working.

As a result of this fantastic change and moving on to economic playing fields, even though there is still some ugly battlefields out there, more people living under democracy than any time in history. And more nations are democratically lead than any time in history. And there are few wars than anytime in the last 50 years creating more opportunity for trade, investment, and business.

What I have been so pleased to see is that as American companies go overseas and generate profit, create jobs, and pay taxes, they realize they have a greater obligation to those societies. And I have seen them meet those obligations whether it is making sure that they are training a skilled workforce so infusing that society with the skills of modern business and modern industrial practice. They bring with them labor standards that don't immediately take root

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

throughout the country but give an example to the country and how you have to protect labor. They start to work on the health needs and the healthcare of their employees. They start to invest in the infrastructure of the country in which they are working.

So, private sector working with government sector, working with NGOs, working with international organizations have an important role to play as we move the world further into the 21st century. This globalized world, this world that is flattening. This world that is being driven by the information revolution. All of these things come together and give us new opportunities to help the people of the world.

The best illustration is this is what you have heard over the two days with respect to commitment. Just listen to the kind of things you heard about and how the companies and other leaders who have come forward and sat on this stage over the last two or three days have shown you, illustrated to you, demonstrated to you how they can make contributions to solving mankind's problems.

In the State Department, I found that in the four years that I was there, that we have a good understanding of this and increasingly as our economic counselors in our embassy that have more work to do than the military attachés or anyone else. And this as it should be. Under the leadership, my distinguished predecessor Magdelaine Albright

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

who is here with us today beginning in 1999 we started the recognize from the State Department those companies that are making major contributions in the countries in which they do business. And we get about a hundred applications every year for these awards. Now and it is a source of great pleasure for any Secretary of State to stand up there and recognize companies who are investing in all of things I've talked about.

So, the new model that is out there is a model that begin with the end of cold war, with the realization in China that they had to change their economic system and with all that has happened over the last 15 or 20 years. I think is a model that is in a model in progress. Its going to go to continue evolve. Its going to require partnerships between the private sector and government. Its going to require the support of the United States government as we go forward but I think we have the potential to make this a much better world, to improve the health of the world, to eliminate poverty in the world, to make sure we are investing in infrastructure in the world, to educate the young people of the world, to give those developing nations of the world the kind of skill sets and the kind of infrastructure that they need to be successful in this 21st century world.

So the model has changed. I'm glad that everybody here understands that changed model and we are working

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

together to keep the world moving forward to improve the lives of our fellow citizens throughout the world and prepare a next generation of leaders among the young people of the world.

[Applause]

TOM BROKAW: Mr. Secretary, thank you. That gives us a very good tour of the horizon and a working overview. Now let's see if we can't get at some specific issues. Rupert Murdoch you are the most powerful media baron in the history of our business. You cover the waterfront. Print, electronic, satellite, the blog-sphere. The old rule use to be print the news and raise hell and let others worry about social issues. Is it possible to have the kind of power that you do in this information technological age and still be a global citizen or is that a difficult intersection for you to work your way through in your business?

RUPERT MURDOCH: [Inaudible]

TOM BROKAW: You have to pick up the microphone, Rupert.

RUPERT MURDOCH: I'm ignoring your exaggerated introduction but of course, we should be advocating. You said we use to raise hell, we got to raise hell about the issues that matter. And we do. It's a very, very important for us to be efficacious, efficacious with our readers, efficacious with our own staff. For instance, when there be national diasters or

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

unnatural disasters I think, shooting [inaudible], we immediately appeal to all our readers to give money for relief and we match that amount of money.

There are many, many things we can do at that level. And but I think our role also because remember we are large public company with a 100,000 shareholders. Our job as directors or trustees for those 100,000 people, so there are limits to what we can do. But if it's making our company a better company, making our employees better citizens, that's fine.

For instance in London, we appealed to journalists on the times to go out and teach reading to the thousands of Bangladeshi migrants who live within three miles of our printing plant. We got twice as many volunteers that we could possibly handle. But half of them go out now every day teaching reading to the Bangladeshi immigrants who are pouring into London. That's the sort of thing we do to make ourselves aware to be better citizens to do everything we can.

There are things on a bigger global stage we try to do such as, let's take climate change for one thing. That we made a gift here to President Clinton. We have actually done something real in London with [inaudible]. I found about it later because my son did it but as a result we are putting it right through the company. We are going to absolutely carbon neutral. And it's a company employing thousands of people.

