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REMARKS BY THE PRESIDENT TO THE PACIFIC BASIN ECONOMIC COUNCIL

Constitution Hall
Washington, D.C.

10:12 A.M. EDT

THE PRESIDENT: Thank you very much. Mr. Tooker, Mr. Fenmore, Mr. Lee, members of the administration, my fellow Americans, and our guests from all around the world. Welcome to Washington and welcome to Constitution Hall.

For nearly three decades the Pacific Basin Economic Council has stood on the cutting edge of trade and investment and opportunity. Today, with 19 member nations from Mexico to Malaysia, you're an integral part of this vibrant Asia Pacific community. I am especially grateful for your active support of APEC.

Today I am pleased to announce the appointment of three talented Americans to the new APEC Business Advisory Council -- Frank, Schrontz, Susan Corrales-Diaz, and Robert Denham. I also want to say a very special thank-you to Les McCraw of the Fluor Corporation for his tremendous contribution to APEC's Pacific Business Forum over the last two years.

The world has changed a lot since 1967, when PBEC was founded. Superpower confrontation has given way to growing cooperation. Freedom and democracy are on the march. Modern telecommunications have collapsed the distances between us. The new global economy is transforming the way we work and live, bringing tremendous opportunities for all our peoples. So many of these opportunities and some of our most significant challenges lie in the Asia Pacific region.

Today half the people on our planet live in Asia. China alone is growing by the size of Canada every two years. Asia contains four of the seven largest militaries in the world, and two of its most dangerous flashpoints -- the world's most heavily
fortified border between North and South Korea, and the regional conflict in South Asia where India and Pakistan, two of America's friends, live on the edge of conflict or reconciliation. At the same time, the economies of East Asia have become the world's fastest growing, producing fully one-quarter of our planet's goods and services.

America has vital strategic and economic interests that affect the lives of each and every American citizen. We must remain an Asia Pacific power. Disengagement from Asia, a region where we have fought three wars in this century, is simply not an option. It could spark a dangerous and destabilizing arms race that would profoundly alter the strategic landscape. It would weaken our power to deter states like North Korea that still can threaten the peace, and to take on problems, including global terrorism, organized crime, environmental threats, and drug trafficking in a region that produces 62 percent of the world's heroin.

Our leadership in Asia, therefore, is crucial to the security of our own people and to the future of the globe. It is also important to our future prosperity. The Asia-Pacific region is the largest consumer market in the world, accounting already for more than half of our trade and supporting millions of American jobs. By the year 2000 auto sales in Indonesia, Malaysia, and Thailand could equal our car sales to Canada and Mexico. Over the next 10 years, Asian nations will invest more than $1 trillion in infrastructure projects alone. We can help to shape a region's open economic development, but if we sit on the sidelines we could watch our own prosperity decline.

When I took office, I had a vision of a Asia Pacific community built on shared efforts, shared benefits, and shared destiny -- a genuine partnership for greater security, freedom, and prosperity. Given all the currents of change in the region, I knew then and I know now the road will not be always even and smooth. But the strategy is sound, and we have moved forward steadily and surely toward our goal.

With both security and economic interests so deeply at stake, we have pursued from the outset an integrated policy, pursuing both fronts together, advancing on both fronts together. Though the end of the Cold War has lessened great power conflict in Asia and in Europe, in Asia, just as in Europe, a host of security challenges persist -- from rising nationalism to nuclear proliferation, to drug trafficking, organized crime and other problems.
To meet these tests in Europe we are adapting and expanding NATO, emphasizing the Partnership for Peace, including a new and more constructive relationship with Russia which is, of course, both a European and a Pacific nation and, therefore, must be a partner in making a stable and prosperous Asia Pacific future as well.

Asia has not evolved with similar unifying institutions, like NATO, so we are working with Asia to build new security structures, flexible enough to adapt to new threats, durable enough to defeat them. Each arrangement is like an overlapping plate of security armor, working individually and together to protect our interests and reinforce peace.

Our security strategy has four fundamental priorities: A continued American military commitment to the region, support for stronger security cooperation among Asian nations, leadership to combat the most serious threats, and support for democracy throughout the region. To pursue that strategy, we have updated and strengthened our formal alliances with Japan, Korea, the Philippines, Australia and Thailand. We have reaffirmed our commitment to keep 100,000 troops in the region.

Just a few weeks ago, we renewed our security alliance with Japan and moved to reduce the tensions related to our presence on Okinawa. Today, that security relationship is stronger than ever. We have reached a series of security access agreements, magnifying the impact and deterrent effect of our forward deployed force. We have supported the ASEAN nations in building a new security alliance* in a region long fractured by distrust. We have launched new security initiatives such as the four-party talks President Kim and I proposed in an effort to bring a permanent peace to the Korean Peninsula.

With our South Korean allies, we stopped the North Korean nuclear threat that had been brewing since 1985 when North Korea began to build a plutonium production reactor. Through firmness and steadiness, we gained an agreement that has already halted and eventually will dismantle North Korea's nuclear weapons program. Today, a freeze is in place under strict international supervision. And last month, we began the canning of North Korea's spent fuel. One of the greatest potential threats to peace is, therefore, being diffused with American leadership.

* dialogue
We are meeting today's missiles threats to the region by building advance ballistic missile defense systems to protect our troops and our allies. We have deployed upgraded patriot missiles to South Korea. We are upgrading the 21 battalions of patriot systems in Japan and jointly examining future requirements with the Japanese government. We recently reached an agreement with Taiwan that will provide them with a theater missile defense capability. And we are developing even more advanced systems for deployment in the next few years, such as the Navy Lower Tier, THAAD, and Navy Upper Tier programs. The latter two address longer-range missile threats.

When China expanded its military exercises in the Taiwan Strait, we made clear that any use of force against Taiwan would have grave consequences. The two carrier battle groups we sent to the area helped to defuse a dangerous situation and demonstrated to our allies our commitment to stability and peace in the region. In the long run we also strengthen security by deepening the roots of democracy in Asia.

Democratic nations, after all, are more likely to seek ways to settle conflicts peacefully, to join with us to conquer common threats, to respect the rights of their own people. Democracy and human rights are, I believe, universal human aspirations. We have only to look at South Korea, the Philippines, and Taiwan, the Cambodians who turned from bullets to ballots to build a democratic future, Burma's Aung Sang Suu Kyi, and other courageous leaders in the area.

We will continue to support our shared ideals in Asia, as elsewhere, encouraging reform, shining the spotlight on abuse, speaking out for those whose voices are silenced. Reinforcing the security pillar of America's relationships in Asia also advances American economic interests. Security and stability unleash resources for human progress, saving for the future, investing in education and enterprise, expanding trade, drawing the region closer together, and making the case for peace stronger and stronger. As with our security strategy, our economic strategy in Asia employs all the tools available -- multilateral, regional and bilateral -- to open markets and, thereby, create more opportunities and jobs for Americans.

Soon after I became President, as all of you know, I called for the first ever summit meeting of Asia and Pacific leaders. At that historic meeting in Washington state, leaders from China to Indonesia to Brunei embraced a common vision of an Asia Pacific community of shared strength, prosperity and peace. One year later in Indonesia, we made a landmark commitment to
achieve free trade and investment in the region by the year 2020. And last year in Japan, APEC adopted an action plan to get there.

Next November in Manila, I am confident we will take steps toward concrete measures to lower trade and investment barriers. With APEC, NAFTA, our efforts in this hemisphere and the World Trade Organization, the United States is working to lead the construction of a new global trading system, a world of expanding markets and fairer rules in which America can thrive and people all over the world can have a chance to live out their destinies and dreams as well.

Country to country, we are restoring health and balance to our economic relations -- through firm negotiations and tough action where necessary, to open markets for our goods and services, today the most competitive in the world.

In the past three years, our own exports have boomed. They're up over 35 percent to an all-time high, creating a million new jobs that consistently pay more than jobs that are not related to exports. I'm proud to say that once again our nation is the number one exporting country in the world. You can see the results of our strategy in the progress we have made in working with our friends in Japan. Today we are selling more goods to Japan than ever before. Our bilateral trade deficit in the first quarter was down 25 percent from last year. Since 1993, our two nations have signed 21 trade agreements, focusing on sectors where America's competitiveness is strongest. Our exports in those 21 areas are up 85 percent, three times faster than the rest of our export growth in Japan.

In Tokyo today a consumer can drive to work in a Chrysler jeep, talk with a friend on a Motorola telephone, snack on an apple from Washington state, and have American rice for dinner. Of course, a Japanese speaker could say the same thing about an American using all Japanese products, but it's nice now that both of us can tell that story. Of course, our work is not done. We must achieve further progress. But we are making a real difference for American exports and jobs.

Finally, let me turn to our relations with China, for they will shape all of our futures profoundly. How China defines itself and its greatness as a nation in the future, and how our relationship with China evolves will have as great an impact on the lives of our own people and, indeed, on global peace and security, as that of any other relationship we have.

China is Asia's only declared nuclear weapons state, with the world's largest standing army. In less than two decades
it may well be the world's largest economy. Its economic growth is bringing broader changes as steps toward freer enterprise fuel the hunger for a more free society.

But the evolution underway in China is far from clear-cut or complete. It is deep and profound, and today, China stands at a critical crossroads. Will it choose the course of openness and integration, or veer toward isolation and nationalism? Will it be a force for stability, or a force for disruption in the world? Our interests are directly at stake in promoting a secure, stable, open and prosperous China -- a China that embraces international non-proliferation and trade rules, cooperates in regional and global security initiatives, and evolves toward greater respect for the basic rights of its own citizens.

Our engagement policy means using the best tools we have -- incentives and disincentives alike -- to advance core American interests. Engagement does not mean closing our eyes to the policies in China we oppose. We have serious and continuing concerns in areas like human rights, non-proliferation and trade. When we disagree with China, we will continue to defend our interests and to assert our values. But by engaging China, we have achieved important benefits for our people and the rest of the world.

We worked closely with China to extend the nuclear non-proliferation treaty and to freeze North Korea's nuclear weapons program. We welcome China's constructive position regarding the proposed four-party talks for peace on the Korean Peninsula. We are working with China to conclude and to sign a comprehensive nuclear test ban treaty by September. And we are cooperating to combat threats like drug trafficking, alien smuggling and, increasingly, environmental decay.

Last week we reached an important understanding with China on nuclear exports. For the first time, China explicitly and publicly, committed not to provide assistance to unsafeguarded nuclear programs in any country. China also agreed to hold consultations on export control policies and practices. We continue to have concerns about China's nuclear exports. This agreement provides a framework to help deal with those concerns.

Our economic engagement with China has also achieved real results. China's elimination of more than 1,000 quotas and licensing requirements has helped to fuel a rise of more than 200 percent in United States exports of telecommunications equipment since 1992. China has become our fastest growing export market, with exports up nearly 30 percent in 1995 alone.
Much remains to be done. Our bilateral trade deficit with China is too high, and China's trade barriers must come down. But the best way to address our trade problems is continue to work to open China's booming market by negotiating and enforcing good trade agreements. That is why we will use the full weight of our law to ensure that China meets its obligations to protect intellectual property. That is why we are insisting that China meet the same standard of openness applied to other countries seeking to enter the WTO -- no more, no less. And that is why I have decided to extend unconditional Most Favored Nation trade status to China. (Applause.)

Revoking MFN and, in effect, severing our economic ties to China, would drive us back into a period of mutual isolation and recrimination that would harm America's interests, not advance them. Rather than strengthening China's respect for human rights, it would lessen our contact with the Chinese people. Rather than limiting the spread of weapons of mass destruction, it would limit the prospect for future cooperation in this area. Rather than bringing stability to the region, it would increase instability, as the leaders of Hong Kong, Taiwan and all of the nations of the region have stated repeatedly. Rather than bolstering our economic interests, it would cede one of the fastest-growing markets to our competitors.

MFN renewal is not a referendum on all China's policies. It is a vote for America's interests. I will work with Congress in the weeks ahead to secure MFN renewal and to continue to advance our goal of a secure, stable, open and prosperous China. This is a long-term endeavor, and we must be steady and firm.

Where we differ with China -- and we will have our differences -- we will continue to defend our interests. We will keep faith with those who stand for greater freedom and pluralism in China, as we did last month in cosponsoring a U.N. resolution condemning China's human rights practices. We will actively enforce U.S. laws on unfair trade practices and nonproliferation. We will stand firm for a peaceful resolution of the Taiwan issue within the context of the one China policy, which has benefitted the United States, China and Taiwan for nearly two decades.

But we cannot walk backward into the future. We must not seek to isolate ourselves from China. We will engage with China, without illusion, to advance our interests in a more peaceful and prosperous world.
Asia is in the midst of an historic transformation -- one America helped to inspire and one we cannot afford to ignore. I have spoken today about challenge and change, but I pledge to you as President of the United States that one thing remains unchanging, and that is America's commitment to lead with strength, steadiness, and good judgment.

Working together with groups likes yours and others, our nations can rise to the challenges of this time, reinforcing our strength and prosperity into the 21st century. We can build an Asia Pacific region where fair and vigorous economic competition is a source of opportunity, where nations work as partners to protect our common security, where emerging economic freedoms are bolstered by greater political freedoms, where human rights are protected and diversity is respected.

We can build a Pacific future as great as the ocean that links our shores. Let us pray that we have the wisdom, the courage and the firmness to do that.

I thank you for your dedication to that goal. Thank you very much. (Applause:)

END 10:34 A.M. EDT
Jim Hoagland

Global Vulnerability

Bill Clinton’s political resurrection widely attributed to the tactical mistakes and misjudgments of the Republican leadership in Congress and the GOP freshman class. But a brief immersion in European politics suggests that the electoral currents tuning in Clinton’s favor at the moment may be both broader and deeper than that.

Two impressions dominated recent discussions in Britain and France with political leaders, bankers, intellectuals, diplomats and others. The first: Economic insecurity is a pervasive real political force in industrial democracies today, whether the national employment and industrial statistics are ghastly—as in France and Germany—or on the plus side, as in England and America.

The arguments in America over whether workers are justified in feeling insecure or are the victims of their own exaggerated expectations as the point. The pressures of economic change—forced by technology, the expansion of free trade and foreign investment, and other factors—under the term “globalization”—and changing the way citizens think about their governments, their employers and their futures, whatever statistics say.

The workers of America and Europe now live in a time gap—in the trough between the rapid arrival in their lives of a global economy in which corporations and financiers leapfrog national boundaries, and the slow, cautious response of politicians and bureaucracies to economic forces they cannot control.

“People came to understand that workers lost their jobs when their company recorded huge losses. But how can we expect them to understand—and accept—that now they will lose their jobs while their company records huge profits? That their company makes those profits by ‘downsizing’ them,” asked a prominent British banker who is himself planning such an operation.

My sense is of the widespread psychological vulnerability that the era of globalization is producing was reinforced by being in England and France at a moment when the controversy over mad cow disease was at a high pitch. The tiny possibility that infected British beef had been imported into France underlined for the food-conscious French the crowding in of dangers and problems from abroad.

The revolution in transportation and the opening of borders to the movement of goods, money and people have helped ‘power’ globalization and its economic fruits. But these changes are identified in the minds of many with the arrival in America and other industrial democracies of drugs, the AIDS and Ebola viruses and other scourges. The seeming collapse of national boundaries as barriers to persistence and crime seriously drains confidence in national governments and creates fertile ground for the xenophobia preached by Pat Buchanan and Ross Perot here and Jean-Marie Le Pen in France.

That is where the second, somewhat paradoxical, impression comes in. The political currents stirred by the new, accentuated economic and physical insecurities of the global economy cut two ways. They drain confidence in the establishment. But they also inspire a longing for government activity and involvement in reassuring voters and helping them cope in an economy that suddenly seems devoid of logic and justice for many of them.

This clearly benefits Clinton’s fortunes, which seemed to have been devastated two years ago when a current of fear and resentment washed a hard-edged Republican majority into Congress. But the narrow, often backward-looking remedies the Republicans proposed, as well as their tactics, triggered a reassessment of Clinton, who is shown by current opinion polls as beating Bob Dole.

That is in part because Dole has seemed tongue-tied when dealing with what he would do about the economic and social consequences that globalization is offering to and inflicting on America, Clinton benefits from a spreading realization that government still has a role to play in bridging the gap between corporations and capital markets that treat the world as their home and labor forces that are national entities.

Electorates yearn for political leaders who can explain in everyday terms the seemingly inexplicable and uncontrollable forces that threaten not only their jobs but their careers in the world economy. People now may never have in a world economy built on temporary, just-in-time employment.

Europeans often use political campaigns to explain issues and illuminate the choices and trade-offs voters face. This year Dole and Clinton should give America a campaign that fulfills the true functions of politics, explaining and illuminating, and not stage a horse race measured in sound bites and attack ads.
"AMERICA AND ASIA:
RESTORING U.S. LEADERSHIP IN THE PACIFIC"
SENATE MAJORITY LEADER BOB DOLE
REMARKS PREPARED FOR DELIVERY
CENTER FOR STRATEGIC & INTERNATIONAL STUDIES STATESMEN’S FORUM
MAY 9, 1996

Thank you, Dave, for that kind introduction. Dave Abshire and I go back a long way. I remember a trip overseas just after being elected Majority Leader in 1985. At the height of the Cold War, I stayed at Dave’s house in Brussels when he was Ambassador to NATO. In fact, Dave’s tenure at NATO marked the beginning of the CSIS ambassadorial “chair” in Brussels. We talked about deploying Pershing II missiles, about Soviet expansionism, and about strengthening military deterrence on the inter-German frontier. Dave has a lot of vision, but it is safe to say neither of us envisioned the most important debate NATO would face a decade later is how best and how soon to incorporate Poland, Hungary, the Czech Republic and other countries into the NATO security umbrella.

But it’s not the changing face of Europe that brings us here today. I believe America’s global future will be an important issue in this election year. I believe the American people care deeply about how America is viewed in the world. I believe President Clinton’s foreign policy track record of weakness, indecision, doubletalk, and incoherence has diminished American credibility and undermined American interests. Failures of leadership in Asia such as coddling North Korea, lacking a strategic policy toward China, and the conspicuous absence of the President from the debate over Most Favored Nation status for China have eroded American power and purpose in the Pacific.

Asia has been transformed by remarkable political, economic, and social changes in the past two decades. You know the facts: Today, the eight largest armed forces in the world are deployed in Asia. In Asia, unlike other regions, military spending is increasing after the end of the Cold War. 60% of the world’s population lives in Asia. In East Asia, per capita incomes have quadrupled in 25 years in spite of rapidly growing populations, and economies are developing rapidly throughout the continent. Early in the next century, five of the six largest economies in the world will be in Asia. Democratic institutions have taken root from South Korea to Taiwan, and older democracies demonstrate their continued viability and vitality. No wonder that many predict we are about to enter “The Pacific Century.”

No matter what you call it: next 100 years, the fact is that American leadership, and American purpose and power will remain indispensable to the political and economic progress of the entire international community—including, of course, Asia.

I am here today to share the principles and policies that a Dole Administration would advance in our relationship with Asia. Before I do so, however, I would like to offer a
brief critique of how the Clinton Administration has mishandled relations with this strategic region.

Two myths have recently taken hold about President Clinton's foreign policy. The first myth is just because President Clinton has done some things right in the past few months, he is a capable foreign policy President. The second myth is that because the President and I believe in international engagement, free trade and peace in the Middle East, there are not major differences between us concerning America's global future. As the next six months will make very clear, both myths are devoid of truth. Our differences are vast and fundamental from expansion of NATO and deployment of ballistic missile defenses to overreliance on the United Nations and decisive action against the enemies of the United States. And recent efforts to "re-invent" the President's foreign policy image amount to little more than damage control -- not competence or vision.

When President Clinton took office, America was flush with the twin victories of the four decade-long Cold War and the four day ground war in the Persian Gulf. We were seen as the undisputed leader of the free world.

Under President Clinton's watch, however, North Korean forces have exercised defiantly in the Demilitarized Zone. China has launched missiles into the Taiwan Strait, and the "Russia card" is now a feature of Chinese diplomacy. The bottom line is that American credibility in Asia is low and still declining. And American interests are challenged throughout the region.

