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Last month, in the first State of the Union address of his second term, President Clinton issued a challenge to the American people. "Fifty years ago," he said, "a farsighted America led in creating the institutions that secured victory in the Cold War and built a growing world economy... Now, we stand at another moment of change and choice -- another time to be farsighted and to bring America another fifty years of security and prosperity."

To meet that challenge, we must first understand the nature of the change that surrounds us. It's been eleven years since glasnost, eight years since the Berlin Wall fell, six since Germany's reunification and five years since the Soviet Union's dissolution. But because the Cold War ended with a crumble, not a conference to mark the moment and because the transition to democracy among Europe's newly freed countries, while revolutionary in its consequences, is evolutionary in its timetable... the dialogue of foreign policy has, for too long, been frozen in the rhetoric of "the Post-Cold War Era."

I have come here today not only to praise the "Post Cold War Era" but to bury it. That phrase describes what has ended, not what is beginning... what has been dismantled, not what we are building. Today, closer to the start of the 21st century than to the end of the Cold War, we are embarked on a period of construction, based on new realities but enduring values and interests. The blocs and barriers that divided the world for fifty years largely are gone. Now, our challenge
is to build up new institutions and understandings, and adapt old ones, that strengthen our security and prosperity for the next fifty years and beyond.

For the past fifty years, with containment as the guiding principle of our foreign policy, we saw a world map with advancing and receding lines dividing red from blue... separating those living under the brutal hand of communism from those who weren’t -- the latter running the range from democracies to more or less authoritarian regimes bound together by their anti-communism.

Because we stood firm for half a century, that guiding principle is now obsolete. Instead, this new time increasingly is shaped by the forces of integration. They create unprecedented opportunities for progress. But we should have no illusions: they will not eliminate all the dangers and despotisms of this world. And they can help fuel new threats to the security, peace and prosperity we seek to build.

If we could look down at the earth from a distant planet, one of the most powerful phenomena we would observe are the effects of economic integration -- reinforced by a communications and technological revolution that telescopes time and distance. With a tap on a computer keyboard and a $50 modem, ideas and information span the planet in a nano-second. Traders, buyers and investors move a trillion dollars around the world every hour.

I will never forget arriving late overnight in my hotel room in Islamabad, turning on CNN and seeing George Stephanopoulos and Bob Reich debating who wrote “Primary Colors.” Men and women of good faith can debate whether that’s progress. But the fact of it is transforming the
way we work, live and interact. Or consider the famous images of the ancient Li River portrayed on Chinese wall hangings. If you looked at a photograph today, you would see that the houses that line the river have satellite dishes in their backyards.

The forces of integration also spread values -- and the ideas increasingly if not universally being embraced today are the central ideas that define America: democracy, liberty, free enterprise. For the first time in history, more than half the world’s people live under governments of their own choosing. [TK Choose One: In this hemisphere, where just three decades ago almost one-third of the countries were under authoritarian rule, every country but one today is a democracy. From the Philippines to Chile, South Africa to Estonia, Korea to Guatemala, people who little more than a decade ago lived under repression are building their democracies.] We can see with more clarity today than ever before that freedom is not only an American birthright or a Western ideal -- but the aspiration of human beings everywhere.

These forces of integration -- economic... technological... political -- find practical if imperfect expression in international rules of the road that are becoming the true Berlin Wall between countries: those that opt into the community of nations -- and those that remain outliers. These norms -- collective security in alliances of like-minded countries... adherence to the rule of law... open and competitive trade... major regimes to control dangerous weapons -- are important in and of themselves. But they’re also important because, brick by brick, they form a structure for security and prosperity for all those who choose to live within them... and define the terms of isolation of those that stay outside. As the world grows closer, the cost of exclusion from the community of nations will grow higher.
But the powerful movement toward integration is not without significant downsides and dangers. As borders become as easy to breach as lines in the sand, nations become less able to protect their people from transnational tidal waves -- witness the Peso crisis, which threatened not only Mexico’s economy, but jobs in America and the stability of developing economies around the world.

The forces of integration also lubricate the counterforces of disintegration: terrorists, organized criminals, drug traffickers who form international networks of corruption and destruction. They too benefit from technological change and the free flow of products and information. Meanwhile, rogue states like Iran, Iraq, Libya and Sudan remain outside the community of nations -- and seek to undermine and destabilize it.

Further, the overall progress integration tends to promote can exacerbate disparities among and within countries. More than half the world’s people are two days walk from a telephone -- literally disconnected from the present and the future. In many developing and developed countries, the gap between rich and poor has grown wider, even as overall wealth has increased dramatically.