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

[Applause]

We think it does a lot for the reputation of the company. It improves its image. It makes it more valuable. That's good for the shareholders too. But it's good for the society. We are going thousands well, it's only hundreds of little incentives that all add up and they are all a mess. Whether it's changing from a taxi company to one that only uses non carbon fuels. We subsidize every employee \$2,000 who will buy a hybrid car. We are looking at everything we do, our suppliers, every thing they supply to us, boxes or whatever. What fuels are they using, what are they doing.

Then where we will fall short at the end, we are committed to put in - you know a wood farm or forest in certain parts of the world to make up the difference. We are doing that and we are now examining whether we can do it across the world for our whole company in every country in which we operate.

And we just come back for a minute to HIV piece, you know the thing Star and India, we done a tremendous job on our seven television channels there to make people aware of the danger of HIV. And other things like we just developed MySpace with over a hundred thousand registrants. We are appealing to them to make them more aware and to give to the victims of a civil war in Garfoe [misspelled?]

And it goes on and on and on. We can do many, many

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

things. They are not multibillion gifts but maybe they more valuable. We are developing - we are a group. I'll just shut up in a minute - but we are - put this last night, we are trying to get a \$100 computer made which can go to every desk of every child in the world. we've got the costs down to something very close to that. Now it's pretty unpopular with certain one line people at this conference but we've achieved it and its going to be going out already major nations in Africa are buying into it, Brazil is buying into it. And this is a computer which will have V-Fi on it. it will have the camera in it. That's every high tech thing you can think of and every child should be able to get one of these on their desk wherever they are in the world to bring them into the new age. We think that's a very important thing. Ourselves, Google, AMD, about six companies. We're in this with Foster MIT-

TOM BROKAW: Will that computer have a key on it that will take them automatically to page six?

RUPERT MURDOCH: Ah I wish. [Laughter]

TOM BROKAW: Lee Scott, you grew up in the American Harlem.

H. LEE SCOTT JR: All right.

TOM BROKAW: And arrived at Walmart as a truck driver. Now you are steering it in a new directions. You are known as the man whose turning Walmart much more into a green

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

retailer and a green presence in this company. How much of that was driven by social protest against what Walmart represented in this country?

H. LEE SCOTT JR: Oh, I would say very little was driven by specific criticism on our actions within the environment. I think as a company we have gone through a transformation, as we have become a larger company. And have grappled with understand what is our role beyond the business model and the products that we sell to our customers and the savings that we provide, I would say that as General Powell did, he would substantially less than 25 percent of those would actually have come from China. And we would - we didn't know how to interact with the NGOs and you know to a question that you asked previously, the issues are basing this world, this country and this world are greater than what government itself can solve. And they are greater than what businesses can solve. And in many cases, NGOs simply do not have the power to resolve the issues.

What we have done that has been the most successful is as we have reached out and built alliances both with governments but specifically with NGOs who have technical skills and technical knowledge that did not reside within Walmart. We have convinced them that we really care. And we want to do the right thing. What has happened is they have learned about our business, we have learned about them. And

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

what we have done is arrive at the intersection point where these opportunities also match with great business opportunities.

So, if you think about something as simple as compact fluorescent light bulbs. By working with General Electric and Jeff Emeril and I working together and our teams working together, and working with National Resource Defense and Environmental Defense and other groups, we have a plan in place right now we are working on to sell a 100 million compact fluorescent light bulbs which are profitable for General Electric, profitable for Walmart and would save - if we do that, we'll save one and a half power plants.

And all of a sudden your size, if you can harness your size and your relationships and if the NGOs will trust that your motives are always evil then you can make partnerships that take these things beyond any thing you would have dreamed of.

And the last thing I would say on this is we did this because we thought there was a great business opportunity to eliminate waste and to grow our business. What I did not recognize is how it would excite our associates. It would give them a common bond and a common purpose that is beyond the transaction that simply - you know our philosophy of saving consumers money. It's a higher purpose and it has been embraced and driven through the company.