**President Clinton Failures's in Asia**

As a direct result of the weak leadership, vacillation and inconsistency which are the hallmarks of Clinton Administration foreign policy, the world's sole superpower finds itself drifting and defensive, with an uncertain course and an untrusted voice in the Pacific Basin. Three critical episodes demonstrate how President Clinton's foreign policy in Asia has disillusioned our allies and emboldened our enemies.

Candidate Clinton harshly criticized President Bush for coddling Chinese dictators. Candidate Clinton promised: "We will link China's trading privileges to its human rights record and its conduct of weapons sales."

But like his promises to balance the budget in five years, and provide a middle class tax cut, Candidate Clinton's new China policy had an unusually short shelf life once he became President Clinton -- collapsing in about six months under the weight of its own naive and contradictory purposes.

After considerable confusion and embarrassment, and after substantially damaging America's international credibility, the President had arrived at an argument that was
identical to the Bush Administration's position on MFN which President Clinton had condemned as immoral.

In less than two years, China — and the world — saw a complete reversal of administration policy with an intermediate stop at indecision. The Chinese leadership, our allies, and our adversaries learned an important lesson: the President of the United States does not always mean what he says:

The greatest immediate security threat in Asia is the Stalinist regime in North Korea, armed to the teeth, determined to develop weapons of mass destruction and the means to deliver them. When the North Korea nuclear threat became too obvious to ignore, President Clinton said, "North Korea cannot be allowed to develop a nuclear bomb." Just three weeks later, his Secretary of Defense revealed on national television that North Korea may already possess such a weapon.

American interests and the principles of sound diplomacy dictated a clear course: working with our South Korean allies, and other affected Asian countries on a coordinated response to this serious security challenge from the North. Instead, President Clinton chose to give North Korea what it had always sought — direct talks with the U.S. over the objections of South Korea. President Clinton failed to hold North Korea to its 1991 commitments to resume bilateral North-South talks and to work with South Korea for a nuclear-free peninsula. His accommodation of North Korea, and his neglect of our ally's well-founded concerns, set a pattern that has continued to this day: appeasing the North, slighting the South, and ignoring the strategic consequences.

When it became clear that their preference for accommodating North Korea was only increasing North Korea's appetite for further concessions, the Clinton Administration — with Congressional support — concluded the time had come for international sanctions. The intervention of former President Carter signalled what has become a frequent and unique feature of Clinton Administration statecraft: the franchising of American foreign policy. The effort to seek international sanctions on North Korea was abandoned, and President Clinton proudly announced an "Agreed Framework" on the nuclear issue. As negotiated by his administration, the Agreed Framework:

- codified North Korea's temporary compliance with existing treaty obligations;
- overlooked North Korea's existing nuclear weapons program and materials;
- was mute on resuming North-South talks;
- promised billions in aid and technology for North Korea's future nuclear development;
- pledged the provision of light water reactors to North Korea which can produce weapons-grade nuclear materials;
- ignored the threat of forward-deployed North Korean forces; and
- assured continued, direct U.S. engagement with North Korea.
Within months, press accounts revealed that U.S. oil supplies, shipped as part of the Agreed Framework, had been diverted to the North Korean military. It became clear that the generous rewards for North Korea's nuclear brinkmanship aggravated South Korean doubts about American reliability, encouraged further aggressive North Korean challenges to alliance solidarity, and invited other rogue states to "cash in" on their nuclear ambitions.

The Agreed Framework showed, as I said on the day of its announcement, "that it is always possible to get agreement if you give enough away." Clearly, President Clinton had not learned a basic lesson of diplomacy, a lesson which Presidents Reagan and Bush knew so well: a bad deal is often much worse than no deal. Once again, our allies and our adversaries learned important lessons: the President does not always mean what he says; threats and inflexibility can lead to American concessions; and the concerns of American allies may be ignored to accommodate our enemies.

A third failure of the Clinton Administration in Asia was its handling of a visa for Taiwanese President Lee. In May 1993 President Lee was denied permission to remain overnight in Hawaii. When President Lee was invited in 1995 to speak at his college reunion in Cornell, the Clinton Administration announced he would not be granted a visa. The U.S. did not challenge the Chinese assertion that granting a visa would undermine the "One China" policy. Secretary of State Christopher assured his Chinese counterpart that a visa would not be issued. Days later, however, the White House did another about-face and announced a visa would be issued. China reportedly learned of the decision through the news media.

President Clinton could easily have avoided the entire episode if President Lee had been treated decently in 1993. In 1995, the Chinese could have been quietly informed a visa would be issued, and assured of the private nature of the visit. Instead, the Administration lamely tried to blame non-binding Congressional resolutions for this 180 degree policy turn. The aftermath left the United States with the worst of all worlds: lack of credibility; a reputation for inconsistency in the face of mild pressure; and antagonism from China over diplomatic doubletalk as much as policy substance.

These events illustrated how President Clinton squandered the rich foreign policy legacy he inherited by making inconsistency, confusion, and incoherence the common features of American diplomacy.

Each of these mistakes, and others like them, have direct and lasting consequences today. When America goes to our allies to ask their support, they wonder: will American policy change tomorrow? When America warns our adversaries to change course, they wonder: will bluster and inflexibility force a change in American policy tomorrow? When President Clinton says America will remain engaged in Asia, Asians wonder: will America be there tomorrow?
It is time to restore American leadership in Asia and throughout the world. No more overnight reversals, no more conflicting signals, and no more strategic incoherence. Our future security depends on American leadership that is respected, American leadership that is trusted, and, when necessary, American leadership that is feared.

Korean Peninsula

The global Cold War is over, but the 38th parallel in Korea is still a very dangerous place. More than 36,000 Americans are stationed in Korea - risking their lives to enforce the peace that 54,000 Americans - and more than 3 million Koreans - died building. Our strategic goals in Korea should be clear: strengthening deterrence to preclude a Second Korean War, and creating the conditions to facilitate peaceful unification of the Korean Peninsula.

Until the Clinton Administration showered them with aid, bilateral diplomacy, and technology, North Korea's rulers stood as isolated symbols of Stalinism, as fossils of totalitarian decay. It has the 5th largest army in the world within yards of American forces and within miles of Seoul. Last month, North Korean forces violated the Demilitarized Zone in a brazen challenge on the eve of South Korean parliamentary elections and President Clinton's visit. North Korea has stated its intention to deploy intercontinental ballistic missiles. North Korea has one intermediate range missile operational, and more in development. North Korea has sold military technology to Iran, Libya and Syria. With customers like these, North Korea manufactured missiles can strike cities in Japan, France, Italy, Israel, Greece and Turkey. North Korean missiles under development could strike North America, Russia, and the capitals of Europe and the Pacific Rim.

Last month, President Clinton announced a four party peace initiative in Korea involving the U.S., China and the two Korea's. The initiative surprised the Chinese. No mention was made of resuming North-South talks. North Korea has not responded. The Administration also undertook "missile nonproliferation" talks with North Korean leaders despite the regime's blatant violations of existing arms control agreements. Indeed, discussing non-proliferation with North Korea is like discussing religious tolerance with the Hezbollah. Preaching the virtues of non-proliferation to a government that has no interest in it serves little purpose.

The President's policy toward North Korea seems to be dialogue for the sake of dialogue - no strategic vision, no operational plan, and no tactical coordination. He is following an old adage: "if you don't know where you are going, all roads lead there." President Clinton should cease bilateral contacts with North Korea on proliferation and on diplomatic normalization until North Korea resumes direct discussions with South Korea - as it committed to do five years ago.
Pacific Democracy Defense Program

President Clinton should apply to East Asia what he recently discovered about Israel: missile defense is essential to our allies' security. Secretary of Defense Perry recently said a ballistic missile threat to America was "more than a decade away." I would challenge that optimistic assertion. Moreover, if the President had visited American forces in Korea on his recent trip, he would have discovered the ballistic missile threat to Americans was — literally — only minutes away.

It's time for President Clinton to do more than just take credit for what President Reagan and Bush initiated with Israel to address the ballistic missile threat. It's time for the U.S. to work with Japan, and to work with South Korea, as well as other Asian allies on the development, testing, and deployment of ballistic missile defenses — a "Pacific Democracy Defense Program." Our three countries have territory or military forces under direct threat of missile attack today. Our three countries have the resources and experience to work on missile defense programs today. And with American leadership, our three countries can have the political will and technological means to defend our territory and our people tomorrow.

Japan and Korea face a clear and present danger from ballistic missiles, and should be our top priority under the Pacific Democracy Defense Program. It is time to move past paper studies to deployment decisions. It is time to announce our willingness to license exports of systems such as THAAD — Theater High Altitude Air Defense — and in the interim make operational prototypes available to our allies. It is time to invite interested friends to send military personnel to train with U.S. army units already formed for THAAD launch. Finally, I call upon President Clinton to implement the law and move ahead with Navy "Upper" and "Lower Tier" missile defenses so that we can always be in the right place at the right time. With American leadership and American know-how, we can create Pacific Democracy Defense network that provides protection for people and territory from the Aleutians to Australia.

Japan

The most important security relationship America has in Asia is with Japan. With a solid security alliance between the U.S. and Japan, there can be peace and stability in Asia — without such an alliance, there must likely will not. President Clinton came into office with an ambitious agenda for democracy in Asia, but overlooked the importance of the security alliance with Asia's oldest democracy. Just before the 1995 APEC summit in Osaka, the world was assured by a senior Clinton Administration official that there was "no chance" President Clinton would not attend the summit because his absence would "deal a body blow" to U.S.-Japan relations, and to APEC itself. President Clinton did not attend — although he did find time to travel to Ireland less than two weeks later.

President Clinton has belatedly discovered the importance of our security relationship with Japan. Expanding defense cooperation with Japan as part of Pacific Democracy Defense Program will strengthen our alliance, and serve our mutual interests. While
President Clinton deserves credit for renewing and strengthening those ties on his recent trip, the Administration's amateurish and ineffective posturing on trade disputes had strained those ties, and necessitated the President's recent attempt at damage control.

In 1995, the Clinton Administration provoked a trade war, lost it, and then declared victory -- even though President Clinton received nothing. The Clinton Administration chose uncoordinated and contradictory tactics and did not work with forces in Japan favoring deregulation, competition and economic reform. The result has been an increase in both the bilateral trade deficit and in Japanese trade nationalism.

The merchandise trade deficit with Japan last year was $60 billion, $10 billion higher than when President Clinton took office. Sustained trade deficits with Japan constitute a transfer of wealth and jobs from America. This trend must be reversed. Japan must open its sanctuary market and level the playing field. We must start by resolving ongoing commercial disputes that cost U.S. companies millions of dollars in lost sales. If negotiated solutions are not reached, swift action -- American public support for the U.S.-Japan security relationship will inevitably decline -- to the detriment of both countries.

Southeast Asia

Southeast Asia is a region of special importance to America. We have sacrificed too much treasure and spilled too much blood there to forsake our interest in the peaceful political and economic development of the region. Two of our long-term treaty allies, Thailand and the Philippines, are members of ASEAN, one of the most successful regional compacts on the globe. importantly, Southeast Asia looks to us for close and enlightened partnership in their efforts to fully develop into modern economic and political states. American leadership will prove indispensable to the region's integration into the global community of free market states, and to their capacity to protect our shared security and economic interests in a stable Asia region. The United States should clearly and credibly commit to working with ASEAN on regional security issues. This commitment and its coherent implementation would supply a badly-needed dose of American leadership in a region where it has been in short supply.

Vietnam has recently joined ASEAN, and Laos and Cambodia are to follow. This is a welcome development. We hope that such expansion will lead to greater regional stability and cohesion. We should use our influence intelligently to see that all the nations of ASEAN make common purpose the servant of common interests. It is no secret that I did not agree with President Clinton's decision to normalize relations with Vietnam. I felt he could have and should have received more in return from Vietnam. The decision has been made but the case is not closed. There are many outstanding issues in our relationship with Vietnam, but shared economic and other interests can only be realized after the -- as yet unachieved -- fullest possible accounting for our missing servicemen. Vietnam must understand that further progress on the POW/MIA issue will remain our highest bilateral priority.
Russia

We too often forget that Russia is an Asian power, straddling the Eurasian landmass. Russia has a role in Asia, Russia has interests in Asia, and Russia has territorial disputes in Asia. The growing rapprochement between Russia and China is more than a cause for concern—it is cry for responsible American leadership and sound American policy.

U.S.-China Relations

The United States has no relationship more complex in the world than the one we have with China nor one with ultimately greater historical consequences. The list of concerns and problems in our relationship is long, and growing: transfers of weapons and technology to Pakistan and rogue states like Iran and North Korea; military pressure on Taiwan; unilateral claims to exclusive jurisdiction over far-flung islands and seabed resources in the South China Sea; continued military buildup of air, sea, and land forces; border disputes with almost all neighbors; widespread violations of internationally-recognized human rights; coercive abortion practices; repressive policies in Tibet; intellectual property rights violations; and restrictions on market access. Yet, incredibly, in the face of all these urgent challenges, President Clinton told Chinese President Jiang last year that the greatest threat China posed to American security was China’s pollution potential.

Now don’t get me wrong, I want the Chinese to have clean air. But this type of strategic incoherence in Sino-American relations has contributed to the conviction shared by allies and adversaries alike that American leadership in Asia is fragmented, contradictory, and uncertain. China is not Haiti and cannot be bullied by an American President. China is not Somalia, where our interests are peripheral. China is the most important international challenge the U.S. faces as we enter the 21st century.

China is on the threshold of becoming a great power, emerging from decades of self-imposed isolation and economic ruin. Deng’s free market reforms have revolutionized the command economy Mao built. China now looks outward—and upward. Twice before in this century, the world has faced the challenges of emerging powers, and twice before statesmen have failed the test: with Germany before World War I and with Japan before World War II. I do not want statesmen to fail the challenge posed by China. Our strategic goal should be clear: a China which does not threaten its neighbors, and a China which plays by the rules of the international system on non-proliferation and trade, a China which is peaceful, prosperous and free.

If our goal is clear, so too is the path to achieve it. We should prioritize our interests, communicate our priorities to the Chinese leadership, and implement our policy in a competent and consistent manner. The correct approach will include sustained, high-level attention to our relationship with China and coordination with our regional allies. The wrong approach will resort again to the carrots-hat method of the Clinton Administration: USTR and market access one week, the Defense Department and military cooperation the next, State Department and human rights the next, Commerce Department and export promotion...
the next, the Arms Control and Disarmament Agency and proliferation the next. All while the President cites the environment as the greatest security threat from China.

We must be realistic about what we can achieve. China is in a protracted leadership transition. We can do little to influence that transition. What we can do is let this generation and future generations of Chinese leaders know they face a clear choice between the rewards of full membership in the international community and the heavy burden of political and military rivalry. Americans hope that China's leadership will choose cooperation, participation and prosperity.

Weapons Proliferation

The proliferation of weapons of mass destruction and their delivery vehicles is among the gravest threats to America’s security interests -- especially when such weapons are transferred to outlaw states like Iran and North Korea. Traditional arms control solutions to proliferation have been inadequate. Today, more than 25 countries have or are in the process of developing weapons of mass destruction and the means to deliver them.

Non-proliferation must be a top priority in our bilateral relationship with China, but imposing sanctions which hurt us without reducing proliferation is no answer. When American non-proliferation law is violated, American sanctions should be imposed. But sanctions should be imposed intelligently not haphazardly. For example, restrictions on U.S. Export-Import Bank financing should be targeted to affect enterprises controlled by the People’s Liberation Army involved in proliferation -- not every American business in China.

China’s proliferation policies highlight the need to develop and deploy effective ballistic missile defenses to defend America, American forces and American allies -- this will not only deter, but reduce the incentives to produce ballistic missiles. And China’s leadership must be convinced that undermining the stability of regional balances of power will carry an international price.

Taiwan

We must make our commitment to the peaceful resolution of differences between China and Taiwan clear. The Clinton Administration’s policy of ambiguity only sends a signal of uncertainty -- to Taiwan, to China, and to our Asian allies. Our policy should be unmistakably resolve: if force is used against Taiwan, America will respond. That is the strategic bottom line in the Taiwan Relations Act, which I was proud to help shape. During debate on the critical section of the Act concerning efforts to address the future of Taiwan by other than peaceful means, I argued for clarity. On March 17, 1979, I said: “It was vital...to convey the assurance that specifically spelled out our Nation’s commitment to aid the Republic of China in resisting aggression. Vaguey worded statements about general interests of the people concerned were not sufficient.” I believed clarity was the right policy in 1979, and I know it is the right policy in 1996.
Aggressive military maneuvers and "missile diplomacy" did serious damage to China's international position. But there should be no doubt: China is deadly serious in its opposition to Taiwan's independence. We must be serious too -- serious about deterrence in the Strait of Taiwan, and serious about adherence to the Taiwan Relations Act. The March elections in Taiwan were an important milestone. President Lee deserves our congratulations as the first democratically-elected leader in Chinese history. And it deserves note that the party supporting moves toward Taiwan's independence received barely 20% of the votes.

China had seen an American administration reverse itself on MFN, on North Korea and on President Lee's visa. China's leadership had ample reason for concern that another American policy change on an issue of national importance could occur. China's bullying was designed, in part, to signal its seriousness to an American President who has all too often favored retreat over steadfastness and reversal over credibility.

We should deal with Taiwan as it is: a long-time friend, and a political and economic success story that is the envy of much of the world. The Taiwan Relations Act clearly states the United States will provide weapons "necessary to enable Taiwan to maintain a sufficient self-defense capability." The United States is lawfully committed and morally obligated to help Taiwan maintain the capacity to deter any effort to determine its future through violence. There is no more clearly defensive and clearly necessary weapons system for Taiwan than effective missile defense. The current policy of not sharing information on missile threats or missile technology with Taiwan must be changed. The United States should work with Taipei on studying BMD needs -- as we already are doing with Seoul and Tokyo. Including Taiwan in the Pacific Democracy Defense Program would show seriousness about defending ourselves and our allies, and it would demonstrate our support for peaceful resolution of Taiwan's future. The United States should also reassess the decision not to provide Taiwan with advanced defensive weapons, such as the AMRAAM air-to-air missile, the shoulder-fired Stinger ground to air missile, coastal submarines and other anti-ship and anti-submarine weapon systems.

Hong Kong

Next year, 1997, will provide an invaluable opportunity for China. When Hong Kong returns to China's control at midnight, June 30th, statesmen, portfolio managers, generals and investors around the world will be watching. The economic and political choices Beijing makes in Hong Kong will be critical for determining how the world responds to China.

Most Favored Nation Status for China

The United States should be forthright about our commercial relations with China. President Clinton was right in 1994 when he finally decided extension of Most Favored Nation Status was the best way to promote our long-term interests in China, including greater respect for human rights and the rule of law. We should extend MFN to China, not because it is in our economic interest, but because it is in our national interest. To deny MFN for China would set back our relations more than two decades, and send a disastrous signal of
American withdrawal to our strategic allies throughout the Pacific Rim. Denying MFN status would not free a single dissident or prevent a single threat to Taiwan, or save a single innocent Chinese life.

President Clinton has never articulated a coherent strategy for dealing with China, nor how MFN extension fits into that strategy. Consequently, President Clinton faces a tough sell for MFN on Capitol Hill. He deferred decisions on intellectual property rights, Export-Import bank loans, and sanctions under non-proliferation law for too long. As we have seen in Bosnia, Iran, Cuba and elsewhere, when President Clinton is faced with a fork in the foreign policy road, he takes it. But he cannot continue to have it both ways on MFN for China. President Clinton needs to understand that extension of MFN is not automatic.

This is not the first time MFN has faced a challenge in Congress. Five years ago, and again the following year, we succeeded in maintaining normal trade relations with China only by the barest of margins. The key to success then was leadership. Then, the American President understood the stakes and devoted tremendous personal attention to the issue. I was proud to lead the Senate effort which overcame the arguments of Candidate Clinton, Senator Gore, Senator Sasser and others to ensure the national interest — not the narrow, partisan political interest — won that day.

Today, renewal of MFN is in serious doubt because presidential leadership is lacking. Perhaps President Clinton is counting on his veto pen. He has been eager to use it over the last year. It would not hurt for the President to make clear, at the very least, that he will veto legislation rejecting or conditioning MFN. In fact, it would be nice to see a veto for policy, rather than political reasons. But a veto strategy is no replacement for a geo-strategy. Idly allowing MFN to be rejected in Congress would be an abdication of presidential leadership. I had hoped that President Clinton would have already taken a "Great Leap Forward" on this issue by now. I hope he will end his conspicuous silence on the issue and explain what is at stake in our relationship with China — to Congress and to the American people.