In short, integration is not inherently good or inherently bad. But it is, I believe, inherently a fact of modern life. And it will take place with or without us. The fundamental question we must answer is whether we will use our unique position as not only the world’s most powerful country, but also the world’s most powerful idea, to continue to lead the struggle for a more peaceful,
prosperous and secure future -- or be left behind. As President Clinton has put it, “the enemy of our time is inaction.”

The challenge this President has undertaken is to encourage, to the extent possible, the positive forces of integration -- while preventing the forces of disintegration from dominating the future.

His vision is driven by six key strategic objectives: Working for an undivided, democratic peaceful Europe for the first time in history... forging a strong, stable Asia Pacific community... embracing our role -- prudently but not fearfully -- as a decisive force for peace in the world... building the bulwarks against transnational and regional security challenges... creating jobs and growth through a more open and competitive trading system... and maintaining a strong military and fully funded diplomacy to get these jobs done. These concrete -- not the lift of a driving cliché -- provide America’s roadmap in the world. Let me describe each briefly.

The first strategic goal is working for an undivided, peaceful, democratic Europe. Twice in this century, war in Europe has drawn Americans into deadly conflict. Now, we have an opportunity to create a durable European peace by replacing the divisions that have plagued the continent in the past with ties of partnership to shape a common future.

With our allies, we are helping Europe’s new democracies grow strong; encouraging their integration with the West; forging a productive partnership with a democratic Russia; and, critically, adapting NATO to take on new challenges.
America has taken the lead in opening NATO’s doors to new members -- rather than either abandoning the anchor of our engagement in Europe or freezing the alliance within the amber of the Cold War. NATO can do for Europe’s East what it did for Europe’s West: strengthen the forces of peace and stability.

The process of NATO enlargement will take a leap forward in Madrid this July, when NATO invites the first potential members to start accession talks. There are three key challenges ahead.

The first is deciding which countries to admit. Naturally, we’ll start with those best prepared to shoulder the burdens of membership -- but the door must and will not close behind them. So our second challenge is bolstering the security and confidence of countries not in the first wave -- which we will do by expanding the role of the Partnership for Peace and giving every partner a voice in coordinating joint activities.

The third challenge is the most hotly debated: How do we heal the scars of Europe’s past without creating new wounds? Some fear that the process of NATO enlargement will shut Russia out from a rightful place in Europe -- and undercut Russia’s nascent democracy. Others worry that Russia’s cooperation will come at the expense of the interests of Central and Eastern Europe and the Alliance’s ability to shape its own destiny. Navigating this Scylla and Charybdis of NATO enlargement is the most crucial test of our commitment to forge stability across the Atlantic.

Last week in Helsinki, President Clinton and President Yeltsin took an important step forward. They agreed to disagree about enlargement -- Russia objects, but it will proceed. But they also
agreed that the vital relationship between the United States and Russia and the benefits to all of cooperation between NATO and Russia are too important to be jeopardized.

NATO and Russia will move forward as quickly as possible to try to complete negotiations on a charter for NATO-Russia cooperation. At the same time, the two Presidents made important advances in arms control and economic cooperation. Helsinki was a turning point: it demonstrated that the goals we share -- building a secure future for Europe, reducing even more the nuclear danger, increasing ties of trade and investment -- outweigh our differences.

Our second strategic objective is building a strong, stable, integrated Asia-Pacific community. Little more than a decade ago, the conventional wisdom saw Asia, North America and Europe emerging as three rival blocs competing head-to-head. President Clinton had a different vision, based on America’s enduring place as a Pacific power. Soon after he became President, he convened the first-ever Asia Pacific summit meeting at Blake Island, where leaders from China to Indonesia to Australia agreed to a common goal: to define our futures not just in Asian or American terms, but increasingly in Asian-Pacific terms as well.

It’s an evolutionary process. More open trade. Continuing American security engagement in the region. An appreciation that, in an environment where regional rivalries are still dangerous, we provide a balance wheel for stability that helps all of us grow.

To succeed, we must meet three immediate challenges. First, we must deepen our partnership with Japan -- the cornerstone of America’s engagement in Asia -- by strengthening even more our
security alliance, enhancing our diplomatic cooperation and continuing to open markets that have helped create a 41% surge in our exports since 1993.

Second, we must continue to work closely with our ally South Korea to reduce tensions on the Cold War’s last frontier. Vigilance against the vagaries of a North Korea in distress. Pursuing a more stable peace on the Peninsula through the four-party peace talks. Ensuring the dismantlement of North Korea’s now frozen nuclear program.