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

[Applause]

TOM BROKAW: Carlos let me hear the most powerful man in Central and South America. You have created an enormous telecommunications empire and retail empire. At the same time, you have been the greatest philanthropist that your company has known. One of your foundations has \$3 billion. You are doing everything from education to healthcare. But what happens when you as we all do at some point go away. This is a personal commitment that you have made. How can we be sure that these kind of foundations or these kind of commitments that are made in the private sector, have lasting power and that it doesn't take the responsibility away from the governments so that they say well Carlos is doing that. I don't have to worry about it.

CARLOS SLIM HELU: Well Good morning. First, I want to pray for President Clinton for his invitation. I think that's the way to address the global problems. And then let me disagree with the adjective you gave me. But anyway, I think that business community should get involved in the solution of the global problems especially poverty.

I think that to fight poverty is also a very good investment. It's the best investment from the social, political. and economic attire. Poverty is not just a problem like it was in the [inaudible]. A problem of ethnics, a moral problem or a problem of social justices. It's an economic

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

need.

We have seen in the last 50 years that trillions of dollars have been go to try to solve the problem and the problem is still there and very strong. I believe that the only way to solve this problem is with education and employment. And we had seen how many countries in the last 20 years have take out from probably hundreds or millions of people. Hundred million of peoples and the country have also—that is very important get out of underdevelop.

We have seen that first in northern Korea but we also saw it in Spain, in Portugal, Greece, all of the Soviet Union countries that are growing strongly and going to get the better [Inaudible] relationship Asia.

And the last example and the strong example is China, India. How they are going to more [Inaudible] coming from [inaudible] 1000 years old. And [Inaudible] but very fast growing more than 10 percent and I think they will grow on this amount in the next maybe 50 or 30 years. Taking people out of poverty and very primitive economy without a consumption and get them [inaudible] society. The development of the [inaudible] come from [inaudible] and rural countries going urban and [Inaudible].

And now they are making a new Prague coming from a very old economic [inaudible] society to a very modern society with high technology and education etcetera. That's

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

what we want to way to do it in Latin America. We are 500 million people living in American most of us, 1 million of the population has problems of health, nutrition, education, and that we need to move in the education from [Inaudible] to digital computer to [inaudible]. And that's what we think is very important to us.

But other way we believe and that's the point in this conference that its not giving how you solve the problem. This is trying to solve the problems permanently, not only rely of the local problems to look at it to solve permanently. So solve it permanently you need to have like I was telling education and employment. And when you talk about employment you need to talk about employees, employers who give the employment. And for that we have been able to [inaudible] the hostility. And is business the business communities will give the employment. It will not resolve the problem with 50 to 80 percent of the population being [Inaudible]. You need to give employment and the employers are in the business community, especially in the micro, small and medium business enterprise.

That's what you need to do is to have investment, to develop human capital, human and physical capital. What's human capital? Nutrition of the mother pregnant, the health of a child, nutrition of the boy the first three years especially, health and education. High education and a

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

[inaudible] to modernization and quality for the education is very important. Because with the method of education you have better jobs. And good jobs and people need families, and people need societies and that equal bondness.

TOM BROKAW: You think you are a model can encourage more North American based companies to make greater investments in South America and in Central America. And should there be more dialogue at the private sector level about the issue of job creation and the issue in this country especially of illegal immigration.

CARLOS SLIM HELU: Well, first I know that I think that your country also need to abolish poverty because you have a lot of people out of morality that you need to educate and give it to them. [Applause]. And then I think that is a issue also for North America. But now what I believe is there are thousands of things and projects and billions and billions money and dollars in the money market, the capital market, all the markets.

What we need is to put together the needs with the money. And that's what we are trying through others now with the [inaudible] activity. I let my boards; I let the boards of the company [inaudible]. We are trying to push the development of employment with two combinations. First, I was telling that this profit level I think that we need to have a war against poverty and that I believe that you need two kind

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

of combination. First it is profit level to invest in the education, to invest in health, to invest in the interest of [inaudible], housing, in telecommunications, fiber, roads, water supply and treatment, through which every thing can be profitable. That's one side.

And in the other side, for the things that are not profitable we have the foundation. We believe that the combination of a business oriented company with a Foundation, you can average the problems. Lets say the medicine research, technology research, science and the development. If not profitable you make it the Foundation so you can support some hospitals having problems and education problems that are not profitable through this way.

But also and that's my last point talking about the questions you made to General Powell. We are sure that there is a limited body who in the public body always especially in the poor countries. There is a big limit to public investment. There you need to make a combination between public investment and public investment, not necessary [inaudible] public services financed by private investment.