Trade Policy toward China

Extending MFN is not, in itself, a China policy, and it is not even a China trade policy. Over the last decade, U.S. exports to China have tripled, but Chinese exports to the U.S. have increased nearly ten-fold. Our current trade deficit is $34 billion and climbing. China holds immense promise as a market for U.S. goods, services and agricultural products. But China is mortgaging that promise through protectionist policies. Intellectual property rights piracy, for example, costs American companies at the cutting edge of global competitiveness some $2 billion a annually.

China must live up to the trade agreements it has freely entered into — whether on intellectual property, or on textile and apparel. Because China is not today, we should move to a targeted and proportional response, including proposing an immediate list of sanctions under U.S. trade law. China enjoys liberal access to the U.S. market, but a wide
array of barriers inhibit American exporters. Market access and other Chinese trade practices demand a strategic approach — not more of the same ad hoc, reactive policy practiced by President Clinton. It should not have taken yesterday's cabinet meeting for President Clinton to decide on imposing sanctions if IPR concerns are not addressed — that decision should have been made before his administration imposed a May 15 deadline for action.

American policy should be clear about Chinese membership on the World Trade Organization: China will enjoy the fruits of the WTO only after it demonstrates a willingness to play by the accepted rules of the GATT system. I hope the administration will work with the Congress on this issue so it will not be necessary for the Congress to work on legislation to be a unilaterally U.S. effort. For an administration which prides itself on "assertive multilateralism" the Clinton team has been woefully inadequate in building coalitions on international issues. Unfair Chinese trade practices affect Japan, South Korea, the European Union, ASEAN, Australia, and New Zealand, and each of these have parallel interests to the U.S. On these issues, as so many others, our allies in Australia and New Zealand are too often treated as afterthoughts. Purposeful U.S. trade policy would seek allies among these states in opening China's markets and conditioning Chinese membership in the WTO. There is no need to "go it alone" if the U.S. knows where it is going.

Human Rights and Democracy in China

Let us be clear: America has an interest in human rights, democracy and political pluralism in China. A "One China" policy does not mean a "One Party in China" policy. The issue of human rights and MFN is not whether you believe China should respect human rights — it is how best to foster respect for human rights. Many argue that MFN should not be extended to China because of its terrible record on human rights. China's record on human rights and tolerance of political opposition is indefensible — but China is by no means alone. There will be a debate on MFN for China this year, but not on MFN for Russia where 30,000 Chechens have been slaughtered, or on MFN for Syria which has no political freedom, occupies Lebanon, and provides safe haven for terrorists.

Trade is not a panacea, and freer trade does not always lead to democracy. In Cuba or North Korea, where government control is absolute, where the society is tightly closed, where no economic or political reforms have occurred, increased trade would only enrich the coffers of dictators and prolong the rule of despotism. But in China, continued trade offers the prospect of continued change. Capitalism has already corroded central government control. Some provincial governments in China control resources in excess of most Third World states. Market forces will predominate as China needs to import food, energy, capital and technology. Democratic elections have been allowed at the municipal level — and Communist officials have been voted out of office. As a 1995 International Republican Institute report points out, "The move towards village elections has already fundamentally altered local government structures for over eight hundred million Chinese peasants."
Make no mistake: economic liberalization has bloomed while the seeds of political liberalization have only begun to be planted. But as a rule of law emerges for commercial transactions, demands for individual rights will increase. Democracy breeds calls for more democracy. U.S. policy should encourage the fragile opening in China — through continued exchange programs, through the National Endowment of Democracy, through Radio Free Asia, and through continued trade. Support for freedom and democracy with all the tools in our arsenal is what offers the best opportunity for the hopes and aspirations of the 1.2 billion Chinese people.

American Power and Purpose in the Pacific

American interests in peace, security, freedom and prosperity in Asia are greater now than they have ever been. The modernization taking place throughout the region can trace its roots back to the United States of America. It was America that produced the technology revolution beginning with the telephone, the automobile, and the television. It was America that produced the political revolution by guaranteeing individual rights, universal suffrage, freedom of the press and accountability of our leaders. And it is the American people who inspired the rest of the world to believe in the future. In Asia, as much as anywhere in the world, that belief has taken hold.

As much as we are valued for our political successes, our economic achievement, and for the power of our values, our influence in Asia also relies on Asia's respect for our unsurpassed military strength. If we are to extend that influence into the next century for the sake of our own interests and the peaceable progress of Asia, we must firmly oppose calls for our military retreat from Asia whether those calls originate in the capitals of our adversaries or right here in America. Our military presence and alliances in Asia are indispensable to our own security, and they must be maintained.

So now it falls to the United States to point the way forward, as the natural leader among the Pacific nations, to a future that will preserve our common interests. No more can we afford an inattentive, incoherent, vacillating and reactive posture from the leader of the Free World. Serious national interests call for serious national policy. A Dole Presidency will bring about two abrupt changes from the performance of the Clinton Administration: first, an Asia policy worthy of its name; and second, a coherent, well-managed effort to advance American power and purpose in the Pacific.

Influence is the coin of the realm in foreign policy. The United States will face challenges, problems, and perhaps even national security crises in Asia over the next four years. The only question is how high a price we will have to pay to resolve these problems. We must begin now to reassert our role as a security guarantor, an ally, a trading partner, and a good neighbor to the peoples of Asia — in short, to live up to our unique role as a leader.
Under American leadership, the dramatic story of Asia's modernization and progress can be our own story as well. The dynamism of Asia's economy can be the fuel for our own economic miracle. The flourishing of democratic principles in the Pacific can be our pride, and the preservation of regional stability our legacy. So long as America leads, every century will be an American century.
Week Ending Friday, April 12, 1996

Remarks at the University of Central Oklahoma in Edmond, Oklahoma

April 5, 1996

Thank you very much. Governor Nigh, Mrs. Nigh, Congressman Istook, Mr. Mayor, Mr. Speaker, the other distinguished guests on the platform, and to the students and the other members of the University of Central Oklahoma community and family, Governor David Walters and Mrs. Walters, and to all the people who are here with me today because of the mission we are on.

Let me say it’s good to be back here. I heard the students laughing when Governor Nigh announced that I was here 8 years ago, and I was thinking, most of the students were in grade school the last time I was here. [Laughter] Later this year I'll be eligible for my AARP card—[laughter]—but I'm still glad to be here.

As all of you know, and as the Governor said, I came here today to Oklahoma to pay my respects nearly a year after the tragedy of the bombing, to attend a memorial service for the families of those who were victims, for the survivors and their families, and others who were Federal employees who worked there, and to help your State officials to dedicate the beginning of the child care center which will be rebuilt, which is a remarkable accomplishment, and to meet with this scholarship committee, which informed me of the results which were just announced to you by Governor Nigh.

And it is coming at an especially sad but ironically appropriate time, just a couple of days after we suffered the loss of our Secretary of Commerce and a number of fine Federal employees—some of them very young, barely older than some of the students here—a number of fine U.S. military personnel, and some of our country's most outstanding business leaders in that plane crash in Bosnia.

I would like to make just two points briefly. I know it's cold and you've been waiting a long time, but I ask you to reflect on two things. That plane went down in Bosnia full of people who have worked very hard to help the American people fulfill their potential. Ron Brown was immensely proud of the fact that more than any other Commerce Secretary and Commerce Department in our history, they had been instrumental in opening new avenues for people to buy American products and American services and create jobs for Americans, so that when young people get out of college they can get jobs, good jobs, jobs that pay better than average, jobs with a good future.

But these people went to Bosnia with only the most modest expectation of any personal gain for themselves. They went there to try to use the power of the American economy to help bring opportunity to the Bosnians so that peace wouldn’t fall apart and instead would take hold.

But the main thing I want to say is that my friend Ron Brown, who grew up in Harlem, never forgot where he came from and spent his lifetime trying to help other people realize their dreams. When our hearts were breaking over what happened in Oklahoma City—it was this madness that somebody for some perverted political purpose could take everyone else's life away from them who weren't even standing in the way, they just happened to show up in the wrong time in the wrong place. And so I would like to say two things to you today.

First of all, all of us need to ask ourselves a year later, what are our responsibilities not only to help the children, who were tragically robbed of their parents in Oklahoma City, to fulfill their dreams but to provide that opportunity for all people? I've worked very hard to expand the quality and availability of college loans and the college scholarships for children of modest incomes. I'm still hoping we'll pass a balanced budget amendment.
in our legislation in this Congress that will include a tax cut that gives families a deduction for the cost of college tuition, because I think it’s the best possible tax break we could give America, to do that.

But this is not a political issue. Every American has an interest in seeing every other American be able to live out their dreams. And we have certain positive responsibilities, just like Ron Brown believed that we did, to try to do that, and access to higher education is, perhaps, the most important one.

The second thing I want to ask you about, especially the young people, is to think about where do we go from here. And as horrible and personal as the bombing of the Federal building was to you, I want you to try to step back a minute and put it in a larger context. It was, first and foremost, an act of terror. What is terror? Terror is when someone, allegedly for some philosophical or political reason, believes they have the right to take innocent lives, not people who are fighting them in war, not people who are wearing uniforms, not people who are staring at them across a battle line but just to take an action that will take the lives of people who just happen to be in the wrong place at the wrong time.

And we are seeing that all over the world, and you see it in two ways. First, you see homegrown terror, people in your own country that are so profoundly alienated they think they have a right to do this. You’ve been reading about the Unabomber in recent days. That’s an example of that. You remember when the religious fanatics in Japan broke open poison gas in the Japanese subway and killed a lot of people and a few days later could have killed hundreds more, but miraculously, the second attempt was thwarted. That’s an example of that.

And then you have imported terrorism, where people come in from other countries, and they try to wreck your life to pursue their political ambitions. An example of that is the World Trade Center bombing. And it’s really tough when they’re coming from right next door, which is what is tearing the heart out of the people in the Middle East now. And you remember how recently we saw the people there—innocent, not only innocent Israelis, innocent Palestinians, innocent Moroccans, little children just blown away because some crackpot believes that it is a legitimate way to pursue your political philosophy to kill innocent civilians.

Now what I want to tell you today is—and I want you to think about this, especially the young people—the world you’re living in and the world we’re moving toward is going to offer you more opportunities to succeed, if you have a good education, than any generation of Americans has ever known. But the same forces that offer you those opportunities to succeed offer people opportunities to commit terrorist acts. And therefore, we must be more vigilant, more active, more determined than ever before.

Why is that? Well, just think about it. What’s the world like now? Computer technology can now interface people all over the world. I’m trying to get every classroom and every library and every school in America connected to the Internet by the end of the decade. I know right now there are public schools in America where young junior high school students can get on the Internet and do research out of libraries in Asia and Australia, all over the world. Well, that also means that terrorist networks can get information about how to build bombs and how to wreak mischief if you just know how to find the right home page.

We’ve got to have open borders in order to move products and services around the world, in order for people to travel around the world. We have to be able to get around in a hurry. The more open the borders are, the more open the information is, the more vulnerable we are to things like money laundering and terrorists moving out of countries.

Now, that should not frighten you. The good news is we are reducing the traditional threats to your security and your future. Communism has failed. The cold war is over. We have agreed to treaties that will reduce by two-thirds the number of nuclear weapons that existed when the cold war was at its height. And for the first time in the history of nuclear weapons, for the last 2 years there’s not a single nuclear weapon pointed at any American citizen. That is the good news.
That's the good news. But in an open world of easy information, quick technology, and rapid movements, we are all more vulnerable than we used to be to terrorism and its interconnected allies, organized crime, drug running, and the spread of weapons of destruction. And so I spend a lot of my time as your President trying to think about what we can do to minimize those dangers.

We've done a lot to try to fight terrorism. We've done a lot to try to fight drug trafficking. We've done a lot to try to fight the money laundering that goes along with all this, to try to help other countries stand up to organized crime, because nobody is immune from this. You see it in all of the places I cited. You see it when those terrible bombs go off in London. I saw it in Latin America where we have honest law enforcement officials in Colombia trying to help us crack the Colombian drug cartels. And the good news is we arrested seven top leaders in the last couple of years. The bad news is, 500 Colombians laid their lives down trying to break their country of the grip of drug cartels.

So what we have to do is to ask ourselves—our generation, the generation that preceded us, won World War II and then won the cold war—what we have to do now is to fight back these organized forces of destruction so all the opportunities that await you young people will be there and so you can pursue them without fear; so that if you're willing to work hard and obey the law and make the most of your own lives, you will be able to live out your dreams. That is what this is all about.

The lessons we have to take out of what happened to us at the World Trade Center, what happened to us in Oklahoma City, what we were able to avoid when we stopped terrorist attacks in the last 2 years on our own soil and against our airplanes as they were flying over the oceans, those are the things we have to learn.

Now, what I want to say to you is that, first, you've got to realize all these things work together. On the 19th of this month, when you all are observing the one-year anniversary, the reason I won't be here is I have to go to Russia to a nuclear summit. And part of it is about continuing to reduce nuclear weapons. But part of it is making sure that every place in the world that has the residue of the nuclear age, this nuclear material, make sure it is secure and safe and cannot be stolen, because we don't want our homegrown terrorists or our foreign terrorists to get their hands on nuclear material that, with just the size of a wafer, you could make a bomb 10 times more powerful than the one that destroyed your Federal building in Oklahoma City. So I have to go there. The United States has to be a part of that. And that's an important thing. But we also have to recognize that there are things that we have to do here at home.

Last year I asked people in the other parts of the world to stand with the United States because we took a tough stand against the countries that support terrorism, against Iran and Iraq and Sudan and Libya. And I get frustrated when they don't help. But when those bombs blew up in Israel, it sobered a lot of countries up, and in 3 days the President of Egypt and I were able to persuade 29 countries to send high-level leaders, including heads of state, to Egypt to meet to stand up against terrorism. We had Arab countries condemning terrorism in Israel for the first time.

So we've got—we're getting in a position now where the people are willing to say we can't let terrorism pay. We can't let terrorism pay. We've got to make sure that terrorists pay for what they're doing. We have to make sure that's true here and around the world.

When I was in Israel—and I suppose they have about as much experience with terrorism as anybody—I talked to leaders of both political parties. And they hardly agree on anything over there; they fight just like we do. [Laughter] But you know what? They were both agreed on one thing. They said you have got to continue to take the lead in the fight against terrorism, and you need to pass that legislation that you're trying to pass to crack down on the forces of terrorism in the United States and enable us to stand against them when they invade our country.

It's been almost a year since I was pledged that terrorism bill, and it's still not in the shape it needs to be. But let me just tell you three things that I think ought to be in it, and there's a big debate about it.
We know what kind of bomb blew up the Federal building. We propose that we be able to have markers that go into explosives when people buy them. Contractors don't have a thing in the world to fear. People need to buy explosives. You can't do a lot of work without them. But if explosives are used to kill innocent civilians, we ought to be able to find out where they came from and who bought them. That's what I believe, and I hope you do, too.

We ought to have explicit authority that permits the Attorney General of the United States to stop terrorist groups like Hamas from raising money in America. And if we catch people doing it, we ought to be able to throw them out of the country immediately—immediately, not after some long, drawn-out process.

We ought to have the best technology available to our law enforcement officials to keep up with these terrorists that move around in a hurry, and they're very sophisticated and very hard to catch. And we can do that without violating the civil liberties of the American people, without undermining the constitutional rights of criminal defendants.

But I'm telling you, folks, these people are smart. They understand computers. They understand information. They understand how to hide. They understand how to doctor bank records. They understand how to launder money.

And when it all comes down to it, just think of what would happen if Oklahoma City had happened 5 or 6 or 7 times within a month or two. Think what it would have done to the American people. Think what would have happened if 3,000 people had been killed at Oklahoma City and every American had felt like those people were within 50 miles of them. That's what happened in Israel just a few weeks ago. It can paralyze a country. It can take its heart out. It can take its confidence away. It can make young people believe they have no future.

Now, I am very optimistic about America's future, and I am proud of the work that our law enforcement officials have done in catching these people. And I am proud of the fact that we have caught and deported more terrorists in the last 3 years than at any time in our history put together. I am proud of that.

I am not saying these things to frighten any Americans. I am just telling you I have been around the world representing you; I've talked to people all over the world. I do not believe—if we can do our job and if we had just a little bit of luck—I do not believe that you will have to worry about a nuclear weapon wiping out a whole American community or killing lots of Americans in the way that our parents worried about us when I was growing up. But I do not believe you can fulfill your dreams and be totally free until we have taken the strongest possible stand against terrorism, organized crime, drug running, and weapon sales. And they are all related.

So I ask you, I ask you because you will have more weight than most people—this State has suffered, this State has felt it, this State understands the human dimension of people killing innocent people for perverted, allegedly political reasons—to say in simple, clear terms, this is not a political issue; this is not a partisan issue; this is not an ideological issue. This is a matter of America getting ready for the future and guaranteeing our young people the opportunities that they deserve to live out their God-given dreams and destiny.

Thank you, and God bless you all.

NOTE: The President spoke at 4:40 p.m. in the courtyard at the School of Education. In his remarks, he referred to George Nigh, president, University of Central Oklahoma, and his wife, Donna; Mayor Bob Rudkin of Edmond; and Glen Johnson, speaker, Oklahoma State House of Representatives. This item was not received in time for publication in the appropriate issue.

Executive Order 12998—Amendment to Executive Order No. 11880
April 5, 1996

By virtue of the authority vested in me as President by the Constitution and laws of the United States of America, including section 3347 of title 5, United States Code, it is hereby ordered that Executive Order No. 11880
Community, gdp

Commenmt Spaces (Economy/Community/Family/Hlth)

Two term agenda: Follow on to 91 G - town
New covenant speeches
- Not promises but
- Vision for what we will do, where
we will take only: b/t now + 21st C.

People... Abolish to build on, not sit on

Stray he brought here
How he made it happen
Why were going

(Do M&W in Monday speech)

goals

What is our long term purpose.

Why we can go local atIFORML business, invoice debt:
But also all sale here: big is
many big issues, big relationship.

1. Europe/Asia
2. Safety (Nukes/WMD)
3. Trade

Tough Decisions/Leadship

ON/Off

Who, How, What

1. Governor
2. House
3. Senate
Do less with purpose.
Point them to authentic direction trusted for Am. engagement for next 4 yrs.

Keeping us stronger force for peace & freedom will
Why does it mean for future?

Tipping potential of our world for Americans
Believe in engagement.
Real engagement.

Blurring borders
Issues of future
FP. of future = died of their new site.

There are particular challenges when
come to terms & strike (jobs, society, 
shy, deep, borders - avoid working
deficiencies to sit with)
Defend American life

NMD — new initiative — we're doing it
UN Repeaking
Defense Spidy

Mexico

See Freedom NSC
My/her cop and speech

But briefly to another C

Scary American people

Am people

Look feel not but

As we look feel... how... 3

Ear + Nix +

Nic + P

We be of howhip: Arms move safe to

Sill diff on right or appear to

This war in people eat them to opine

Iraq terror & red kill – But...
other side would not only oppose to UN but others will fail for common goals

[Redacted]

[Redacted]

Y would be a factor in which the UN copy individuals hold

MT and India of poor,
UK most compatible

Next

Need to include would if we want to build in it

where it's going, not where it's been

NMD ⇒

Terror ⇒ don't cut corp-un

[Redacted]

If cut whole (open mkt's but will shut down over)

⇒ meet that's bit compute/flip

Not able to pull

force where we
THEMES: USCGA Commencement

GLOBAL LEADERSHIP AND DEFENDING BORDERS

--To understand America’s role in the world of the 21st century, we must understand the changed world in which America will find itself.

--It has been said that the with the coming of the Information Age, the Global Village is being achieved, borders are becoming meaningless. Some even say that we are entering an era of a world without borders.

--It is true that global telecommunications means that ideas can now more easily ignore borders. Thus, the flame of democracy can not be hidden. It will spread to more countries...and we must help these new democracies...for democracy is in America's interest because....

--It is also true that borders no longer hold out terrorists, diseases, refugees, narcotics, or crime.

--To inoculate ourselves from these threats, we must provide global leadership to solve those problems at their origins...before they come here....because they will surely come here otherwise.