Third, we must deepen our strategic dialogue with China. A China that evolves as a power that is stable, more open politically and economically and nonaggressive militarily -- in short, moving toward, not away, from a secure international order -- is profoundly in our interest. Ultimately, China will define its own destiny. But one way or the other, we will help shape its choices.

Our strategy of engagement with China is not a reward for good behavior. It is a vehicle for expanding areas where we can cooperate to advance our strategic interests -- such as on the comprehensive test ban and stability on the Korean Peninsula -- and where we can deal directly with our fundamental differences -- such as human rights, market access and some of China’s weapons relationships. There is no guaranty that engagement will succeed in pulling China in the direction of the international community, away from a more nationalistic, self-absorbed course. But seeking to isolate China... or to isolate us from China... almost certainly will push China in the wrong direction and undercut the stability that America, China and the entire Asia Pacific region need for the future to be secure and prosperous.
Our third strategic goal is to neither shrink from -- nor become enthralled by -- the inescapable reality that America can often be the decisive force for peace in the world.

America’s greatness flows not only from our size and strength, but also from the wealth of our diversity and the power of our ideals. We have a unique ability to stand with others around the world who seek to bridge their divides -- and build a stronger foundation for peace, security and cooperation.

When, where and how to make a stand for peace has no “one size fits all” answer, as Secretary Albright has said. While we have been freed from the compulsions of containment, we have inherited a more demanding task, particularly in a world where conflict is instantly thrust upon a global stage. That task is to balance interest and risk, achievability and cost, clarity of mission and support from others in what is ultimately an exercise in prudent judgment. We can’t be everywhere or do everything. But we must be prepared to engage when our interests and values are at stake and we can make a difference.

Often, our engagement is diplomatic -- remaining an unrelenting force for peace from the Middle East to Northern Ireland to Central Africa.

Sometimes, with great caution and care [and where our interests warrant it], our diplomacy must be backed with force. In Bosnia, our use of air power through NATO, combined with determined diplomacy, stopped a war that threatened Europe’s stability and brought the parties to the bargaining table. Now, our continuing presence through SFOR is giving Bosnia’s fragile peace a
chance to take hold. In Haiti, where a brutal dictatorship forced tens of thousands to flee for our shores, we caused the dictators to step down peacefully and gave democracy a new lease of life.

There are other places where our engagement is more important than ever. Let me cite just three. South Asia remains not only a flashpoint for conflict but an opportunity for greater cooperation. The enormous resource potential and strategic location of the Caucasus and Central Asia gives us a strong stake in working with others to preserve their stability and building up our ties to the region. And it is profoundly in our interest to help Turkey, at a strategic and cultural crossroads, remain anchored in the West, committed to democracy and working to resolve its differences peacefully with our Greek allies.

Our fourth strategic goal is to deal with the new transnational security threats I mentioned earlier -- terrorists, international criminals, drug traffickers -- and stand against the enduring danger of rogue regimes.

There are times when we must and we will act alone. To get others to follow, sometimes we must lead by example. And there is behavior so egregious that we must act even where others won't. But our fight against these forces that cut across nations compels us to seek the advantages of collective action. Whether it is the threat of terrorism or the scourge of drugs, we must intensify our efforts to achieve a broader sense of urgency about the dangers and a collective defense to thwart them.
That is why we are working to build international coalitions to take on these new challenges--arms control agreements that ban chemical weapons, international law enforcement cooperation against drug traffickers and criminal cartels, intelligence sharing to root out corruption, and a more concerted strategy against terror. Some see cooperation as at best an elusive goal, at worst a sign of weakness. Against threats that have contempt for borders, it is a source of strength.

America's fifth strategic goal is to build a new, open trading system for the 21st century. Our nation's economic well-being is tied to the rest of the world. Eleven million Americans depend on exports for their jobs. We should not fear the challenge of the global economy: Our workers and businesses can compete so long as the contest is open, the field competitive and the rules fair and enforced.

Historians will look back at this period and see the most far-reaching changes in the global trading system since the days of Harry Truman. We completed the most sweeping round of the GATT; forged a comprehensive trade agreement with our two neighbors; tore down barriers in high-tech sectors where America leads the world; and launched a process for more open and competitive trade in our hemisphere and the Asia Pacific.

These efforts have paid off for our people. The global economy is not a zero sum game--we are creating good jobs at home by nurturing new markets abroad. The President is determined to pursue this course, navigating the false choice between protectionism and unbridled free trade.
Protectionism simply isn’t an option in today’s global economic arena. If we walk away, the process of integration won’t stop; it simply will continue without us. Others in Europe and Asia will benefit. Turning inward would mean turning our back on 95 percent of the world’s consumers and forfeiting our stake in the markets of the future.