TOM BROKAW: Lee Scott what happens if a Chinese Walmart develops and confront your pricing policy and how committed are you then to for example, the green movement and how responsible you would be continuing pressure on you about wages and benefits for your employees if as, it could

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

very well happen in this new global economy. We suddenly find retail empire coming up from Mexico, or from Singapore or from China going right after what has always been your great strength which is your service and pricing policy.

H. LEE SCOTT JR: Well first of all you have to driven by a philosophy and not by rules and Carlos is talking about Central and South America and you are talking about China. The truth is Wal-Mart's program has been embraced as well if not better outside the United States than it has been inside.

I was amazed when I traveled to our stores in Costa Rica and found out how much further ahead they were than we are in things like sustainable fisheries and those areas. So you know you have a basic philosophy that you follow and then you have certain rules. And it doesn't matter what country we are in, there are corporate governance rules that have to be applied and you simply - you simply have to have people who operate within the boundaries that we as a company operate within. Doesn't matter if it is suppliers or if it is our own store.

So I don't - interestingly enough, Tom, at our stage in this we are not finding that there are tradeoffs. Do you have to do less business? Do you have to sell for less if or sell for more. Do you, you know do you are there these tradeoffs? What we are finding is there so much low hanging fruit that just that you are eliminating waste. You are

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

making the company a better company. You actually are able to lower prices. You are able to treat your customers and our customers that base customer; in any country is the predominance of our customer base. They need to save money, and so as you can lower the price of something like those compact fluorescents all of a sudden people who couldn't afford to participate in sustainability, they can now afford to and make it part of their lifestyle and improve their standard of living.

So I - somebody comes in cheats and cuts corners and sells for less than we do, the likelihood is they are not going to be around. And so we stay the course and if we have to make less profit to compete we will make less profit. But we are not going to debase our principles to be compete.

TOM BROKAW: Tell me about the motivation for selling \$4 generic drugs.

H. LEE SCOTT JR: Oh, I just thought it was the coolest thing. [Laughter] You know but it's self-serving in some ways because Walmart sells for less and that's why people get into their car and don't go shopping. We have 176 million people a week shop at our stores, which is a pretty good number. And they get in their car to go Walmart. And they go to save money and because of the assortment and because of the associates.

The one area that we have not been able attack and we

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

have a very low market share is in drugs, in pharmacy. And it's because price hasn't matter because so many people have insurance and yet if you start looking at it and you really get involved and President Clinton and I have had a number of conversations about this. The poorest people in our society don't take their maintenance drugs because they can't afford them. And yet when you look at the margins in the drug business, there are really very healthy and so we have a young person that we hired who came in and we challenged him to put price back into the equation to drive our business and send a message to our customer that we are on their side. He came to us last week on Wednesday I think it was and said we can lower the price on 291 prescription drugs, generic drugs to \$4 period. And anybody can walk in with a doctor's prescription and buy those for \$4 and we as a company, you know, we are going to, if that is all we sell, we are going to lose some money but we think it will drive enough traffic and it will send a strong message out there that by golly if you want to save money prescription drugs, Walmart is the place to shop.

And it will show the customer that we are on their side in this battle for health costs that are affordable. And so we said, it was about a five-minute discussion. We said let's do it. And I think, you know many people will match us. There will a lot of customers who won't switch but the one

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

thing that will be always be true, is the Walmart Stores is the one that took generic drug prices on 291 prescription drugs to \$4 and people are going to save money and its going to improve people's lives because they will be on high blood pressure medicine that they wouldn't have been. [Applause]

TOM BROKAW: General Powell, a lot of these developments are market driven and have grown up in kind of ad hock fashion. But what happens if the private sector and the NGO drive against the conflict with the policy of an administration or what a president or chief executive, not just in this country but also in any of western countries that this is not the direction in which I want to go. How does that get resolved?

GENERAL COLIN POWELL: Well I think it gets resolved through conversations and dialogue and negotiations between the chief parties. But I don't really see that as a real problem, Tom. I sense that policy and the administrations that I have worked in over the last ten or 15 years have been to encourage this kind of activity.