--At that level of analysis, we must abandon the false dichotomy between domestic problems and foreign problems:

--And yet, at the same time borders are not becoming less meaningful...borders are in some ways even more important.

--Because in the modern world global transportation is so easily achieved, many more people want to come to the US and are able to get here. Not only did the Coast Guard have to stop thousands from Haiti, they intercepted many ships near the US carrying smuggled aliens from Fuquien province in China.

--For Americans to support legal immigration, which is part of our heritage, we must stop illegal immigration

--Thus, the work of the Coast Guard in combatting alien smuggling and illegal immigration is essential.

--So is the mission of the Border Patrol, which we are doubling in size.
--So is the mission of the Customs Service, which has launched Operation Hardline to staunch the flow of drugs across our southern border, just as Coast Guard does so on our maritime borders ... Customs, with the FBI, is also our protection against the introduction of nuclear materials and other weapons of mass destruction.

--Just as the world's economy is undergoing globalization of markets and production, so too is international crime becoming a global phenomenon.

--Groups that once sold only cocaine, now push several poisons including heroin and methamphetamine. They engage in fraud, political corruption, terrorism, weapons trading, and money laundering.

--They seek to buy and sell governments with their corruption and blood money. They seek to dominate honest businesses with their protection rackets and frauds.

--If we are to really drop economic borders further in the hemisphere and in the Pacific, as we are pledged to do early in the next century as a result of the Miami Summit of the Americans and the APAC summits.....then we must assure Americans that when the economic borders fall, they will not be letting in a flood of international organized crime, narcotics, illegal aliens, and terrorists.

--Thus, as we prepare to lower economic barriers, we must reinforce our international law enforcement capabilities.

--While we must continue to have the strongest military to ward off traditional threats, our armies against the newly emerging threats are:

The Coast Guard, the Border Patrol, The Customs Service, the Immigration Service, the Drug Enforcement Administration.

--We are honored to have representatives of them all here today. (Calls on them to stand, as he names them again).

--We have strengthened them. We will continue to do so, for borders are important...and only if we can control our borders and what comes across them, will the American people feel confident to be part of a world with open markets.

--Only by providing Global Leadership can we solve problems at their origins, before they come to our borders.
REP. GILMAN: The committee will come to order. Before coming to office, the Clinton team's most famous contributions to foreign policy were three aphorisms: That "the economy, stupid," was what Americans cared about, not the foreign policy accomplishments of the Bush administration or its predecessors. Second, that the Bush administration was coddling dictators in China, and pursuing an inhumane policy in Haiti. And, third, that a solution in Bosnia was lift and strike. On assuming office, the Clinton administration found that things were a little more complicated than had been contemplated.

In reverse course on China and on Haiti, it found itself though unable to lead our European allies to adopt a lift-and-strike policy in Bosnia, and found itself beset by a wide variety of other dilemmas. During tapan, on saving the Mexican economy, on extension of the Non-Proliferation Treaty, without making progress on the fullest possible accounting for our MIAs and POWs in Vietnam and elsewhere.

I join in lauding some of the administration's achievements. For example, the indefinite extension of the nuclear non-proliferation pact was definitely a triumph. The administration has done an incredible job in building on the achievements of the prior administrations, with respect to peace in the Middle East and on the GATT.

I do not doubt the good intentions of the leaders in the administration, staffed by highly intelligent people who are certainly capable and well meaning. However, their list of Georgia, and the Middle East and elsewhere, and we temporized on NATO expansion -- all without any real theme other than to do that which was needed to get past the crisis of the moment. Recently we learned that there was a quick, uncoordinated decision to acquiesce in the establishment of an arms pipeline from Iran to Bosnia and Croatia, a decision that by opening the door to deeper Iranian with the Bosnians, and concomitantly delaying the equip-and-train operationopening to Vietnam that this administration has engaged in.

In Haiti, any gains attained by spending billions of dollars will be ephemeral at best. The administration helped install a regime which appears to be willing to continue we may think of the problems it faces, they pale besides those dealt with by its immediate predecessors. The current administration simply never has had to worry about a unified Soviet Union representing a serious threat to our
This hearing is the first of what we intend to be a series of hearings designed to evaluate the foreign policy record of the administration. Our purpose today is to hear evaluations, critiques and defenses of the administration's foreign policy in the administration's record are not alone in their criticism. The academic community, not to be accused of antipathy to the current administration on the grounds of party politics, has also been critical of it. Michael Mandelbaurld worldwide. The magazine edited by one of our witnesses today, Mr. Maynes, who was invited by the minority, contained articles that the winter gave the president decidedly -- this past winter gave the president mixed grades: A "C" from oneick served as undersecretary of state for economics, as counselor of the Department of Treasury, and was a senior member of the Bush White House staff. He is currently executive vice president and general counsel, Fannie Mae. The Honore staff of the late Senator Henry "Scoop" Jackson. And the Honorable Charles William Maynes is editor of the Journal of Foreign Policy. He served as assistant secretary of state for international organization affairs in the Carter administration. I regret that I've been invited to meet with Secretary Christopher in the Capitol and will miss your opening statements, but I have read them thoroughly. I have them in writing. I will be back as soon as possible to other member -- but I guess Mr. Bereuter can make his opening statement from the chair. Again, we welcome all three of you gentlemen here today. We appreciate your taking time out of your busy schedules. Your statements will be enterREP. DOUG BEREUTER (R-NE): Thank you, Mr. Chairman. I think we'll move directly to the testimony. We'll recognize Mr. Zoellick first. Gentlemen, your entire statements will be made a part of the record, and you may proceed as you wish. Mr. Zoellick?

MR. ZOELLICK: Thank you, Chairman Bereuter. I am very pleased to be with you today to comment on the conduct of the administration's foreign policy. The committee's interest in this topic is especially timely, because America and the world stand at a historic turning point. It's vital for the United States -- the greatest political, military and economic power in the world today -- to clearly and steadily establish the key expectations, the rules of the game for the future. The administration has not conducted America's foreign policy this way. To the contrary, the Clinton foreign policy has been strategically incoherent and tacitly reactive. In areas where the administration could work within a previously established structure of policies, it has generally functioned well. President Clinton has had problems, however, in areas where the world demands a mixture of vision and consistency. His policies have been ad hoc, his analyses are case by case. His advisers do not seem to recognize the need to integrate policies within regions, across topics and over time. This approach produces an unusually large number of tactical flip-flops. The lack of constancy, in turn, undermines America's credibility abroad. Our friends doubt us, and others are tempted to challenge us. In the words of Senator McCain, our actions have, quote, "exhibited to the world an American identity crisis." Policies are not framed to protect U.S. interests, but rather to indulge the administration's existential musing. Who are we, and why are we here? For America to lead, it must be consistent, trusted and respected. But today's foreign leaders ask, Where is ed. Indeed, perhaps the most interesting development after the president's recent trip to Moscow is Yeltsin's subsequent visit to Beijing to forge a Sino-Russian strategic partnership, thereby sending America a signal. That is the legacacterized President Bush's efforts to maintain a dialogue with China on important security and economic interests as "coddling dictators." Those words started President Clinton down a path of confusion, mistakes and indecision. As a result, those same dictators made
Clinton look weak and uncertain. President Clinton’s first MFN policy was tied to changes in China’s treatment of human rights. It rang with bold words, but no needs, and culminated in a humiliating administration retreat. Later President Clinton promised the PRC that the United States would not give Taiwan’s president a visa, and even apparently told the Chinese that a visa would violate past policies. Yet when the administration faced congressional pressure, it backed down and granted the visa, reportedly without even informing the Chinese.

The Chinese, who relied on the administration’s word on this most sensitive issue, learned an unfortunate lesson: The administration’s word is not one to live by. These Chinese doubts about American reliability and steadfastness prompted the recent incident with Taiwan. China wanted to leave no doubt about its response if Taiwan moved to independence. Taken together, these missteps played into the hands of aggressive nationalists in China.

Having belatedly recognized that hectoring the Chinese does not produce results, President Clinton tried a grab bag of policies under the label of conditional engagement. But as Professor Ken Lieberthal (sp) has pointed out, the administration’s policy lacks coherence. Within one month, USTR might bash China on intellectual property, Commerce might hustle investment deals, State might attack on human rights, and Defense might urge military-to-military talks. It should not be surprising that the Chinese are confused.

Soon the Congress will face another great debate about MFN policy. But after three years, the president still has not articulated to the Congress and the public a long-term strategy toward China that explains the role of MFN. America needs to forge a new bipartisan executive-congressional strategy towards China that can stay the course for decades. But the first step must come from the president.

The Clinton team started out well with Russia; as they followed through on their predecessors’ policies to back the reform process. But the administration had two blind spots. First, it overlooked the reality that its Russia policies had to be integrated with its policies toward Central and Eastern Europe, Germany and NATO. Second, the administration became so absorbed in Russian internal politics that it lost sight of America’s national interests.

By late 1993, after the shock of the Duma elections, the administration had clearly been taken in by its own romantic rhetoric about Russia’s reforms. It responded with the international version of “I feel your pain.” Both the vice president and Secretary Talbott complained that Russia’s economic program had, quote, “too much shock and not enough therapy,” unintentionally undercutting the very reformers who were trying to prevent hyperinflation.

Doubling its bet, the administration undermined the institutions of Russian democracy to help Yeltsin push his programs. As Dimitri Simes has explained, we watched as Yeltsin became more authoritarian because the administration wanted him to best his rivals. We kept mum as Yeltsin ignored checks and balances so he could amass power. We quietly accepted Yeltsin’s military assault on the Duma without regard for the signal it sent the Russian military, authoritarian politicians and average citizens.

We depreciated our own moral standing by comparing the senseless brutality in Chechnya with America’s civil war. Because Yeltsin complained about his difficulties at home, we turned a blind eye towards Russia’s manipulations of its neighbors. Indeed, President Clinton even told the Russian public that Russia’s behavior in the independent states that comprise the so-called near abroad was comparable to the U.S. outlook under the Monroe Doctrine and to U.S. intervention in Panama and Grenada. There is no comparison.

President Clinton wagered democratic processes to help Yeltsin achieve the right outcome. So now we have neither. America faces a poor outcome even if
Yeltsin wins the upcoming elections, and Russia has few internal processes to restrain the new czar. The United States had better see to its national interests. The administration has dawdled with the effort to enlarge NATO to include Poland, the Czech Republic and Hungary, passing up an opportunity to consolidate the gains of the Cold War and create a seminal change on the European continent.

It has overlooked Russia's violations of the post-Cold War conventional forces treaty while conceding to Russia's narrow interpretation of the Cold War anti-ballistic missile treaty. The United States now seems fated to accept Russia's nuclear dealing with Iran because America is building a similar nuclear plant for North Korea and made a hypocrisy of its own pleas to isolate Iran by giving a wink-and-nod invitation for Iran to come to Bosnia. Out of sensitivity to Yeltsin's image, the United States now plays down the dangers of poorly-guarded nuclear materials and unsafe nuclear plants. Russia should not be able to achieve, through weakness and threats, what it could not gain through strength. Our government should not trade favors to play the twists and turns of Russia's internal politics.

If the administration has not been concentrating on strategic-priorities, what has been its focus? Earlier this year, the answer would have been the president as peacemaker, but already that mantle is frayed as the peacemaking begins to look like case-by-case patchovers to get through 1996. Nevertheless, his intervention policies provide insight on the administration's foreign policy.

Consider the threesome of Somalia, Haiti and Bosnia. The administration's approach to these cases reveals a pattern. In each, the administration began by raising expectations about what could be accomplished. Then the administration struggled to identify clear objectives. Next it failed to relate means to ends, especially regarding the costs the United States is willing to incur. Faulty assessment and planning led to ill-conceived actions or empty bluffs. When obstacles arose, the administration seemed befuddled. It then retreated in a high-profile fashion.

Credibility eventually backed the administration into an invasion. Even then, the president did not talk straight to the American people about limited aims. He claimed we were restoring Haitian democracy, a goal that eluded us earlier the Clinton administration is now strangely silent about the continued assassinations and political violence perpetuated by its new friends. And what a partner: Aristide's last official act was to recognize Castro's Cuba.

In the clan ground offensive. But we should not fool ourselves about what the Dayton accords will accomplish. When NATO forces leave, Bosnia will be partitioned among Serbs and Croats, with the Muslims a distant third. Unless we plan to stay for a very long time, any peace in Bosnia will be kept only by a crude balance of power.

We should be taking two steps now to shape that future. First, we should ensure that the Bosnian Muslims have the means to defend themselves holding action. The real problem is that North Korea, the last Stalinist state, has refused to acknowledge South Korea's right to exist. Yet North Korea, with a failed economy and a brutalized society, is itself about ready to go out of business. When North Korea decided to transform its weakness into a nuclear threat, the administration was ill-positioned to respond. It was busy picking fights with China and Japan, two nations that would be key to any effort for recognition.

The administration did not insist on North Korea's adherence to prior agreements that would have enabled us to learn the extent of North Korea's nuclear program. Instead, we settled for stopping those projects we knew expectations for both our allies and our adversaries. Ironically, although the administration entered office with promises of assertive multilateralism, its lack of vision and
consistency has made it more difficult for the United States to extend its influence by leading coalitions. In particular, the administration needs to plan ahead with our key allies, Japan and Western Europe, design new partnerships in Latin America and East Asia based on stronger economic ties, prepare a coherent strategy for dealing with rogue states, and invest in effective missile defense systems. As The Economist pointed out, the administration came into office asserting that geo-economics was the next wave, with nary a consideration of security relations with Japan. So we have wasted three years during which we should have been gradually moving Japan toward a posture of true alliance cooperation on post-Cold War challenges, including North Korea, the evolution of China, proliferation, stable energy supplies and shipping routes, and security in the region. Instead, U.S. actions undermined confidence in our reliability, particularly among younger Japanese. It is no small irony that Prime Minister Hashimoto's popularity at home traces being the trade minister who said no to Ambassador Kantor's demands for quantitative market targets. The administration claims, of course, that its get-tough policy on trade paid off. The rhetoric may mislead some Americans, but the Japanese know the score. After lots of threats, the administration backed down, achieving the terrible combination of modest results, alienating an ally, and encouraging disdain for perceived weakness. As Paul Bluestein (sp) pointed out in the Washington Post, the administration took credit for gains from trade agreements that predated it. And as Bluestein, The Economist and others have explained, the reduction in the bilateral trade deficit can be traced to the substantial decline in the value of the dollar versus the yen, and now the resumption of growth in Japan. America's relations with Europe have also meandered. The administration spent most of '93 preoccupied with Russia, forgetting that it needed to establish a post-Cold War relationship with America's traditional partners in Europe. As NATO dragged out its enlargement decision, the Russian reaction has grown more shrill. Indeed, the longer the administration hesitates, the more the Russians may calculate that their complaints prove effective. And we are sending an astounding message to peoples in Europe who threw off the shackles of communism. As the administration courts an old guard in Moscow, the fragile democracies of Central and Eastern Europe are told to wait patiently while we fidget: assuring Chile that the United States would negotiate its accession to NAFTA, the administration caved in to the AFL-CIO. So it rejected Chairman Archer's proposal to extend fast-track negotiating authority. The Latin democratic reformers are now uncertain of our commitments, so they are exploring alternatives with Europe or among themselves. The administration is also not planning ahead for the challenges of rogue states, such as Iran, Iraq and Libya. ate, and some Kurds have aligned with the PKK, which threatens to dismember our ally, Turkey. As former Clinton CIA Director Jim Woolsey wrote recently, the administration's greatest blind spot may be its opposition to missile defense systems that could counter the missile terror and blackmail that these states, plus China and North Korea, are capable of unleashing today. Even inaccurate missiles armed with weapons of mass destruction can wreak terrible damage. All could soon be within the range of North Korean capabilities. Japan and South Korea already are. Israel and our Arab friends are also vulnerable. The United States has an enormous capability to influence the world if we use our power wisely. But our strength is not unlimited. The old debate about unilateralism versus multilateralism ignores the fact that the United States reaches its greatest heights when we organize coalitions of partners, when we
extend ourions. They want to know what the United States plans to do. They want to know if we can identify the big challenges and meet them. They want to know how we treat our friends and how we deal with our adversaries. They want to know if our word is good. They want to know if they can rely on us. This administration is waiting very long to give convincing answers.

Thank you, Mr. Chairman.

REP entire statement will be made a part of the record.

MR. PERLE: Thank you very much, Mr. Chairman. I suppose I should begin by saying I agree with every word that we've just heard in Bob Zoellick's testimony. x x x testimony:

Mr. Chairman, I want to thank the committee for inviting me to join this hearing on the foreign policy of the current administration. In your letter of invitation, you asked that I and the others evaluate our nation's foreign policy as outlined in Secretary Christopher's January 18 speech to Harvard University. I suspect it was that invitation that caused the Democrats during three and a quarter years since the administration took office. While Secretary Christopher claims to have forged a record that, quote, "proves the enduring value of American leadership," end quote, I believe that at critical juncture Christopher tells his Harvard audience that he has, quote, "a bias for the kind of foreign policy that makes America a reliable and principled leader that projects America's unique purpose and strength," end quote, I believe that principle, reliability, purpose and strength have been sadly absent from our foreign policy where it has been tested in such places as Bosnia, North Korea and Somalia.

Mr. Chairman, the Clinton administration has thrown together a patchwork of cases as a way of suggesting that American foreign policy must amount to more than an aggregation of one-time, one-place, one-shot solutions to problems allowed to become too urgent to be further deferred.

From Mogadishu to the United States to achieve. It is evidently a point of pride with the secretary of state that the United States has no central strategy, no global vision, no geopolitical about America's strategy for the post-Cold War world by declaring that we neither had nor needed any such thing.

In response to the murmur of discomfort that swept through the foreign service audience, he quoted George Kennan's article that had adopted with good results in the practice of corporate law.

But what may sometimes work well in handling legal affairs in civil society is hopelessly inadequate for the conduct of American foreign policy. A case-by-case appraisal concerns. And to make matters worse, the nearly chronic tendency of the administration to abandon any policy that encounters even mild opposition guarantees that adversaries are not deterred, nor are allies assured by what at any moment is declared to be the policy of the United States.

Several times in his Harvard speech, Secretary Christopher refers to Bosnia. And in my judgment, Bosnia is the single most important test of the administration's foreign policy, and in important ways, its most egregious failure. So I'd like to take a moment to review the administration's Bosnia policy.

For President Clinton, Bosnia got off to a bad start early in the administration when, in May 1993, Warren Christopher was sent to Europe to urge our NATO allies to join us in lifting the arms embargo on Bosnia and to join in air strikes to suppress attacking Serb forces so that Bosnia might defend itself.

Sent to Europe to keep a campaign promise to lift the embargo and strike to protect the transition, Christopher set out to do the right thing. He left no doubt that the president considered the embargo wrong and unfair. But he was back within a week, arguing that we should drop our so-called lift-and-strike proposal because our British and French allies disagreed.