But while protectionism is not an option, neither is ungoverned free trade. Competition causes dislocation -- especially among those without adequate training and skills to compete in the global economy. We cannot walk away from them -- we have an obligation to enforce the agreements, we make and to make change work for all with education and training... so that the benefits of progress are not enjoyed by some while its burdens are carried by others.

To sustain our strong momentum, we need the authority to conclude smart, new market-opening trade agreements. In Latin America alone, our exports in 1995 were greater than our sales to Japan and Germany combined. We need to complete the job we have begun -- to open markets in this hemisphere and globally, to share in that growth, not turn our backs on it.

Finally, we cannot harness the forces of integration without the strength and resources to get the job done -- and without sharing the burdens with other like-minded nations.

We have the finest military in the world. It is the steel that makes American leadership credible and, if necessary, our freedom secure. This President is determined to maintain our ability to dominate any battlefield of the future. That is an indispensable investment in our peace and security.
It also means fulfilling our commitment to fully fund America’s diplomacy. Our foreign affairs budget for the current fiscal year is 50% lower, in real terms, than it was a decade ago. This is simply foolish. We must make the investments to advance America’s interests for the next 50 years as in the last.

President Clinton’s budget request reverses the dangerous downward spiral in international affairs funding. Our request -- about one cent out of every federal dollar -- brings benefits to every taxpayer: strengthening our ability to promote peace, fight drugs, track down terrorists, combat nuclear proliferation, boost exports, and meet our obligations to the community of nations.

We must also resist the false choice between going it alone or not at all. It’s simply common sense to spread the costs and risks of leadership by working with others, like the World Bank and the UN. Now is the time to push for progress -- promoting tough reform, paying our bills, and putting the UN and the multilateral development banks back on sound financial footing.

Ladies and gentlemen, a child born today will grow up not just in a new century but in a new world -- one in which people can be united more by their hopes than their fears. America’s new foreign policy agenda -- ambitious but within our reach -- reflects the promise of this time... a sober awareness of its perils... and the conviction that America must lead if we are to shape change to our benefit. This is a pivotal moment -- let us make the most of it, confident that our cause is right, our course is sound and the future is ours to seize.
"A Foreign Policy Agenda for the Second Term"

Last month, in the first State of the Union address of his second term, President Clinton issued a challenge to the American people. "Fifty years ago," he said, "a farsighted America led in creating the institutions that secured victory in the Cold War and built a growing world economy... Now, we stand at another moment of change and choice -- another time to be farsighted and to bring America another fifty years of security and prosperity."

To meet that challenge, we must first understand the nature of the change that surrounds us. It's been eleven years since glasnost, eight years since the Berlin Wall fell, six since Germany's reunification and five years since the Soviet Union's dissolution. But because the Cold War ended with a crumble, not a conference to mark the moment... and because the transition to democracy among Europe's newly freed countries, while revolutionary in its consequences, is evolutionary in its timetable... the dialogue of foreign policy has, for too long, been frozen in the rhetoric of "the Post-Cold War Era."

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For the past fifty years, with containment as the guiding principle of our foreign policy, we saw a world map with advancing and receding lines dividing red from blue... separating those living under the brutal hand of communism from those who weren't -- the latter running
the range from democracies to more or less authoritarian regimes bound together by their anti-communism.

Because we stood firm for half a century, that guiding principle is now obsolete. Instead, this new time increasingly is shaped by the forces of integration. They create unprecedented opportunities for progress. But we should have no illusions: they do not eliminate all the dangers and despots of this world. And they can help fuel new threats to the security, peace and prosperity we seek to build.

If we could look down at the earth from a distant planet, one of the most powerful phenomena we would observe are the effects of economic integration -- reinforced by a communications and technological revolution that telescopes time and distance. With a tap on a computer keyboard and a $50 modem, ideas and information span the planet in a nano-second. Traders, buyers and investors move a trillion dollars around the world every hour.

I will never forget arriving late one night in my hotel room in Islamabad, half a world away, turning on CNN and seeing George Stephanopoulos and Bob Reich debating who wrote "Primary Colors." Men and women of good faith can debate whether that's progress. But the fact of it is transforming the way we work, live and interact. Or consider the famous images of the ancient Li River portrayed in Chinese wall hangings. If you looked at a photograph today, you would see that the houses that line the river have satellite dishes in their backyards.