To pick up on one point that Lee made earlier, and I seen this in my work with nonprofit organizations. But you really want to get buy in with your employees. Employees want to be part of a good organization. They want to part of a company that people speak highly of. And so when they see that their company does things such as \$4 generic drugs or is

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

helping with HIV/AIDS they feel better about themselves. They feel better about being an employee and that pays off. That is a benefit to the company over time.

The other thing I would say is that to do this well you have to be prepared to do it on a sustained, consistent basis. And not just giving money. And not just creating a foundation that throws money out. you check it every now and again. I think the best programs are those that get complete employee involvement at every level. So they feel they are a part of it. And everybody realizes that we are in this for the long run and not just to get an award from the State Department and not just for the purpose of making ourselves look good but because it's the right thing to do and it becomes part of the corporate philosophy of the company.

I think those are the ones that give you the most successful programs.

TOM BROKAW: At News Corp Rupert have you in the last ten years or so in your foundation and how you give and what you give in the program that you developed, I happen to know some of the people who are directly in this corporation. Has that become an enormously more important part of News Corporation. Is it something that you pay more attention to? The structure of it and the long-term goal over the business plan if you will addressing the foundation in the philanthropic side of News Corp., has that become as

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

important to you in many ways as the pure business side.

RUPERT MURDOCH: Well sure but you can't do it unless you have pure business side in good order.

TOM BROKAW: Right.

RUPERT MURDOCH: No, I think we - I believe entirely what Colin just said. That people want to feel proud of who they are working for or what company they are involved with and feel proud of it. And they want to feel they are being good citizens and they can talk to other people about it. And I think that we have learned a lot today. I think we have seen how far things have progressed in the last few years. You know it's the market system somebody said working very well because people see this is good business.

TOM BROKAW: Has that been a surprise to you? Has that come to you a little bit late in your business life, in your business career?

RUPERT MURDOCH: No. But I keep having it reinforced.

TOM BROKAW: In driving that?

GENERAL COLIN POWELL: The other thing it does Tom, if I can. When people around the world see American companies in the middle of their countries and take this kind of responsibility, it says something about America. We worry about our image around the world. We worry about public diplomacy and you are not going to solve our image problem or our public diplomacy with public diplomacy programs and

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

plenary. You are going to solve it with this kind of activity where people can see what America stands off. We stand off labor standards. We stand for health standards. We want to invest responsibly in a company. We are making money but we are serving the society in which we are doing business. And that says a lot about who we are.

The reverse of that is to make sure that we have good policies that allow people to come to this country and go to our Universities, go to our hospitals, live amongst us and learn more about what America is truly all about.

So, with this kind of activity we are giving the best public diplomacy message we can to the rest of the world.

TOM BROKAW: Lee Scott, I've already read that some critics, not by name, so far but they may emerge at some point, shareholder groups and others, that say aw, wait a minute we have been this before. we have the made in USA campaign that Sam had. That didn't work out as well for us as just buying wherever we could as cheaply as we could. Are you beginning to feel pressure from your shareholders and from analysts about the direction in which you are taking the company?

H. LEE SCOTT JR: No. We are very fortunate at Walmart in that we have a single family that controls a significant portion of the stock. That family is certainly interested as all families are and shareholders in having you know

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

dividends and shared price increase. But what they are most interested in is creating a company that their father Sam Walton would be proud of. We just finished a two-day board meeting. You know we went through five plans. We went through all those normal things. But in our board we talk a lot about the culture. We talk about sustainability. We talk about from a lens of 20 years from now will the people, that next generation of Waltons will they look back and value what we did as the right thing to build an injuring company.

So there is a balance that you have, that you always have to have but we don't have criticism from our shareholders for what we are doing because what we are doing is not saying we are going to take shareholder dollars and just simply pass it around in public relations image campaign. What we are doing is fundamentally changing the way that we do business and because we have such a large footprint. I mean with a 1,800,000 employees which we call associates. We have 50,000 factories that we deal with.

People as great as 3M, Mona Averil [misspelled?] was in my office last week who is the executive vice president of 3M. They read the speech that we gave at Walmart after Katrina and our efforts in Katrina which caused us to understand that our size can in fact be used in a way that propels good and MO said they read that speech and even thought 3M is already an environmental leader in a company

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

that is well worth admiring. They went back and doubled their efforts on any number of areas because they knew their major customer was going to be looking at that.