From that moment until the Dayton accord, the administration opposed lifting
the arms embargo and lobbied vigorously against congressional efforts to do so. Despite having decided the embargo in Bosnia should be lifted and air support used to suppress the cruel shelling of Bosnian women and children, Clinton and Christopher caved in to the British and French at the first encounter. I believe this did grave damage to the reliability, principle, purpose and strength of American policy. And I doubt that an administration dedicated to the case-by-case approach could begin to understand the effect in other areas of so unseemly a surrender of the president's declared policy on Bosnia. From the moment of Christopher's aborted European mission, it was clear to the British, the French, to the Russians, to Boutros Boutros-Ghali, to Kim Il-Sung and to anyone else who saw Clinton capitulating on CNN that the new administration lacked the courage of its convictions and could be had by a determined adversary. Clinton's well-meaning attempt to end the shameful unprecedented embargo that kept a member state of the United Nations from exercising its fundamental right of self-defense was halfhearted and ineptly presented, NATO, actually works and how, therefore, to operate effectively within it to achieve American goals. NATO is not a seminar for the discussion of policy options or a bull session for policy wonks. It is not a place to solicit ideas about how the United States ought to proceed, even in Europe. It is rather the principal institution anchoring the United States in European security affairs. And as such, it is a place where the United States must assert but with respect to each other as well. Above all, NATO is an alliance of like-minded but independent nations who will, in the end, set aside intra-European and trans-Atlantic differences and rally behind American policies when they are presented cogently and with conviction. Across the Atlantic, when America fails to lead, there is no one to fill the void. And the result is the sort of drift and passivity that characterized allied policy in Bosnia with tragic consequences. So even as the British and French sent Mr. Christopher packing, they were deeply troubled at the prospect of an American administration so ready to acquiesce, so unsure of its position. And in this, they were right. The collapse of American resolve in Bosnia was followed quickly by a humiliating misadventure in which an American warship dispatched to Haiti was turned away by an unarmed mob shaking their fists on the pier -- the U.S. Navy repel- lency-case approach to foreign policy left the administration with three cases of abject failure. In America's failures, some saw opportunity. Thus it was not surprising that Kim Il-Sung and Kim Jung-II would coerce the administration into a deal to reward North Korea for its covert nuclear weapons program by trading a tenuous, fragile and reversible suspension of visible parts of that program for billions in benefits and a weakening of the U.S.-South Korea defense ties. Since that deal was reached in October 1994, threats from North Korea to abandon it have elicited still more concessions from the United States. The agreements with Japan regarding peacetime cooperation in the military field represent an important step towards the transformation of that security relationship in a direction more favorable to the United States, and the proposals for four-power talks regard Korea inject new life into the north-south dialogue on that peninsula. It is easy to direct criticism against any administration, particularly in the post-Cold War world where none of us have a reliable compass. It is easy to find fault with the administration's actions in this area or that. It is certainly true that this administration, like the last one, has been unable thus far to outline a clear structure for the international system toward which we should work and with which we would be able to prevent the rebirth of national
rivalries, but it has been fighting to preserve the tools with which this or any future administration will need to advance and defend American foreign policy interests in an uncertain world.

As former secretary of State Henry Kissinger has warned, the cuts that are no adequate services provided to U.S. citizens traveling abroad, tourists or businesspeople.

Since 1985, we have cut our foreign aid budget in half. The administration's effort to reverse these trends is commendable and deserves a see the road or to work toward the final destination, which is a secure structure of peace.

I urge the Congress to give adequate support to our diplomatic efforts.

Thank you.

REP. BEREUTER: Thank you very much, Dr. Maynes.

We'll move to the questions at this time.

The witnesses have presented some extraordinarily fine testimony to the committee. I was struck that in so many instances throughout, it was analytically very incisive, clever problems and you've given us some very good analysis of the foreign policy of the Clinton administration.

I'd like to try to ask you to respond to two questions. The first relates to the definition of what is in the vital national interest. I find myself constantly going to that subject -- is this in our vital national interests -- in trying to decide where the United States, for example, should intervene or be active and involved. Is the concept and importance er.

MR. PERLE: -- Mr. Chairman. I think the concept of the national interest would be easier to comprehend if we didn't always use the adjective "vital" to modify it. Just as we treat or try to treat illness at an early stage so when one can.

So the real question, in my mind, is what, broadly speaking, are the interests of the United States, and I believe we have important interests in an open -- an open world order in which the United States can make the use of force to protect our interests be contemplated early, rather than late, but we have for so long now talked about defending only vital interests and talked about the use of force only as a last resort, and I believe we have allowed situations to develop that became far more dangerous than was necessary and far more costly to deal with later rather than early, and Bosnia, I think, is a good example. A modest effort in Bosnia early could have ended that conflict quickly, in my judgment.

So what I want to stress is the problem that arises when we consider that we must only protect vital interests and when we believe that we must always exhaust diplomatic remedies first, which very often means that once diplomacy has failed, the costs of protecting our interest become extraordinarily high.

REP. BEREUTER: I understand the distinction you're making, Dr. Perle. I categorize national interests because practical outcomes of what are the most important underpinnings for our society.

Dr. Maynes, you had your hand up first.

MR. MAYNES: Yes, I'd like to comment.

The United States right now I don't believe has any mortal enemy that is threatening the United States, so what would our vital national interest be? I think it is in the maintenance of an international system which right now is very favorable to the United States. The United States currently is the only interest of the United States to create a structure of peace and development that can permit the American democracy to remain as safe as it is now and to continue to prosper. I believe that we are at a unique period in relations amonstion, and relations among the powers are basically peaceful.

Now, they don't necessarily have to stay that way, but our vital interest is in protecting that current arrangement.

MR. ZOELLICK: I think the question is an extraordinarily good one briefly in
the context of Dr. Perle and my testimony, because I feel our major theme is is that the administration's case-by-case approach reveals no strategy, no coherence, no test of how the pieces fit together.

The traditional way of looking at vital interests of the United States is geographically, and that's not a bad place to start. In the case of east Asia, western Europe, the Caribbean littoral, and the Gulf, we don't want any hostile power or group of powers to dominate or threaten us, but, to build on Dr. Perle's point, we want to go beyond that. We want to make a positive statement. So preferably, those would be the core areas in which we'd want to try to develop allies and relationships.

Now, the way to partly do that is through economics and trade, and that's the one way in which you can try to connect our open system and their open system together.

I think the key notion here, however, is that for the United States to have these relationships, we have to work through allies and coalitions. The challenge today is to try to preserve and promote and extend those while dealing with the two main challenges to the system, Russia and China. If we can, we want to integrate those into the system. But if we can't, we need to protect against them. ·REP. BEREUTER: Thank you very much. I'll have to come back to a question about MFN later, but I need to leave for a talk show briefly and I'll be back. I turn the chair and the time over to Mr. Hyde, our colleague from Illinois.

REP. HENRY HYDE (R--IL): I appreciate the assignment, but Mr. Smith will be here longer than I. I must leave, too, so -- (laughter) -- but if I may have some question time, first of all, I want to compliment all three of you. This has been one of the most rewarding mornings I've spent listening to knowledgeable, serious critiques of foreign policy.

I've noticed lately this session of Congress a diminishing of interest in foreign policy. I think it grew out of, frankly, the election Mr. Bush lost and where the definition of what was important somehow excluded foreign policy, and I'd like to see a resurgence of interest in our foreign policy, because it truly impacts on war and peace, not to say life and death.

Two things bother me enormously today. One is the state of Russia, the status of Russia. We had testimony the other day about the prevalence of organized crime, and it is frightening, and I think we're averting our eyes, perhaps. I. Chernomyrdin, has $5 billion in his bank account and gets a piece of every oil deal that's cut, the fact that there are no safe banks over there, there's no deal is ever a deal. I fear the people will get so fed up with the criminality that they'll go back and a strong national leader more vigorous than Mr. Yeltsin might well end up returning us to the old problems.

I see a resurgence of Communism -- the euphoria that followed the end of the Cold War is evaporating as fast as we pull out -- and we will pull out. The invitation by passivity of such a contradiction in terms can exist of the most radical hater of America, Iran, into that volatile part of the world is something that needs a lot of study so we know just how that happened and what our role has been and what the consequences are, but I am not confident that we have smooth sailing at all.

Forget about North Korea. That's another big problem. Nik you've made a good start on what could be an even longer list as one goes around the world. I think we are, at the same time, and this is in no way intended to diminish the sense of importance of dealing effectively with those and elsewhere.

Unhappily, the administration has shown no interest in proceeding to develop a defense against ballistic missiles for this country, and even with respect to
theater defenses, which it claims to have embraced in lieu ink that the problems you referred to are all capable, are capable of leading to developments in which we would face threats that we need now to be using this period of time to organize against, and we're missing important opportunities for Russian parliament, the Duma, and I was berating them for supporting Iran with technology, missile technology and submarines, and he took umbrage that I would refer to Iran as a terrorist country. They don't view it as a terrorist count world, one of the great troublemakers, it doesn't seem to me very prudent, and I'd like to see our State Department make great efforts at curtailing that.

MR. PERLE (?): If we cannot persuade Russia, nobody can -- given the relah a large undertaking. The advantages for Russia are not so great that we could not, by mobilizing our resources and leading the western alliance, discourage that from taking place.

When the evidence came in that there was significant regression in virtually every category of human rights consideration, whether it be the use of the lao gai (ph) for the production of slave-labor goods, whether it be the continuing crackdown on the democracy movement, including the Tiananmen Square people, whether it be the use of forced abortion and forced sterilization as a way of implementing the one-child-per-couple policy, which, as I think you all know, has gotten worse -- the eugenic policy is now in effect, and they have cracked down particularly among the rural Chinese in a very, very bad way.

All of the categories got worse, and then when renewal time came, it was delinked. I think that sent a message to every dictator around the world, and I think, Mr. Perle, you indicated earlier about message sending, that Kim Il Sung and others at the time looked at that and said, "This man doesn't mean business."

President Clinton also made unprecedented -- an unprecedented agreement with Fidel Castro, entering into a law enforcement partnership with a man whose basic law enforcement techniques are well known, and they often include murder and torture.

The United States spent billions of dollars to re-establish the Aristide government in Haiti in hopes that this would result in the restoration not only of democracy, but also of human rights, and our government covered up evidence that top officials of the Aristide security forces, the very forces we had spent U.S. tax dollars to put back in power, were implicated in the cold-blooded assassination of Aristide opponents.

That's a cover-up, gentlemen, and I think this House and this particular committee has looked into that and it is not a savory record, to be sure.

We recently learned that even while the administration was refusing to lift the unfair and counterproductive arms embargo that prevented Bosnians from defending themselves, they were privately winking at the covert circumvention of the embargo by the fanatical government of Iran, the last regime on earth that we should have invited urse, President Izetbegovic, and time and again, they said, "We don't want your troops, we don't want deployments of French, British, or American troops. We just seek the means to defend ourselves," and this Congress and with overwhelmingly in town, and it was vetoed.

It just -- you know, when the president is presented with his own policy, he vetoes that policy and chooses another course.

It is my view, and you may disagree and I would appreciate your comments on this, that the president waited until the Bosnian Serbs were spent -- 30 months of inaction -- and then when they were spent, when it was clear that the Croats had ight for the president to step in to declare victory. But as you point out, Mr. Perle, those mass graves were filled, filled to capacity, day in and day out because of that vacillation that we saw on a
day-to-day basis. I asked Secretary Christopher when he returned from that
infamous trip to Europe, I was the first question out of the box: Did you lay
out as an option that we were going to lift and strike, or was it American
resolve that this is what we're got European allies really were, rather than
say, "This is what we're going to do. We're going to stop this ethnic
cleansing," and I think the blame for many of those deaths rests squarely down
at the White House, and you can take issue with that if you'd like, but we know
-- because I've been in Vukovar, I've been in Osijec when they were under siege
-- the last administration made grave mistakes, and I had my arguments with
Brent Scowcroft, but this administration said that a paper tiger not only in the
face of gross violations of fundamental human rights, but also with respect to
the proliferation of nuclear weapons. The whole world knows that China is
providing Pakistan and Iran with nuclear technology government seems to have
learned nothing from the experience. And I think, Mr. Perle, you made some very
good comments about the amount of plutonium that will be available from these,
and that is a very much underfocused-upon fact, and I would ask, during the
questions, if you could enlarge upon that.
In the 10 years we find ourselves -- in 10 years we find ourselves in a position
of paying for nuclear reactors in Iran and relying on Beijing to help negotiate
the fever terms that seem possible and that human rights are a distraction --
will be actively engaged and trying to have the same influence on a potential
Republican administration.
Let me just say, finally, on the issue of Chechnya -- and I think with the
upcoming elections in June, I would ask you to comment on this as well --
Kovalyov said the other day, before the Commission on Security and Cooperation
in Europe -- and you know he's a member of the Duma and headed President
Yeltsin's human rights commission -- has said that he thinks that democracy is
doomed. It has only until June. It's in grave peril in Russia. He also pointed out, in a previous hearing in this room, that the administration
gave the green light to the atrocities that were committed in Chechnya. As a
matter of fact, I would ask all of you if you could comment on that, if you would,
because he was very -- he and Yelena Bonner appeared before our
commission and said that during the time of crisis, when Moscow looked out to
the West to see what the reaction would be, Vice President Al Gore was standing
side by side with Chernomyrdin and said, "It's an internal affair."
The State Department put out one statement after another suggesting that what
was going on in Chechnya was analogous to our own civil war; people being mowed
down -- and I'm no friend of Gudayev (ph) -- but people being mowed down,
innocent civilians, including a number of Russians who happened to get caught in
the fire, and our government is giving the green light. Many others have said
that. And even now, with the mild denunciations of that policy, the killing goes
on. And I would ask our distinguished witnesses if they could speak to that, if
you would. I'd like to yield to Mr. Perle, if you would begin the responses.
MR. PERLE: Congressman Smith, I agree entirely with your assessment
of the situation in Chechnya. It was no favor to Boris Yeltsin to not only acquiesce,
but almost encourage what has turned out to be a disastrous mistake for Yeltsin
himself and for the struggle for democracy in Russia, and needless to say, a
terrible tragedy for a large number of innocent Chechens. When you see a friend about to put the key in the ignition and you know he's had
too much to drink, you don't encourage that; you discourage it. And we should
have discouraged -- in every way possible, we should have discouraged Yeltsin
from undertaking that policy. We didn't. And it is of a piece with the
attitude that because Yeltsin is to be preferred to his opposition, or at least
some of his opposition, we 2/95 saying, "It's easy to find fault, but I have to
build a good relationship." Well, you don't build good relations, you
certainly don't build enduring relations, by failing to express our interests, our concerns and our value. Mr. Talbott, the deputy secretary of state, who has long held a view of indulgence toward the Soviet Union first, and now toward Russia.

As a result, there's been a tendency to coddle those who were in power. I think that's a great mistake, and we see it not only in Chechnya but in the trans-Caucasus generally.

The policy seems to be that we will turn a blind eye to what is unquestionably an effort to re-establish Moscow's hegemony over the newly-independent republics of the former Soviet Union. And I think, in the long run, that will turn out to be a disastrous policy. So I wish that we would weigh more effectively in the defense of those democrats in Russia who have themselves been more critical than we have of action in Chechnya and in other parts of the former Soviet Union.

MR. MAYNES: Yes, Mr. Chairman, it seems -- I believe that a number of rather extreme statements have been made here that I at least would like to contest. No safe banks in Russia -- in fact, for the first time, Russian paper is being discounted on the London market. We are not seeing Stalinist communists taking over. Italy, in fact, you've got a left-of-center government that I think is going to turn out to be quite responsible.

I think it is simply outrageous to suggest that the White House is responsible for the deaths in Bosnia, the war atrocities. The perpetrators of those are the war criminals themselves. There have been many mistakes made in Bosnia. In fact, the most serious took place in the previous administration, when the Bush administration helped sabotage the Lisbon accord. And we could have had an agreement in Bosnia almost exactly like the one that we've got now after all of the deaths.

So if one wants to go back and pin responsibility, we have to go back to the previous administration. But the people who did the killing in Bosnia are still in Bosnia, and this administration has made the most vigorous effort in history to try to pursue the war criminals.

REP. SMITH: If you could just yield on that point --

MR. MAYNES: Yes.

REP. SMITH: Are you suggesting that during the course of those 30 months when very little, if nothing, was happening, that this we depreciate the currency of what we say in the world, we're not going to have effect on any of the issues. On Russia, I think one of my worries as we approach this election is that there's becoming a view that if Yeltsin wins, all will be fine, and if Zyuganov wins, all will be bad. I certainly agree with the latter statement. Yeltsin is definitely better than Zyuganov. But I think we have to face up to the fact that Russia is becoming an authoritarian country and that Yeltsin and his advisers are not even the so-called democrats that they were a couple of years ago. We have to recognize these changes in Russia.

I think, in part, we also have to recognize that Russia is going through a massive transof the points I was trying to stress in my statement is I think we run a great danger by trying to adjust to the twists and turns of Russian internal politics. We will never get that right. And if anything, in the process we will mix up. But I also think that we will dangerously lose sight of our national interests. And here, I think the greatest irony of all is that Russian efforts to re-establish the empire, I think, will undermine the effort for reform, because what they need to do at this point in their history is concentrate on their internal development. They are returning to a 19th century view of the world that a big power that has weak neighbors which it can dominate will be the most effec diddled on the issue. In '93, Yeltsin wasn't against it. But this has now become a sign of Russian authority and nationalism. So by
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delaying, we've made the problem worse, even in terms of reaching out to Russia.
REP. SMITH: Bosnia. I think the mistake began with the Bush administration.

I do think the situation was murkier in those days, and it was significantly clarified during the promise to lift that embargo. One would not have to run NATO the way the Soviet Union ran the Warsaw Pact to insist upon a change in that embargo policy if one believed it to be wrong and immoral. It would have been quite sufficient of the British and French or the Russians. And we could have given a reasonable amount of time to make the necessary adjustment.

y deficient policy that it also believes to be fundamentally wrong, and when a president has campaigned on a promise to change it, then I think you change it, and you do what is necessary to honor that commitment. Now, there is, I'm sorry to say, a sense in which I believe it is quite right to say that the administration shares responsibility for the slaughter, because we tied behind their backs the hands of people who were prevented from defending themselves by the embds of shells were rained down upon the civilian population. And the victims of that were unable to respond because they did not have the means with which to respond. And they did not have those means, in large measure, because we insistally, when the dust is cleared, this will be understood to have been one of the great moral failings of the western democracies in the 20th century. What troubles me deeply is when I read the remarks of the secretary of state at his Harvayton agreement" if the parties conclude that they don't want to keep the Dayton agreement.

That's a little bit like saying, "I suppose there's a danger that there will be homicides on the streets of Washington if the victims a PAGE 2 05/02/95 state of the United States hasn't a clue as to what happened in Bosnia and what may happen yet again.
It is not a matter for the parties to decide that they want peace. It is a matter to assure that the Bosnians are unable to defend themselves, I think the only fair judgment that can be rendered is that that blood will be on our hands.

REP. SMITH: Mr. Perle, thank you for that. And just let me say, Mr. Maynes, that I thined on Croatia by the Serbian nation. And we argued that any kind of embargo would be wrong. We were not listened to, unfortunately. But then we also had the voices of Cy Vance, Lord Carrington and many others in Europe who were saying, "This is Europe's problem. Europe wants to take care of it." So there was a degree of murkiness.

MR. MAYNES: But Mr. --

REP. SMITH: But let me just finish. So that's not to exonerate or say there's no blame that should be laid. As a matter of fact, Tom Lantos and I frequently will point out that the Bush administration made serious mistakes, was learning from them. I brought over the mayor of Dubrovnik and met with Larry Eagleburger for two hours, and he, as you know, with his background in the Balkans, in Serbia, in Belgrade, certainly was perplexed as to the frightfulness of what the Serbs were doing at that point in Croatia. They had not yet moved into Bosnia. So there was a learning curve there.

But I think the point that candidate Clinton, then Bill Clinton as president learned, and said so well -- and I cheered him from this platform as well as on the floor of the House -- that he was right, that all we wanted to see was a faithful adherence to his own policy. As a matter of fact, when Elie Wiesel was at the Holocaust museum and turned to him and said, "Do something, Mr. President," he was like George Patton for about a week, speaking boldly. And all of a sudden it disappeared off the screen.
And that's what concerns many of us who lived this issue day in and day out.
And it was only until, in my opinion, the major offensive by the Croats and the ability that they showed and that the Serbs were really winding down in their ability to wage war that, all of a sudden, we stepped in saying, "Okay, after 30 months of seemingly doing nothing and apparently doing nothing, we're going to be the great peacemakers."

You set up a straw man when you said that they're not the killers, as if I suggested that we were killers. But as a consequence of our failed actions, we led to an atmosphere where much killing went on because, again, Siladzic would say over and over again, both in private meetings and in forums that we would have at the Helsinki Commission, he goes, "We don't want your people, but you're killing us by your policy. We have broomsticks and we have three or four men in uniform for every available M-16 or AK-47."

And as Mr. Perle pointed out, they've got all the heavy artillery. So, you know, that's a straw man. That's not an extreme statement, as you've suggested. We allowed an atmosphere of a killing field to go on month after month, and we did nothing. And so, frankly, I resent that comment, because I think it's way off-base. You're entitled to your opinion, of course, but I believe it's way off-base. This administration did nothing for those many months, and the record shows it -- talk, jab, jawboning, nothing. And we needed leadership.