I gotta tell you before we started this I had no idea. You know I mean I think NGOs thought Walmart had more power than we thought we did. And that's in many cases the businesses if you will just ask, not - you don't even at this point have to demand, if you will just ask what are you doing as a supplier. It is unbelievable the positive impact you can have across any number of subjects.

TOM BROKAW: You and I talked about this earlier. Do you have a specific antidote in which doing the right thing is also unexpectedly good for business? I use for you the example of my friend Yvonne Schnard [misspelled?] who runs Patagonia and it's been a green company for a long time. they don't like a packaging on their underwear. We are getting down to fundamentals here folks. And Yvonne was told you can not sell underwear unless you put in very fancy packaging that is very costly. He said how about a rubber band around the underwear. A rubber band and that's all with a little tiny tag telling you how much it cost and what the size was.

I think their underwear sales up by a factor of 300 percent.

H. LEE SCOTT JR: Yeah. We are, actually since our conversation we are studying that. We wouldn't of course have

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

an exact copy but something similar. [Laughter] [Applause]

TOM BROKAW: [Laughter] Rupert does the tax structure of this country have to be changed to encourage more of that and to reward it in ways that it's now being rewarded. The role of the private sector in philanthropy and doing a lot of the work that government traditionally has done in the past. Just not only within these borders but outside these borders as well. Does that have to be a part of the examination that we are making as we go forward into this new world.

RUPERT MURDOCH: I don't think so. I'm not an expert on that but my understanding is that certainly 90 percent of the giving that we do is tax deductible. I don't know if you can ask the government to do any more than to pay half it, which is the effect. and then effective.

You know we hear about these great gifts but in fact in most cases, in most countries, the government's in fact paying for half of it.

TOM BROKAW: This is a very philanthropic culture in North America. You are an extraordinary example in your country. The work that you have been doing Carlos is that it had radiant effect among your fellow businessmen and friends who are also very powerful in Mexico in terms of making them think about what they want to do. I give you one good example. I have a friend in Chili who is an American whose gone down with Senator Lott with land preservation and

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

conservation. And it was good resistance to the idea but of course, he was a North American but he loved the land. And now that they have seen how successful he is other Chilean entrepreneurs nationals in that country are going to him and seeing the model and saying what can we do. Will you help us? We want to do it on our own but we need your guidance. Do Mexican and other Central American businessmen come to you and say help me out here.

CARLOS SLIM HELU: Sure. As you will say that about the our foundations if not my compromising a family of compromise. And they lump them a very long term compromise the way to keep us big as we need to make it. And there are many foundations if not Mexico but in Latin America. In Mexico we can count some of them from the 20s and like in US many of them were oriented only to museums, art collections, [inaudible] but now its very clear for everyone in all Latin America with the strong, a strong foundations, that we need to air these other problems.

The problem of poverty and development and the challenge we have there is the profile of the entrepreneur. More than the politicians.

TOM BROKAW: General Powell it seems to me that one of the impressions that we ought to leave with this audience is that this is long complex organic commitment that must be made because these problems took a long time coming and they

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

are not going to go away soon.

GENERAL COLIN POWELL: They have been a long time coming. It's going to take a long time to resolve them. And so, I would say that we should keep encouraging companies to move in this direction but also encourage them to make that kind of long-term commitment. Don't use donate computers to some school somewhere and say gee, I've done my duty and I got a nice tax write off. If you are not also put in place the education system, the training system, the maintenance system, the software updates and all the rest of it you really haven't done anything except to make yourself look good in a one-time event.

And so we can do a lot more and I think as long as and along with what Lee said, as long as the company itself sees the benefit either on the bottom line or good will or the employees feel good about what they are doing, then more companies will get involved. We need to get more trade Associations involved. When you deal with trade Association you get a lot of companies all at once that might get involved.

So, I think we ought to engage trade Associations more to generate more interest on the part of companies that has to be persistent. It has to be a persevering commitment where you stick with it. And don't turn away as soon as they think they have milked it for all the public relations

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

benefit they can get from it.

H. LEE SCOTT JR: General Powell, we have talk about sustainability. There are people in this room who are dealing with issues that are not as broad based and more difficult in human life then what we are dealing with. The progress we are making in sustainability is actually, what I would describe as fun. It is a fun part of the job.