And I'm not suggesting we should run NATO the way the Warsaw Pact was run by the Soviet Union and Moscow. What I'm suggesting is that we needed bold and decisive leadership at a time where people were being destroyed by the tens of thousands and rape was going on, 20,000 to 40,000 rapes as a tool of the policy of the Serbs. So I just hope that you understand where we're coming from. I've lived this, and I deeply, as you are, am concerned. But this spin that's being put on by the secretary of state, as if everything has come up roses, couldn't be further from the truth.

MR. MAYNES: Well, nothing has come up roses. A lot of people have died. But the administration has taken a decision that I think showed great courage and creativity by mastering the Dayton process. And I would underscore that an agreement was reached in the Bush administration in Lisbon among all three parties. We encouraged the Muslims to repudiate their signature, and the war started thereafter. We could have had an agreement very much like the one we've got many years ago without the deaths. That's the point I'm trying to make.

The second point I'm trying to make is that I do believe the Europeans were wrong in their policy. But an alliance is an alliance. We have agreed with the British and the French and the Germans to support them internationally. They had troops on the ground. Those troops were in danger. We therefore owed them some concession to their point of view. And it was an awkward position for the administration, but I think it was one that they had to adopt.

REP. SMITH: Just one final point, and then Mr. Zoellick. Those troops in UNPROFOR certainly was a well-meaning deployment, but it became clear rather quickly that they became a stumbling block to protecting the Bosnians. They provided humanitarian help, and we should have learned from that. And, you know, they probably allowed, however unwittingly, many thousands to die because effective air strikes couldn't be (accentuated?) because of their proximity.

There was also the problem of -- Mr. Perle? MR. PERLE: Forgive me, but they frequently provided fuel for Serb tanks, because they felt they had to barter in order to protect their own position. It was among the most pathetic situations.

And I simply don't accept Bill's judgment that it was inevitable, that that was the only option we had. We could have said to the British and the French, "We intend in 90 days, in 60 days, to lift the embargo."

As it happens, we furtively, secretly and ineffectively were turning a blind eye to the circumvention of the embargo anyway.
But we could have said to the British and French, "That is our intention. We are willing to work with you to make an orderly transition. But otherwise, prepare yourself, because we will do what we can to see that these people are permitted to defend themselves."

And I believe that the British and French would have withdrawn under those circumstances, and the situation might have turned out entirely differently. We can't be sure, but what we can be sure is that the victims were pleading with us to do that. And if it had not turned out well, at least we would have met our moral responsibilities in that case. And I think it would have turned out far better than it did.

REP. SMITH: Mr. Zoellick.

MR. ZOELLICK: Because this hearing was on the Clinton administration's policy, which is the present government, as I understand it, Mr. Maynes, I've sat patiently and quietly while he keeps taking shots. But it's partially an approach of the Clinton allies to keep running the '92 election over. It might help if I stipulate. We lost. Clinton won. Can we please determine whether he will take responsibility for his government as opposed to shoving it back on someone else?

Your statement about the Lisbon accord is flat wrong. It has no historical basis. Your statement on the Russian military, the missile targeting, is flat wrong. That was done during the Bush administration. But I think we also both know that, frankly, it's not hard to retarget them. In terms of your comments about Bosnia, I think it was entirely understandable, indeed reasonable, that Europe should take on this problem. Your writings have frequently emphasized the role that Europe should have in defense and security. This one certainly seemed within their capabilities, or should have. We definitely should not have followed their example of putting peacekeepers as hostages.

If you will look at the record -- for example, Secretary Baker's memoirs -- you will see the movement we started to have towards use of a lift-and-strike option about the time that you were talking about in '92. And frankly, the greatest difficulty we would have encountered would have been that we would have been attacked by the Clinton campaign for starting a military conflict in an election year, which they were already prepping the press for, because that was going to be the nature of their argument.

But the most important point, and I think the most damning point, if I might, is that one of the things that we knew throughout four years is you don't threaten unless you mean it. And I think, whether you call it human rights or whether you call it national honor, the question of what happened in the safe havens was a travesty. Here is a situation where we told people, we put it in writing that we would protect them, and we didn't. They were slaughtered there. And I can't find any example over the past 30 or 40 years that matches that degree of cynicism or miscalculation. So if we want to talk about the present administration, that is the question that's before the Congress and the American people. Why don't we leave the other one to the history books?

REP. SMITH: Mr. Bereuter.

REP. BERETUER: Well, Mr. Chairman, obviously while I was taking farmer phone calls on ag insurance issues, I missed a lot here. (Laughter.) And I think it would have been interesting to be here.

REP. SMITH (?): We'll catch you up.

REP. BERETUER: I did want to ask one question, if I could come back to the subject of most-favored-nation status, as it was mentioned, I think, in Mr. Zoellick's paper, at least, with respect to the upcoming debate we're going to have on whether or not the Congress would disapprove the president's extension of MFN for the People's Republic of China.
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I've felt for a long time that this is a very imperfect tool to use for the purposes which we're trying to achieve in the PRC or elsewhere. It's very much a blunt instrument. As you know, most-favored-nation status is really almost a misnomer, because we're referring to normal tariff status which we give to practically every country in the world.

Is it possible for us to take a very different approach in dealing with this subject of normal tariff status and grant it to every country on earth unless we make an exception, by statute or by action, by delegated authority which we give by statute to the president, in a different fashion than we now proceed, so that we can get over this annual, what I think is a very destructive ritual, at least as it's now being handled on China MFN? Anybody have an idea for a very basic reform that would eliminate the mixed and, I think, ineffective use of this tool?

MR. ZOELLICK: One of the points, Mr. Bereuter, that I tried to stress in my testimony is I'm very worried about the use of case-by-case policies with a country like China. China is a rising power -- I didn't read this portion of my statement, by it's in there. We're going to have to treat it very seriously over the course of decades, and the United States, Democrats and Republicans alike, Congress and executive alike, are going to need to have a policy, as we did towards the Soviet Union, not -- I'm not saying containment, but a policy that can stay the course for decades.

And, frankly, I think the problem with the MFN issue is it comes up here in isolation, so people who are understandably frustrated about human rights or other problems in China fasten on it as the tool and leverage, and I think it's particularly important -- and I'm very worried that the president's delay on this is going to make it harder and harder for the president, whose responsibility this is, to come before the Congress or talk to the American people and explain this overall strategic position we have to have with China. In my view, the core of this, as you say, is that if we withdraw MFN, it will not be an effective tool and, frankly, we will undermine the forces that we want to try and encourage. I think what we have to try to do -- and this is something, again, we need to work with others in the region on, is to emphasize the basic rules of the game to the Chinese. If they want the benefits of the system, they have to play by the rules of the system, and that means in areas like security you don't threaten your neighbors with force. It means that you don't take destabilizing actions, for example, in the proliferation area.

In the question of economics, there are some core principles for the WTO. We and others should be saying to the Chinese they should adhere to these principles. We can work in a phase-in period, but you have to accept the basic rules. One of the reasons this administration has not been able to do that is because its policies are so ad hoc that it loses the ability to work with others, so take, for example, the WTO example. I've talked with very senior officials in the European Commission who agree with our position in terms of China's accession to the WTO, but they frankly tell you that Ambassador Kantor's actions and relations with his colleagues in Europe are so bad that they can't resist sticking it to him when he tries to take a position with China.

These sound like small things, but for the United States to lead effectively if we're going to position our relations with China over a long period of time, we have to have some sense of consistency.

Now, the last point, going to Mr. Smith's concern, is that it's my belief that the rules are not only related to the external world, but this is how you create a rule of law system in China. There are people in China that recognize they will not get the investment, they will not grow, they will not become the China they want to become unless they accept a rule of law.

And so in my view, the way to try to engage China and press China is to have a
set of priorities related to your external interests, but also trying to change the country.

But at the end of the day, it's not going to be me that explains this. It's got to be the president of the United States, and his administration has to have a dialogue with all of you so that we can get this relationship back on track.

MR. PERLE: Mr. Bereuter, if I could add --

REP. BEREUTER: Mr. Perle.

MR. PERLE: The extension of MFN is, of course, very broad, affecting all of the trade between the countries. We have a great many instruments of leverage in instances where we wish to use leverage to accomplish objectives.

For example, the technology of this country, including sensitive technology that is vital for military purposes, is so widely accessible to the Chinese that I think it's fair to say that they are developing -- rapidly developing their military capabilities with our technology. There's virtually nothing that we will not permit them to buy.

As a matter of fact, the Chinese have been buying whole factories, demobilized as we've drawn down our own defense establishment, whole factories capable of producing sophisticated weapons, in effect dismantling them and shipping them to China at a few cents on the dollar. We don't have to allow that. We don't have to allow unencumbered access to American technology, and in my view, we ought to be saying to the Chinese, "If you guys are going to sell missiles to our adversaries, missiles that threaten our forces and our country, then we're not going to give you open access to our technology," and you can do that even in the context of most favored nation status.

In other words, we're not using the tools we have.

REP. BEREUTER: So, Dr. Perle, in a nutshell, then, if we make much more effective use of the export administration controls, more careful use of dual technology decisions, as opposed to adjusting our tariff up and down --

MR. PERLE: This is one area where we might exercise some real leverage, and, contrary to what Secretary Christopher suggests in his speech and Bill Maynes seems to be suggesting, we have all but dismantled the system of controls that is one of the principal means by which proliferators are acquiring the technologies they need --

REP. BEREUTER (?): I agree with you. I think that's where you have an effect, and you don't, in the process, hurt America by changing your tariff rules up and down ineffectively, but you're dealing with what can be a real threat.

MR. PERLE: Can I take it one step further? Even within the context of most favored nation status, I think that we ought to be tough in our dealings with the Chinese when they are violating the basic understanding pursuant to which most favored nation status is granted, so, for example, their infringements of intellectual copyright ought to be met by specific, highly targeted sanctions, including in the trade area.

As I understand it, half the shoes that American consumers will buy this year are produced in China. And of course we have -- the tool we've the president is the 301. I mean, I can't for the life of me see why the president doesn't say, "If you don't stop infringing our intellectual property as you have been doing, we will impose a tariff -- a quota on the importation of shoes into this country, and we have it within our power to deal a devastating blow to the Chinese shoe exports."

Now, that may not be the right industry. It may be another industry. It may be an industry that's important for their economic development and ideally one that is not part of the increasing privatization in some parts of China. It's not uniformly spread.
But there are instruments if we're prepared to use them, and I don't understand why the administration, particularly as it faces a vote on MFN, does not put itself in a position to say, "We are exerting real leverage, and we can make that work."

REP. BERTEUTER: That tool, at least one of the tools, is Section 301, and now they've got until the 15th of May to respond to our formal complaint, as I understand it.

Dr. Maynes, is there anything in conclusion you might want to say about some sort of better approach to the MFN tool? Not just as it relates to China, but in general? Do you have anything that you want -- (inaudible) --

MR. MAYNES: Well, I --

REP. BERTEUTER: I yield back, then, after his remarks.

MR. MAYNES: -- I read Mr. Zoellick's testimony, and I basically share his approach on China. I think that the test for this administration and any successor administration is how the rise of China is integrated into the international system. I think that China is a country that can be nudged, but can't be compelled. It may have to be confronted if it takes positions that we find disadvantageous to our security interests, but that should be a last resort for us, and I think that basically establishing solid trade ties with China is in our interest.

I would also like to see whether it's possible for us to reach some kind of compromise on the WTO. We can't obviously let them in without any conditions at all, but it may be possible to reach some kind of compromise on this. I think that one problem we have with China is that we are constantly trying to get it to live up to international norms, but they don't participate in the development of those norms, so we need to find ways to bring China in to some of these decision-making bodies, rather than simply having the decisions taken and then trying to compel the Chinese to accept them. I don't think that system is going to work much longer because of the power that they have developed.

MR. ZOELICK (?): I believe that lifting the embargo would have enabled the Bosnians to defend themselves and we would not today have troops deployed in Bosnia. I don't believe those troops are in great danger and, in fact, in some ways it's -- it's a too large, too heavy deployment without a real mission, because we have chosen to construe the purpose of that international force so narrowly that pretty much all it does is defend itself. The forces have been separated, but it is not, in my judgment, making the contribution it could be making to
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stability by protecting a climate of security in which elections can take place and war criminals can be brought to justice.
And in that sense -- I mean, if I was the secretary of State, I would find it hard to wax lyrical about our accomplishments in Bosnia, given the paucity of real activity there. But I do believe that we would not have to be there at all if the Bosnians had been permitted to defend themselves, and I was very critical in my earlier remarks of the administration for failing to lift the embargo. Now, obviously, they were troubled by, to some modest degree, at least, by the prospect of unarmed Bosnians being slaughtered, so they turned a blind eye to the supply of -- the very limited and inadequate supply of arms from Iran. I don't believe this will have lasting consequences. I think the important point about it is that it was a fundamentally dishonest policy -- not a clever policy, but a dishonest one, pure and simple, and for that reason, we would have been far better off to do the honest thing and end the embargo. And so it is hardly a credit to the administration.

REP. CHABOT: Thank you.

MR. MAYNES: I would like to comment. First, I think a look at the history would show that I am right and Mr. Zoellick is wrong on the origins of this, but we both have made our statement. I'll leave it to others to look it up.

I don't think we know what would have happened if we'd lifted the arms embargo. I am in print, was early, calling for lifting it, but you might have had -- it might have brought Serbia directly into the war. I think a lot depends on whether you would have had a balance of power or whether the various sides would have fought on until one side or the other had total victory.

In that sense, I think there has to be something like IFOR in Bosnia really to bring the fighting to a halt with the current configuration of lines, or anything closely resembling them.

Regarding the long-run impact of what we've done with Iran, I think a lot depends on how the United States supports the government that now exists in Bosnia. If our support is then, if it is not sustained, if it is not committed, then I think there is a possibility that you will see a growing tie between the government of Sarajevo and various Muslim governments, including the one in Teheran. If on the other hand, the Western states provide significant support to the government in Sarajevo, it seems to me that geography and self-interests will gradually bring that state into the kind of configuration that we'd like to see.

REP. CHABOT: Thank you.

MR. ZOELLICK: (?) Just briefly, I think on the lifting -- my view is -- I don't know for sure, and part of it depends on the time, because if you will recall there was a period where the Croatians and the Muslims were as much at each other's throat as any other parties.

I do think, as Mr. Smith mentioned, that the key variable that allowed us to have the present situation with the Croatian land army, it supplied the one peace -- and we have to be honest with this -- that none of the rest of us are willing to supply -- which was a land army to fight back the Serbs. And unless we were willing to put troops in, someone else is going to have to try to do that.

I think the lesson here is quite important for the future, which is what we should be focusing on. And the lesson in my view is the prospects of a unitary Bosnian state are nil, and what we need to be preparing for now is the fact that if there is going to be a peace kept, other than with us there keeping it, we are going to need to make sure that there is some rough balance of power on the ground.
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As I mentioned in my statement, the danger here is not only the Serbs versus the Muslims; the danger is the Croats. There's another story in today's newspaper. These guys are not Boy Scouts either. And the only way we're going to be able to try to keep them from gobbling up the Muslims is if we use our leverage, and a lot of European leverage, to keep them on the side of where they are today. On Iran, I honestly feel the greater consequences are outside Bosnia. The United States has been fighting for years with the Europeans and then the Russians to try to keep Iran isolated, trying to make the point that as a terrorist state that it is continuing to undermine the international system, and that we have to keep it isolated. And, frankly, I don't see how an American political leader can have a straight conversation with a European about isolating Iran when we've taken this action -- they'll just believe that our position is totally opportunistic. And frankly I think the same (is involved ?) with Russia's engagement with Iran. Everyone who I talk to in Europe -- and I just came back -- looks upon this as an example of the fact that the United States engages with Iran when it wants to, and when it doesn't want to it will tell everybody they shouldn't. So I think that's the greater consequence than it is in Bosnia. And it goes to a point which I think is the greatest flaw in this administration's policy, which is people can't trust its word.

REP. CHABOT: I thank each of the gentlemen. Thank you.

REP. GILMAN: Thank you. Mr. Smith?

REP. SMITH: Thank you very much, Mr. Chairman. I'd just like to ask our distinguished witnesses a couple of questions. If you could just give your impressions of the recent Russia-China accord, whether that's cause for alarm, whether or not the administration has made the appropriate statements concerning it, or are they concerned enough? You know, is it a detente of sorts between Beijing and Moscow?

On Hong Kong, as we all know, it reverts back in 1997. I recently met with, as did Chairman Gilman, with Martin Lee, one of the leading Democrats in Hong Kong -- and we've all met with him before. He is ruining the day, when the Chinese government assumes control, because already the concern about the demise of the Basic law is there, the independence of the judiciary is at great risk -- and he gave us some examples. What you think we ought to be doing in terms of our policy vis-a-vis Beijing are to ensure that at least some (semblance ?) of freedom remains in Hong Kong.

The situation with Wei Jingsheng, with whom I met with in Moscow -- in China, during his brief release -- as we all know, he was released to try to secure the Olympic Games in Beijing -- it failed. I find it incredible that almost immediately after meeting with Assistant Secretary John Shattuck he was arrested, and now has been given in excess of 14 years to add on to his already more than 14 years spent in the Chinese gulags. I haven't heard a peep out of anyone but John Shattuck -- who is a good man -- I like John. But from the highest echelons of the Clinton administration, there has been an almost total "Who?" You know, when Harry Wu, who has appeared before our subcommittee on two occasions, was arrested, at least we had an American citizen, and it was clumsy at least on the part of the Chinese dictatorship with the women's conference just weeks ago to be holding him -- so he was released. But Wei now is in prison, and there doesn't seem to be any real, other than our subcommittee and Chairman Gilman and Jesse Helms and others who have written on his behalf, and raised this in every fora that we possibly can -- Wei seems to have dropped off the map as regards the administration.

To me that was a slap right in the face of the White House. You meet with the point man for the Clinton administration on human rights, and the next day you're gone. I -- we all -- I met with him too, so I think I have a
responsibility. But certainly the administration has one has well.
And then how do you regard the recent failure -- and what message does it send
at the U.N. Human Rights Conference in Geneva, when we can't even get a
resolution on China passed? You know, as a fallback, when MFN de-linking was
announced by the Clinton administration, great focus was put on the fact that
this would be raised and carried aggressively at fora like the U.N. Human Rights
Convention. To me this was a major setback for human rights -- the last
remaining venue available to us has been lost. In any order that you would like
to respond, I would appreciate some comments.
MR. MAYNES: I'll start. On the relationship between China and Russia, I think
that both China and Russia have more of an interest in maintaining a close
relationship with the United States and with the West than they do in
establishing any kind of privileged relationship between the two of them that
would be hostile to the outside world. Nevertheless, that you do often run into
the mood in this country among some that we can do anything we want vis-a-vis
Russia, because it is now so weak and that it has no options. And I think what
this shows is that every country has some options, and it is very important I
think that as we develop our own European policy we make sure that there is a
place for a constructive Russia in that policy, because if we don't make room
for it we could encourage a new alliance -- this time with Russia as the junior
partner -- China would be the senior partner, Russia would be the junior
partner. But I think it is unlikely to happen.
In terms of Hong Kong, there is an agreement that has been signed, that the
British signed. I think what we can do is follow developments carefully, and
make it -- try to get as much transparency as possible, make it clear to the
Chinese that the outside world is going to be looking at how they manage
Hong Kong in terms of the kinds of attitudes that we are all going to have about the
peaceful unification of Taiwan with the mainland. I mean, obviously our
positions on that are going to be deeply influenced by the kind of regime that
is established in Hong Kong. And it is in Chinese interests, I think, to manage
the incorporation of Hong Kong in a way that reassures the rest of us about what
it would mean to continue to support the one-China policy.
On human rights, I think it was a failure -- there is no way to disguise the
fact that it was a failure at the Human Rights Commission that they couldn't
even get the issue on the agenda. I happen to have perhaps an idiosyncratic
view on this. I think the problem with the Human Rights Commission at the U.N.
is that all of the delegates are under instructions from their governments --
and our government as well does not always vote to the merits of the issue; it
votes to according to the foreign policy priority at the time, so we are more
favorable to some countries than we are to others. I would like to see that
commission depoliticized, and have experts appointed to
it,
so that it was more
like a court and less like an inter-governmental body where decisions are made
according to the foreign policy calculations of the various governments -- which
is what took place here. China was able to persuade other governments that
their relationship with Beijing would be adversely affected if they voted in a
particular way.
MR. ZOELLICK: Just briefly, on the China-Russia accord, I think this is a
classic example of while we may view our foreign policy in a case-by-case
fashion, that others don't, and they are clearly trying to send a signal in
terms of how we have managed relations with both those countries.
Having said that, I think there are limits on it, because there is extreme
distrust in both Russia and China of the other party. What I actually find
interesting about it is, having over the course of the past 10 days talked to a
senior Chinese official, and a number of people in the Russian policy
establishment, and having gotten this sense from both of them how we could have mismanaged it so badly, given the fact that we should frankly be able to work with both Russia and China to play on the antagonisms and sensitivities they have with one another.