There are other parts that I think are important like when you, when Walmart Store retailer opens in China and setting the standard for sanitation, setting the standard for paying taxes. The same Central America or other countries in South America. Setting the business standards and then promoting people within those countries to run those countries not doing that with expads but creating the business skills and the work climate that allow what Carlos is talking about, Rupert and what General Powell are talking about, allowing those things then to become part of that business culture.

You can't change an entire country but you can sure change in our case the suppliers we deal with in a country when they know that that we are not going to be a part of corruption. And we buy a piece of land and we are not going to be a part of corruption. We can set a standard that I think becomes helpful as countries try to fundamentally change their way of doing business which those ways of doing

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

business that are corrupt, I believe are directly related to poverty.

[Applause]

CARLOS SLIM HELU: Well I think the [inaudible] community very important. The corporations to important to [inaudible]. And the executives have also this problem but I think there's more and also on the side of entrepreneur and [inaudible]. Not only the corporations but the stockholders, the entrepreneurs and the investors actually do that. Thank you

TOM BROKAW: Let me end on this note with just a question. One of my concerns has been the kind of people that we are able to attract to the public sector. We have a clear demonstration here of the imaginative minds and the high standards of the people who are in the private sector. Do you think that there is some possibility, General Powell, that out of this renewed interest in the private sector and the NGOs the people will begin to think about to going back to Washington and getting involved in government as well as they did in 50s and the 60s and then there has been a kind of halt to all.

GENERAL COLIN POWELL: I certainly hope so. I mean we are always looking for great people to come into the foreign service, and I think all government agencies are looking for the best people. I'm pleased to say that in recent years in

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

the foreign service, we have seen renewed interest on the part of young Americans. A lot of those who have worked overseas and have seen the problems, have done their share in corporate life and they have done reasonably well, but now they want to get back at a different level. They want to set policy or they want to be involved in a different level, and they are coming and joining the foreign service. And I think other government departments are seeing that.

So I think we can see it both ways. I hope a lot of the people who leave the foreign service will want to go then into the private sector. And make their contribution as well.

So, yes, Tom, I think this is a way to generate new interest in serving the public.

TOM BROKAW: Any of your key executives talk about wanting to go to Washington, Lee.

H. LEE SCOTT JR: No. [Laughter] But I have worked with a number of Rupert's people, and I will tell you that I think he is good, but one of the keys is he has a great team and he has a number of people that I would recommend to go to Washington.

[Laughter]

RUPERT MURDOCH: They are not available, all right.

[Laughter]

TOM BROKAW: But that's an issue. That's a concern. The fact is that you can't let atrophy occur at the public

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

level as well. Rupert if you have good people, should you in a corporation as a part of this commitment that you are making talk to people who work for you about giving back in the public sector as well and serving in Washington in some capacity.

RUPERT MURDOCH: Oh, yeah. I was joking. I think that a lot of our best people would treat it as a great honor. Because at some stage in their career, they are invited to go Washington and serve. And we would certainly always welcome them back afterwards.

GENERAL COLIN POWELL: And there are many who do. I mean immediately come to my mind Hank Paulsen those of who can afford go into public service and frankly public service at a senior level has been made much more difficult over the last 20 or 30 years Tom with the disclosure requirements and the process you go through to get confirmed. And frankly the attention you draw. And the wonderful world of information technology also has produced bloggers and all sorts of people who in order to gain market share in a particular television network go after public officials. Perhaps unfairly from time to time, wouldn't you agree, Rupert? [Laughter]

RUPERT MURDOCH: It depends which media you are talking about. Yes.

TOM BROKAW: Now that the General has brought this up I was tempted Rupert, but I decided not to, but I think there

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

are problem a lot of people in this room who say that there are people who work for you who are already working for the administration. [Laughter]

On that note, I want to thank you all. [Laughter]
Leave it at that. Thanks, Scott, Rupert Murdoch, General Powell Carlos. Thank you all very much. Let me just say one word.

I really believe that these are seismic shifts of enormous importance. I spent a lot of time in the third world and I spent a lot time in the underclass in this country. And we can't leave it to these companies and to these gentlemen alone. This kind of work requires foot soldiers and it not enough just to come to breakfast once a year at the Clinton Initiative. It means that we all have to make a commitment in some form. And I hope you have seen here today that there are lots of rewards for that kind of commitment that go beyond the bottom line. So thank you all very much for this chance to talk about this.

[Applause]

[END RECORDING]

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.