On Hong Kong, I think it’s important to recall at the start that this is one of those issues that will go to the height of Chinese sensitivity of territorial integrity, because their view of history is that this land was taken from them at a point of weakness. It is their land, and they should recover it. Having said that, we are now on the edge of the 21st century, and so I do believe that we should not only make the points that Mr. Maynes has made about following the procedures in its relationship with Taiwan; but, frankly, I would urge the Congress to explore some measures, that I believed it was looking at a year or two ago, which would make it easier for some people from Hong Kong to leave if necessary, and come to the United States. I recognize immigration is a very sensitive topic up here, but frankly from economic or human rights grounds, I wouldn’t mind six million people from Hong Kong. I think it would help us on both sides. And I think it would be a way of signalling to the Chinese that these people have an alternative.

In terms of dissidents, this again is another interesting example of whether you talk or act. The Bush administration, with the quiet diplomacy, actually managed to get a lot more of these people out than the Clinton has. And I think at times, as I mentioned before, the United States needs to speak out. At times it needs to act in a quiet fashion. The challenge is knowing when to do which. I think the real problem here -- and it underlies examples after example in the case of China -- is the fact that the Chinese government thinks that the Clinton administration is weak, and they don't trust it. And that is not a good starting place for any of these relationships.

And, just as a point of reminder, in 1992 the Bush administration made a major sale of weapons -- aircraft -- to Taiwan, and it was interesting how the Chinese dealt with that. Now, the reason they dealt with that is frankly because we managed to try to preserve some trust and some working relationship. So they didn’t see it as going to their fundamental core. And the reason why in my view the Chinese took their recent actions in Taiwan -- and they have told me this -- is that they really didn't know what the Clinton view is on the independence of Taiwan. They hear words, but they don't know whether those words would be bad. And frankly they have some concerns about President Lee in Taiwan, and they don't know exactly where he's going. And so this was their way of sending a signal, in as bold a fashion as possible, that if Taiwan moves to independence they will take action. And I think part of that is a legacy of the fact that our words no longer mean something to them.

MR. PERLE: I largely agree with what Bob has said. I -- let me just repeat that I think we have a great deal of leverage -- not only with respect to China, but with respect to most nations. The United States still offers trading nations the world's largest market. It is still the principal source of advanced technology, and in particular military technology. If we can't affect the release of a relationship with Russia. And the consistent shortcoming, in my view, is a failure to understand leverage and power, and to apply it in support of American interests.

There is an astonishing naivete at high levels in the administration, and I think much of it right in the Department of State. Warren Christopher is undoubtedly a terrific corporate lawyer; but those skills are not necessarily the skills that one wishes guiding American foreign policy -- in fact, they're probably not. So I think we're missing opportunities to exert influence where it can be done.

In the case of China and the protection of dissidents, the administration is
obviously preoccupied with avoiding any action that would fool the opposition to most-favored-nation status in the Congress. And so it is very easy to become an accomplice in sweeping things under the rug. I mean, it is one of the prices you pay for a detente policy, that you find it inconvenient to acknowledge wrongdoing when it takes place. But that surely doesn’t justify the failure to apply leverage as we can do it quietly. And there’s a great deal of leverage we could apply if we wish to do so.

REP. GILMAN: Thank you, Mr. Smith. And thank you for conducting the hearing for a while. Please forgive me, gentlemen. We had a lengthy briefing by Secretary Christopher earlier with regard to the Middle East, and I was detained unreasonably long. But I reviewed your testimony, and we consider it to be very important for the work of this committee. I do have just several questions -- and I know you have been patient long enough. We’ll try to get you on your way. Can I ask the panel if you have any insights on the operation of the inter-agency process in this administration? How, for example, could the decision to acquiesce in the Iranian arm shipments to Bosnia and Croatia have escaped that process, and not receive the attention and the advice of, for example, the Defense Department and the CIA? Mr. Maynes?

MR. MAYNES: Well, all I -- (laughs) -- all I know about that is what I’ve read in the newspapers, and obviously the decision was made at a very high level. It is a decision that it seems to me more is being made of than should, because I remember reading at the time that shipments from Iran were being intercepted in Zagreb. They were reported in the press. Of course it wasn’t reported in the press that the United States had acquiesced in this. But we knew that the materials were going in. I did not notice at the time any large cry from the Congress or others that we stop it.

REP. GILMAN: Well, there were some of us who did make that expression concern --

MR. MAYNES: You did?

REP. GILMAN: -- to the secretary of state about the presence of Iranians in Bosnia, and what their impact would be on intelligence and that sort of thing. Yes.

MR. MAYNES: Well, then you were more foresighted than most people. But my memory of the period is that these stories appeared, and most people who wanted the Muslims to get arms were willing to let this go. I think that right now the big issue is how we wean the government of Sarajevo from any kind of close relationship with Teheran, and I think most of the cards are in our hands if we’re willing to play them. We have to support that government -- financially and politically -- and we’re going to have to do it for a long time.

MR. PERLE: I don’t believe there is much of an inter-agency process. There is certainly nothing comparable to the process that previous administrations developed in which an orderly, deliberative process proceeded from relatively low levels up to the president if necessary. I have the sense that a great deal of policymaking in the present administration is ad hoc -- meetings called hastily, attendance determined by who happens to be in town, without the kind of careful policy work that can help protect against capricious decisions, and decisions that depart from the central themes of policy. But of course if there is no central theme, if you are acting case by case, then perhaps you wind up with a process that is equally episodic a series of inter-agency groups that were chaired at the deputy assistant secretary level, and included representatives of the Departments of State and Defense, the NSC, the intelligence community, and other relevant departments -- CIC or level inter-agency group, made up of the same departments, would meet. And an issue that was difficult to resolve might ultimately reach the National Security Council itself, with the Cabinet-level people participating in the discussion. I do not have the sense that this administration has a hierarchical decision
structure that looks anything like that. Now, there may be other ways to do it. The benefit of the way we did it in the Reagan administration was to hold myself out as an expert of Clinton administration processes, and it is certainly the case that processes vary considerably by administration.

What I think is particularly important in the field of foreign affairs is if the sake that as an issue comes up someone presents the full implications. And I think the problem in this administration is that it doesn't have either.

REP. GILMAN: We certainly have a good difference of opinion. I appreciate that should be maintained past December of '96, that it should continue under NATO auspices, that the presence shall require substantial U.S. involvement to remain credible in the eyes of force contributors, as well as the Bosnian party-held, if not universal, perception of the Europeans, do we want to again be forced into a situation where we and the Congress are told we'd have to continue a deployment in Bosnia for the sake of NATO unity, in our leadership position in Bosnia after the one-year deadline that the president indicated at the time that the decision was made to go in. I think that the withdrawal will be in an extent that it will assure any concerns of the electorate approaching the election, but it will not be complete at the time of the election, and we will see reasons given, subsequent to the election, for why that withdrawal cannot proceed in its entirety. There may be different forces - the forces that are there now I think are inappropriate forces -- lighter forces would be more appropriate. They may be called something else. They may be called a police force. They may come in an international structure. But if I had to bet, I would bet that the last American to leave Bosnia will not have done so at the end of the year.

REP. GILMAN: In spite all of the administration's allegations to the contrary? MR. PERLE: Yes. And, frankly, I am reluctant to criticize them for that, because the criticism seems to me, most appropriately, aimed at the arbitrariness of the one-year deadline. You don't, in my view, responsibly get into a situation like Bosnia, and announce that one year later we will terminate our presence, regardless of whether the circumstances make that a safe -- give us the opportunity for a safe or an honorable withdrawal. So the pledge should never have been made that we would be out within a year. And so the administration, in order to cope with that, will once again have to shift its position, and will once again be seen to have acted disingenuously. And I think you can only go so far in developing a reputation on reliability, disingenuousness and dishonesty. And you cannot flip-flop on issue after issue and expect to be taken seriously. I think that's what both Mr. Zoellick and I have been saying. And obviously Bill Maynes is uncomfortable with that. But the fact is you pay a price every time you renge on assurances that have been given -- and we are going to do it on the deployment in Bosnia.

REP. GILMAN: Mr. Zoellick?
MR. ZOELLICK: I agree with the thrust of Dr. Perle's remarks. But to highlight, I think it was domestic politics that determined the one-year date, I think it's domestic politics that prevent people from having the sort of discussions that you describe your staff wanted to have -- and I think it's very important that we have those discussions, because if we do want to pull out, probably the logical way for us to do so is to have an ongoing European force, with the United States offering some logistic and off-shore capability. This will not be easy. The Europeans haven't demonstrated they've had a great record in handling these things. And then the third point that we're going to have to deal with is also supplying the Bosnian Muslims. Those are very difficult issues. And my real fear here is that what we are seeing once again is an example of the
desire to have domestic politics drive the image, leaving to avoidance of facing up to serious foreign policy questions.

REP. GILMAN: Mr. Maynes?

MR. MAYNES: Well, if the administration decides that U.S. forces must continue to stay in Bosnia, it will not be because it shows a lack of responsibility; it will show that it has a sense of responsibility. The United States has made a major investment in Bosnia. It's entire European policy rests on success of that effort. Its relationship with Russia to a significant degree is mortgaged to that effort. If there is any possibility that our complete withdrawal would lead to a collapse of that mission, then we should not carry out a complete withdrawal... I think we should be talking now about a follow-on force that hopefully the United States could provide mainly the logistic support for, and others could have the troops on the ground. But we should be prepared to also have troops on the ground, if we want to remain a European power.

That the same time we want a structure there that encourages the three sides to begin to interact with one another to see if it's possible to establish some kind of semblance of political order in the area. That I think is going to require the starch or presence of some kind of reduced outside force for a fairly significant period of time.

MR. PERLE: Mr. Chairman, if I could just add one point. This country is committed to equipping and training the Bosnians. Our European allies not only do not approve of that policy, they are opposed to it. If we are contemplating a substantial withdrawal from Bosnia at the end of the year, and if we are going to turn to the British, the French, Russians and they need to defend themselves. So we will restore -- there is a good chance we will restore that situation of abject dependency that existed during the period of the embargo because they couldn't defend themselves. I think that will be a terrible tragedy.

And I am surprised to hear Mr. Maynes say to what extent he believes our European policy, our Russian policy, our global policy is dependent upon Bosnia, because if he is right there is a vast disproportion between the level of effort we are now making to accomplish the training and the equipping of the Bosnian forces in this interval while we are there on the ground, and the stakes that he believes we have: A eliciting pledges on the order of $100 million, which is a tiny -- pledges, mind you, not cash -- which is a tiny fraction of what is required if we are going to leave behind in Bosnia a Bosnian capability for self-defense. And I happen to of the problems has been, Mr. Perle, is that the equipping and training is that we often hear the accuse, "Well, the Iranians are there, and that's why we're not moving in." What are your comments?

MR. PERLE: Well, I don't believe that for a moment. There is certainly an issue to be resolved with respect to the Iranians. The number as I understand it is now very small. It's almost down to looking at individuals and how they got there and what they're doing e is a lingering Iranian presence, and argues that we will renege on our commitment to equip and train as long as that presence is perpetuated, that becomes an argument for those who may wish to see the Iranians there for keeping them there -- on the grounds that the United States can't be counted upon to provide the means of self-defense, and only the Iranians may be capable and willing -- and willing to do that. So I don't think that is the central impediment.

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REP. GILMAN: To your mind, is there some other arrangement between the Bosnians and the Iranians besides just equipping and training?

MR. PERLE: Well, I believe -- and you would want to get classified
intelligence on this -- I believe that the Bosnians have significantly reduced, and almost entirely reduced, the Iranian presence in Bosnia. It was there in part, we now know, with a wink and a nod from the United States. So it seems a bit disingenuous to hold the equip-and-train commitment hostage to the removal of every last Iranian. I don't believe that the small residual Iranian presence -- and we are not talking about an organized force in any hat they cannot make their commitment to train and equip the Bosnian forces because there are a handful of Iranians still in the country.

REP. GILMAN: And of course we're hearing that coming from some administration people. And a lingering -- it's not a thought -- an afterthought. It's still a very firm policy in their mind that we would be out by mid-December. Any comments anyone want to make with regard to that issue? If not, then let me ask another question then. Is the administration correct in pressing for an undivided Europe? Is it realistic to try to integrate Russia into Western security and economic structures? I know Mr. Primakov is trying his best to bring Russia back into the forefront on foreign policy issues. I'd welcome your comments. Mr. Maynes?

MR. MAYNES: I think it's an option that we have to work at. Right now Russia is not ready. But I think it would be a terrible mistake to conclude Russia has been a participant in European security -- not always a constructive participant. It will be a participant one way or the other, and our whole purpose is to try to harness that into some kind of constructive relationship. So I would not close the door to Russia; but, as I said, right now they're not ready to walk through it either.

REP. GILMAN: Mr. Zoellick?

MR. ZOELICK: I generally agree with Mr. Maynes. I think that Russia is part of Eurasia -- that's a fact. And they will play a role one way or the other. We can't wish it away. Where I think the administration has been flawed is on the one hand not promoting our interests and the interests of our allies, for example through NATO enlargement; but, on the other hand, being more creative in coming up with some suggestions with how Russia might engage with NATO. To draw an analogy to the process of German reunification, of which I took part, we were quite aware that the Soviets were at a loss. They were thrown off. And so, frankly, we tried to do some of the thinking for them. And we came up with ideas for continuing their engagement, even as we were pursuing our interests. And there are ideas out there related to the Contact Group that has been involved with Bosnia, and even related for example to engaging the Russians on nuclear issues with NATO's nuclear planning group. One of the real challenges we face in Russia is loose nuclear materials. And I think we need to frankly do some of the thinking for them, because in their current political context none of them are going to be able to come forward with ideas. We'll have to do it.

REP. GILMAN: Mr. Perle, did you want to comment?

MR. PERLE: Well, I think we should encourage the most cooperative relationship with Russia that Russian international behavior justifies. And the message to the Russian leadership should be very clear, that so long as they respect our interests, and Western interests broadly conceived, and the appropriate norms of international behavior, there is no reason why we can't have a close and cooperative relationship. But I think at the same time we have to be prepared to point out those failures, both observance of the norms and appropriate concern for U.S. and Western interests that limit our potential for cooperation with them. So when they provide a nuclear reactor to Iran, I think we ought to respond to that and say that that is not consistent with the kind of
cooperation that we are prepared to offer. When they take the kind of action they have in Chechnya, I think we have to say that is not consistent with full cooperation, and we have to fine-tune the extent of the cooperation in respect of their policies.

REP. GILMAN: And I'll try to be brief. I just have a few more questions, and we'll wind up. What's the proper balance in our foreign policy between legitimate economic interests in pursuit of political and strategic interests? For example with China and other issues on MFN, the administration has sometimes favored the economic sanctions in line with congressional thinking -- in the case of Iran, for example, and then after some considerable hesitation Cuba. What should our proper balance be?

MR. PERLE: If I could suggest, Mr. Chairman, I think we often resort to economic measures because we are not prepared to take those measures that might actually be effective. And I view with some concern the growing tendency to resort to economic sanctions, the efficacy of which is doubtful, and in some cases predictably inadequate, where that action is an alternative to doing something that we might do if we had the will and the resolve to actually do it. So I think we ought to be discriminating about the use of economic sanctions, and we should persuade ourselves before we impose them that we have a reasonable prospect of success. When we resort to economic sanctions without a reasonable prospect of success, and because we have resorted to sanctions failed to take other actions that might succeed, we wind up with the worst of both worlds -- economic injury, and no constructive result in the defense of our political and security interests. Clearly, those who urged economic sanctions as an alternative to Desert Storm were prepared to accept a halfway measure that couldn't possibly ha MORE

But I think we are much too reluctant to consider the use of force, which used appropriately and early can be decisive at relatively low costs. And we seem to have a tendency to wish to go through a progression of steps that now almost always includes sanctions, during which time the situation may very well deteriorate to the point where you cannot then use a modest amount of force decisively and effectively. So we really need to rethink the range of instruments available to us, and to use greater caution in the application of economic sanctions where there is no reasonable prospect of success.

REP. GILMAN: Mr. Maynes?

MR. MAYNES: Yes, I think we have to ask what our purpose is in imposing sanctions. Sometimes we impose sanctions not because we think they're going to be effective, but because we want to show strong displeasure with some other government. But I think there has been a tendency of people to believe that economic sanctions can accomplish the impossible -- of getting another government to commit suicide. I think when we impose sanctions that basically have that purpose, they fail. On the other hand, sanctions are a part of the warp and woof of international relations. Even with our allies we sometimes impose sanctions in order to get them to respond on particular trade issues. But we have I think been too indiscriminate in imposing sanctions with high political purpose, which really can't be achieved with these. Other instruments have to be employed, or we have to have more multilateral support for our sanctions, if they are to be effective in such a dramatic way.

REP. GILMAN: Mr. Zoellick?

MR. ZOELLICK: Well, I think that both my colleagues have given some very good caution on sanctions. I have nothing to add on that. I will, however, say that we shouldn't overlook the positive possibilities for
aligning our economic and security interests. The United States has a tremendous potential if we keep our head about us, about the strve United States' capabilities that we are not following through on the extension of economic arrangements, including free-trade arrangements, with other parts of the world that frankly want to follow our model. Latin America has seen tge those who are partners and allies with the United States -- if we keep our head about us at home.

REP. GILMAN: One last question, gentlemen. We often hear the U.N. or the secretary general blamed for problems occurring around the Security Council? Have we taken on too many burdens with respect to peacekeeping? For example, should we insist that our in-kind contributions be accounted for more concretely in the allocations of peacekeeping burdens? Are we peacekeeping arrearages, as I recall, are related to Bosnia alone. Obviously in the case of Bosnia the U.N. was overextended. It was provided -- paradoxically overextended, and provided inadequate support. It took on missions that it was nd damaged the institution to give it a mandate that the member states were unwilling to back up. In the future I think that we have to be very careful about asking the U.N. -- or for that matter, any international organization, t I also think that the United States should pay its dues. Many years ago it was an achievement I think actually of the Reagan administration -- we reached agreement with other member states of the U.N. that the budget of the U.N. would be passed by consensus. So all those budgets that have been passed have been passed with U.S. support. One of Ronald Reagan's last statements before he left office was to go to the U.N. and say we owed the money and we should pay it. W PAGE 3 05/02/95

REP. GILMAN: Mr. Zoellick?

MR. ZOELLICK: When I left the government in '93, one of the things that most surprised me was how people talked about the United Nations. They would say the United Natio United States. So I think one of the unfortunate policies of this administration was to pretend as if it could throw problems in the hands of the U.N., and then basically abdicate it. I think it was an embarrassment for us, and I think it undermined the U.N. as a body. We have to remember we're the most powerful country in the world, and if the U.N. is going to work, we are going to have to make it work. Having said that, I believe the U.N. drastically needs reforms. I think that there should be reductions in the share of U.S. payments. But I also believe -- with Mr. Maynes -- that a great country should uphold its obligations. We are a great country. We should pay our bills.

REP. GILMAN: Mr. Perle?

MR. PERLE: Yes, I don't like the idea that we are not paying bills, that we are not meeting commitments that we have made. I do think that the U.N. budget going forward could be radically reduced -- 30 percent, REP. GILMAN: Thank you. One last question?

REP. SMITH: Just one last question, Mr. Chairman. I want to thank our distinguished witnesses for their patience. This has been a very, very enlightening hearing. Last November 30th I asked the question of our panelists -- General Shalikashvili, Secretary Perry, and Secretary Christopher -- first, recalling that political considerations were part of the equation when the -- when there was not a proper proviswhether or not the 1996 elections ever entered into the consideration of whether or not to go forward on Dayton, whether or not it was part of the equation, positively or negatively. And the answer back from Secretary Christopher was there was no discussion whatsoever of domestic politics in consideration of this policy. Mr. Maynes, does that ring true to you?

MR. MAYNES: Well, I guess my answer to that would be in administrations in which I've served often noninitiative the election is very much part of the decision-
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making. So I would guess that Mr. Christopher is -- if he said it was not formally discussed, I believe he's -- I accept his word that it was not formally discussed. I think it did provide part of the atmosphere in which the decision was taken that people would know that if a success had been achieved that this would be -- reduce a significant vulnerability for the president -- so I think it played a role.

REP. SMITH: I appreciate that candor. You know, what prompted the question in addition to this was the fact that there was an October timetable at the time for withdrawal, and many of us wondered about that timetable, as to whether TH: Right.

MR. PERLE: From the early reluctance to get involved to the decision that if Bosnia unresolved were allowed to linger into the election period it could be bad for this president, to the timing of the withdrawal of the IFOR, to the mission of the IFOR. It's inseparable from domestic politics. And whether it is discussed or not, it is at the root of much of the decision-making that has affected Bosnian policymaking.

MR. ZOELLICK: The one part I'll add, Mr. Smith, is that I was with Secretary Perry and some of the senior defense officials at the time the Croatian offensive started. And I have been hard on them on some points, but I'll also give him credit where credit is due, and I think they perceived an opportunity, as both you and I commented, to the fact a missing variable appeared -- a Croatian land force. And I think that that led them to get themselves out of a very deep hole. I also feel, as I've mentioned, that having accomplished that I also compliment Ambassador Holbrooke for his drive on that negotiation I don't agree with all elements of it, but I think that he did a commendable job under the circumstances.

What I worry about now is retreating back to old patterns. In other words, all of this is acknowledged in one way or another that the paper terms of the Dayton accords are not going to last beyond the time that U.S. forces stay there. So we have to start preparing for the future. And I think part of the job of a president is being honest, and preparing the way for the American public. I think a lot -- we can take a lot of variations in terms of this result -- maybe U.S. forces will stay longer. Maybe they'll stay as part of an arrangement. But ultimately it's the job of the president of the United States not to have these come out in some form of divine conception, but explain it to the American people. If the president doesn't do that -- now, and if future presidents don't do that -- that's what makes me worry about American public support for foreign policy.

REP. SMITH: Thank you very much, gentlemen.

REP. GILMAN: Gentlemen, I want to thank you very much for your time and for your patience -- an extensive hearing. I think it's been a good hearing, and I am sure that the record of this hearing will be circulated far and wide. Thanks again for your expertise, and we appreciate your being with us. The committee stands adjourned. (Sounds gavel.)

END

LANGUAGE: ENGLISH

LOAD-DATE: May 4, 1996
to assess the foreign policy record of the Clinton administration. I believe that any fair assessment would conclude that the administration has matured, made significant progress in the past year on a number of critical issues, made no irredeemable mistakes in areas of potential danger, and is struggling to preserve the tools necessary for this or any future administration to represent and defend US interests abroad. Let me briefly touch on each of these points.

--Falling involved on the ground in Bosnia and Haiti, it had excessive expectations of what international organizations could accomplish, it was saddled with positions taken in the 1992 campaign that proved easier to utter than to implement. But over time the administration has faced up to its responsibilities in Bosnia and Haiti, it has achieved a more balanced approach toward international organizations, and it has managed to return to a more centrist position on most of the great issues of international affairs.

--At considerable electoral risk, the president took the right decision in Bosnia and Haiti and overall those two operations have been handled with a professionalism that few would have expected looking at the administration's start. In the Middle East the administration has cemented this country's relationship with Israel while opening up new ties with the Arab world and pushing the peace process. The administration has managed to strengthen NATO while maintaining solid relations with Russia though adverse consequences may lie ahead upon NATO's eventual expansion. The administration has aggressively advanced an international economic strategy of open markets and trade efforts with key countries.

--Potential trouble spots are Russia and China. No one can pretend he or she has the answer for how to integrate these two giant countries into the international system in a constructive way. But to the administration's credit, it is working the problem. It has correctly resisted policies that would write off either of these states as a potential enemy. I myself have been critical of the proposal to expand NATO but the administration is pursuing this option in a way designed to minimize the damage with Moscow. In particular, I believe the administration gets very high marks for persuading the Russians to participate in the IFOR in Bosnia as part of the US-led force.

--The president's recent trip to the Far East also demonstrated a new burst of diplomatic creativity. The agreements with Japan regarding peacetime cooperation in the military field represent an important step toward a transformation of the security relationship more favorable to the United States. And the proposal for four power talks regarding Korea injected new life into the North-South dialogue on that peninsula.

--It is easy to direct criticism against any administration. Particularly in
the post-Cold War world where none of us has a reliable compass, it is easy to
find fault with the administration's actions in this area or that. rivalries.
But it has been fighting to preserve the tools that this or any other
administration will need to advance and defend American foreign policy interests
in an uncertain world. -
--As former Secretary of State Henry Kissinger has warned, the cuts suffered by
the Department of State are now crippling our diplomatic effort, leading to
"less complete political and economic reporting, less effective representation
and advocacy of US interests in foreign countries ort. END

LANGUAGE: ENGLISH

LOAD-DATE: May 4, 1996
JAN FP Speech Notes
Lkr - Bn - Bn - Afp 1/3/18

DB - 
Am as role superpower

Role in world - sense of last year.
Intel - Bn - Nkr - Hut; etc.

DB - Chally people model in FP to stay engaged, told
light to lead Amni for next gen:

- Wt Am. can do that no one else can do

- Wt leaders

- Act if they can't get job done themselves.

- Bully conditions

- Not isolationism or entrench

- Create benefits Amni

- (Continuity). Am. no superpower before Srb. - Some
values tintinols

DB - Simple speech/prop: Am's role in world. Do we
now composeadesh or do we retreat? Working w/other

- challenge to young people/nex nd. You have
  responsibility to see, work for this.
TL - Big + flip

- I'm going to Bosnia. Possible D/H mission. Am
  untested -> if not, don't set plans.
- List of this that should not done in 1/05.

- Reason: Am only superman. People link to
  us - can't do anything. But then multiple
  it pay + make differ to Amis, we must at

- If we stick by it for 3-6 months then, anyway
  what needs...
  values matter be in our intent and also
  be: if in same time, break scenario in our own D
  about responsibility of sort + citing
  [My job is to choose]

- Dill this period + other: limits on what we
  can do are more self-limits the limits applied by
  other. We need to decline than limits thing
  useful calculation

- Need to ask thing in Bi - put wrong (multi Lee /
  resources/established)
- Not he shall not imp our trust or useful

1. Bosnia
2. Good Thing
3. Challenge to must get to
4. Why
5. Constitution + role / site sel/
Need to define limits = not within pol -

Dnt drive truck yourself (units, levels, resources, p ship)

HD -

Area we have - what we do

Box - Irish - ME

- Ask for you: Why does the matter to you? Why should sit by happening to add any matter.

- Answer 6

- Direct benefits (economic - safety)

- Open

- Record of repayment: presumed impel on us. If we be. We should do it.

- Failure to act is decision. Our country has responsibility. (Promote, who or our int's) Others need to hold. To take due

- Responsibilitys

- Interests tech -

- Don't trip yourself (partnership)

- Need to real lots of ship so we can do out

- Effort is possible

Silly old

- Does not get charged many will in pay

[reduce, economic justice]

- Seems bad to individuals.
FP Speech

- America to solve superheroes
  - U.S. leadership
  - for America people
  - for peace
  - notes
  - economic
  - duty

= Strength

No imperial motive
Thursday

Responsibility of Org and I-ship.

Don't hide behind PRs.

Stand up to responsibility behind straight.

TD - I-ship thus (strong-stub) Central lesson

of this. In our int-td Unique role

Thank if we don't play I-ship.

End of CN - reason to rethink [They are

- As predictor

- Prospect

- Nihile

-"

Do it back to interests. No push

progress world to it to + be a+ flourish

in world that not.

Think about changes bit room

+ if we don't level.

Agreed moment but changes. I've

take an eye off the ball

Interdependent world

New Challenges.

- Eject of Strong America
- Distinction btw poltst (h to wt Andy bld. Engage evry thrn thn probl)
politician (gives varus approprte response)

- Role of Pots to choose: interest/role

- How best to achieve

- Think about future, too - not just today.

- Sorry to Moscow in April to pursue one of my most impot. goal.

- Peace
- Nukes
- Markets
- New Thsts

- Can't get done
- WO Aren't
- Forgo see
- 5 th my

- Don't try

  "We can't do it w/o you.

  Turned to: "Who Christopher?" "We need you, he said you.
April 9, 1996

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: ROBERT BELL

FROM: JOSEPH SESTAK

SUBJECT: Speech to U.S. Coast Guard Academy

In three years in office, President Clinton has given a number of speeches on national security themes, but he has not given a speech devoted to laying out our impressive record on, and successful stewardship of, defense issues:

• The most successful restructuring of U.S. military forces in history: five years after World War II ended and a drawdown began, U.S. troops were nearly pushed off the Korean Peninsula; five years after the Vietnam War’s drawdown began, the Army Chief of Staff pronounced that we had a “hollow Army”. However, today’s military readiness is at an historic high as our present restructuring draws to an end five years after the Cold War drawdown began: our military forces have responded swiftly and effectively to contingencies in Haiti, Rwanda and Bosnia, as well as in the Persian Gulf and on the Korean Peninsula.

• The defense strategy to deter, and to win if necessary, two nearly simultaneous MRCs has proven sound: In the late summer of 1994, we faced a very real prospect of hostilities with both North Korea and Iraq. The rapid reinforcement of U.S. military presence and additional deployments to these two theaters deterred potential aggression -- exactly the right strategy and right force capability for what almost began to happen: North Korea and Iraq nearly simultaneously. And those threats are still with us today.

• There is an unyielding commitment to fully fund our armed forces: Because of this commitment, when conditions changed, adjustments were made to the defense budget: $4 billion was added to the budget in the last two years for unexpected contingencies; $25 billion was added to the long-term defense plan in December 1994 for readiness and modernization; and
$31 billion in inflation savings will be retained by Defense over the next six years for modernization.

- **There is a rational approach to future modernization:** Because of the huge hardware buys in the early Reagan years, large-scale recapitalization has been prudently deferred since then with an associated continuous downward trend in procurement beginning in 1985. This Administration's strong research and development program now brings the next generation of military hardware to production at the turn of century, and it reverses the downward trend in procurement beginning in FY 1998 with a 40 percent increase in modernization spending by FY 2001. In contrast, the Congressional Budget Resolution's defense budget declines below the Administration's in FY 2000 -- just when an increase in procurement funding is needed to recapitalize the force.

In short, the Administration has worked hard to craft a strategy of engagement and enlargement to enhance U.S. security, and the planned commencement speech at the U.S. Coast Guard Academy is the perfect forum for the President to make clear how a successful partnership between the American people's elected leadership and their armed forces has provided for U.S. security; where attention and resources have been focused effectively; and where it is reasonable to accept risk (e.g., NMD) while remaining careful stewards of the nation's scarce defense resources.

The U.S. Coast Guard Academy commencement also provides the Commander-in-Chief the ideal opportunity to speak to developing defense challenges and to invite Defense to address them with the same innovation and success with which it has met previous challenges:

- **Stability for our people, our units -- and even for Defense as an organization --** as our military drawdown nears its end, while also considering new approaches which, among other things, help to alleviate the strain of deployments on our people while still ensuring security needs are met.

- **At the same time,** recognizing that our continued engagement helps preclude future threats from developing in the first place, and therefore we must continually assess the best approaches to our overseas presence in order to best meet this objective.

- **By furthering the joint integration of our military forces to enhance the responsiveness of our overall warfighting capability.**
• By increasing efforts which explore how technology might provide more effective combat organizations while divesting ourselves of high cost, low payoff capabilities that no longer contribute to our warfighting edge.

• By remaining attentive to the development of our future military leaders, with a challenge to never be too comfortable with the status quo.

Finally, the commencement provides the Commander-in-Chief a forum to address future defense challenge for which we must prepare:

• First, by noting that although tomorrow’s threats are less clear, our present strategy for deterring and defeating aggression in more than one theater has provided us a definite flexibility in meeting unknown future threats.

• By recognizing that today’s defense challenges will not necessarily be tomorrow’s, and therefore we must constantly reevaluate our strategy and make changes as needed.

• By also realizing that in developing effective ways to deal with new threats we must still preserve the ability to contend with current problems.

• And by concluding by noting that the Administration is therefore committed to undertaking its second fundamental defense reassessment in the first Quadrennial Strategy Review (QSR) early next year, as recommended by the recent Congressionally-mandated Roles and Missions Commission. (The Defense Department accepted the Commission’s recommendation for a quadrennial review of defense strategy, forces and programs; in reality, therefore, next year’s QSR will be the Department’s second “Bottom Up Review”.)

In sum, this speech to the American people would be about understanding our broad security objectives, the components of our strategy and the forces and capabilities needed to carry out the strategy; that the post-Cold War defense drawdown was essential but is largely complete, and that we were able to free up resources for other national priorities while maintaining a strong defense capability to meet our security needs; that today’s military forces are ready, our equipment is capable, our people are motivated and the nation is secure; and that now we must turn to new defense challenges and address them with the same enthusiasm -- and the same success -- that we have in the past under the careful stewardship of a national strategy for a secure and prosperous America.
RECOMMENDATION

That the U.S. Coast Guard Academy Commencement be the forum for a comprehensive Presidential speech on our national security strategy and the central role a strong and well-managed defense capability has -- and will continue to have -- in it.
"The men and women of our armed forces remain the foundation, the fundamental foundation of our security. You put the steel into our diplomacy. You get the job done when all means short of force have been tried and failed."

President Clinton
May 31, 1995

The President’s Defense Policies are a Genuine Success Story: The United States Has Today the Strongest, Most Capable, Most Ready Military Force in the World

We Are Clearly the Dominant Global Military Power

The United States is today the only nation with the logistics, mobility, intelligence, and communications required to conduct large-scale, effective military operations on a global basis. Coupled with our unique position as the critical security partner for nations in many regions, our military capability provides the foundation for regional stability through mutually beneficial partnerships. Our willingness and ability to play a leading role in defending common interests help ensure that we will retain a strong leadership position in the world.

Our Military Budgets Have Ensured Record-High Levels of Military Readiness

Thanks to our defense planning, defense readiness is at historically high levels. As the Congressional Budget Office pointed out in 1994, "readiness of deployable units is high now relative to historical levels" and "mission capable rates for Army tanks and Air Force aircraft were higher than at any point in the past ten years. Navy and Marine Corps aircraft were also near their decade highs." After General Edward Meyer's Readiness Task Force review of defense readiness in 1994, one member commented that "what we call an acceptable level of readiness today would in the 1970's have been regarded as unattainable pie in the sky."

The Readiness and Capability of our Forces Have Been Proven With Every Deployment

The imminent landing of U.S. forces enabled our negotiators to convince an unwelcome dictatorship to leave Haiti; we then reinstalled the rightful democratically-elected leader and, in the process, stemmed the large-scale migration from Haiti to our borders. With Iraq once again threatening Kuwait, we moved quickly to send additional forces to the region and deterred a potential crisis. Our military saved hundreds of thousands of lives through a rapid humanitarian effort in Rwanda. Finally, the resolve shown in the NATO air campaign, led by U.S. forces, and U.S. military involvement in securing a peace were pivotal in bringing the warring factions in Bosnia to the negotiating table and achieving the Dayton Peace Accord. We are now leading the cooperative NATO effort to enforce that agreement.

Our Resource Planning for Defense Has Led to the Most Careful and Successful Build-Down of the Past 50 Years

With the end of the Cold War, it was clear that U.S. military forces would need to become smaller. Building on the downsizing plans of the prior administration, our defense funding and planning over the last three years have allowed us to resize our military forces and still ensure full support for military readiness and quality of life. We have carefully recalibrated this defense plan over the past three years in response to experience and events. In keeping with the findings of a 1993 review of previously assumed but unrealized savings, we increased the 1994 defense budget. As pay levels rose, we adjusted defense budgets accordingly. In December 1995, we added $25 billion to our long-term defense plan to provide for Administration quality of life initiatives and for real growth in 2000 and 2001 to purchase new military hardware as it becomes available. The result of this careful
approach has been one of the most successful, trouble-free build-downs in U.S. military history. Instead of personnel turbulence, we have retained and recruited high quality personnel in the forces. Instead of deteriorating readiness, we have maintained historically high levels of preparedness.

Our Proposed Defense Budget Continues this Rational, Careful Approach to Defense Planning

In FY 1996, the Republican Congress added nearly $7 billion to our defense request. As President Clinton said at the time, these additional funds did very little to enhance our defense capability or readiness. Instead, they added spending for military hardware the services did not request or had planned for later budgets. We are asking the Congress to rescind $1 billion of these funds with our FY 1997 budget request. Our FY 1997 budget returns to the careful plan already laid out last year. The Congressional add-on creates a funding spike; some will misconstrue our FY 1997 budget as a 'cut' from this spike. It is not; we are simply returning to our plan, one fully supported by our uniformed services.

Our Rational Approach Provides More Funding for Defense Than the Republican Plan at the Turn of the Century when the Need to Modernize Our Military Hardware is Greatest

Having ensured military readiness and near-term capability, the next military challenge will be to ensure that our forces are equipped with the next generation of military hardware. Our strong research and development program over the past three years is bringing that next generation to fruition; the V-22 Osprey, the F-22 fighter and the F/A-18 E/F fighter begin to enter production at the turn of the century. We must ensure that our budgets are adequate to produce those systems in sufficient quantities.

We have further strengthened our plan this year. First, we have extended that real growth curve to 2002. Second, while defense budgets would typically be adjusted downward for improved estimates of inflation in the future, we have not done so. Instead of trimming $46 billion from defense budgets over the next six years to reflect better inflation estimates, we have retained $31 billion of that total in the defense budget, providing an "inflation dividend" which will further strengthen the services' ability to buy the hardware they need at the turn of the century.

By contrast, Republican defense plans decline in those years; they would fail to provide necessary funding right at the time that such funding is needed. In other words, for symbolic, as opposed to military reasons, the Republicans have been throwing money at a non-problem today. They would then cut defense at the turn of the century to meet their deficit reduction target, when modernization funds will be most needed. Theirs is not a plan focused on our military capability. Our plan makes sense for America's armed forces.
Defense Budget Talking Points

- The Administration defense policies and budgets are a success: the United States has today the strongest, most capable, most ready military force in the world.

- Defense readiness is historically high. As one member of the Secretary of Defense's Readiness Panel stated in 1994: "what we call an acceptable level of readiness today would in the 1970's have been regarded as unattainable pie in the sky."

- The capabilities of our forces are proven: whether enforcing the restoration of democracy in Haiti, deterring crisis in the Gulf, saving lives in Rwanda or bringing stability to Bosnia, America's military has proven its capability time and again over the past three years.

- Our forces undergird American leadership: we are the only nation with the logistics, mobility, intelligence and communications to conduct large-scale, effective military operations on a global basis.

- We are nearing the end of one of the most successful restructurings of U.S. military forces in our history. Through careful program and fiscal planning and a willingness to adjust defense budgets upward as conditions change, the military build-down has been carried out with minimal turbulence and no loss of capability. We have invested heavily in readiness and quality of life for the men and women in uniform in order to support this stability.

- Our FY 1997 budget continues the careful plan we laid out in 1993. We have not continued the plans of the Republican Congress which added funds for programs either not in our plan or scheduled for later in the defense six-year plan.

- Ours is the right funding plan which will provide resources when they are needed. The next generation of defense technologies will be available near the end of this decade. Our six-year plan projects real growth in FY 2000, 2001 and 2002, in order to fund the next generation of defense hardware. For symbolic, but not military reasons, the Republican plan throws money at older technologies today and then cuts future procurement funding when it is most needed for the next generation.

- We have further strengthened our commitment to the next generation of technology. Thanks to lower inflation projections, our planned defense program will buy more capability. Instead of taking the excess funds from defense, we left two-thirds of the dollars in the defense plan, making it possible for the services to buy even more hardware in the future than previous budgets would have permitted.