The forces of integration also spread values -- and the ideas increasingly if not universally being embraced today are the central ideas that define America: democracy, liberty, free enterprise. For the first time in history, more than half the world's people live under governments of their own choosing. In this hemisphere, where just three decades ago almost one-third of the countries were under authoritarian rule, every country but one today is a democracy. From the Philippines to Chile, South Africa to Estonia, Korea to Guatemala, people who little more than a decade ago lived under repression are building their democracies. We can see with more clarity today than ever before that freedom is not only an American birthright or a Western ideal -- but the aspiration of human beings everywhere.

These forces of integration -- economic... technological... political -- find practical if imperfect expression in international rules of the road that are becoming the true Berlin Wall between countries: those that opt into the community of nations -- and those that remain outliers. These norms -- alliances of like-minded countries... adherence to the rule of law... open and competitive trade rules... major regimes to control dangerous weapons -- are important in and of themselves. But they're also important because, brick by brick, they form a structure for security and prosperity for all those who choose to live within them, and they define the terms of isolation of those that stay outside. As the world grows closer, the cost of exclusion from the community of nations will grow higher.

But we must also understand that the powerful movement toward integration is not without downsides and dangers. As borders become as easy to breach as lines in the sand, nations become more vulnerable to transnational tidal waves -- witness the Peso crisis, which threatened not only Mexico's economy, but jobs in America and the stability of developing economies around the world.
The forces of integration also lubricate the counterforces of disintegration: terrorists, organized criminals, drug traffickers who form international networks of corruption and destruction. They too benefit from technological change and the free flow of goods and information. And they often are supported by rogue states like Iran, Iraq, Libya and Sudan which remain outside the community of nations -- and seek to destabilize it.

Further, integration can exacerbate disparities among and within countries. More than half the world's people are two days walk from a telephone -- literally disconnected from the present and the future. In many developing and developed countries, the gap between rich and poor has grown wider, even as overall wealth has increased dramatically.

In short, integration is not inherently good or inherently bad. But it is, I believe, inherently a fact of modern life. And it will take place with or without us. The fundamental question we must answer is this: will we use our unique position as not only the world's most powerful country, but also the world's most powerful idea, to continue to lead the struggle for a more peaceful, prosperous and secure future -- or be left behind. As President Clinton has put it, "the enemy of our time is inaction."

The challenge this President has undertaken is to encourage to the extent possible the positive forces of integration -- while preventing the forces of disintegration from dominating the future.

His vision is driven by six key strategic objectives: working for an undivided, democratic peaceful Europe for the first time in history... forging a strong, stable Asia Pacific community... embracing our role -- prudently but not fearfully -- as a decisive force for peace in the world... building the bulwarks against transnational security challenges... creating jobs and growth through a more open and competitive trading system... and maintaining a strong military and fully funded diplomacy to get these jobs done. These ambitious but achievable objectives -- not the lift of a driving cliché -- provide America’s road map in the world. Let me describe each briefly.

The first strategic goal is working for an undivided, peaceful, democratic Europe. Twice in this century, war in Europe has drawn Americans into deadly conflict. Now, we have an opportunity to create a durable European peace by replacing the divisions that have plagued the continent in the past with ties of partnership to shape a common future.

With our allies, we are helping Europe’s new democracies grow strong; encouraging their integration with the West; forging a productive partnership with a democratic Russia; and, critically, adapting NATO to take on new challenges.

America has taken the lead in opening NATO’s doors to new members -- rather than either abandoning the anchor of our engagement in Europe or freezing the alliance within the amber of the Cold War. NATO can do for Europe’s East what it did for Europe’s West: strengthen the forces of peace and stability.
The process of NATO enlargement will take a leap forward in Madrid this July, when NATO invites the first potential members to start accession talks. There are three key challenges ahead. The first is deciding which countries to admit. Naturally, we’ll start with those best prepared to shoulder the burdens of membership -- but the door will not close behind them. So our second challenge is bolstering the security and confidence of countries not in the first wave -- which we will do by expanding the role of the Partnership for Peace and giving every partner a voice in coordinating joint activities.

The third challenge is the most hotly debated: How do we heal the scars of Europe’s past without creating new wounds? Some fear that the process of NATO enlargement will shut Russia out from a rightful place in Europe -- and undercut Russia’s nascent democracy. Others worry that Russia’s cooperation will come at the expense of Central and Eastern Europe and the Alliance’s ability to shape its own destiny. Navigating this Scylla and Charybdis of NATO enlargement is the most crucial test of our commitment to forge stability across the Atlantic.

Last week in Helsinki, President Clinton and President Yeltsin took an important step forward. They agreed to disagree about enlargement -- Russia objects, but it will proceed. But they also agreed that the vital relationship between the United States and Russia and the benefits to all of cooperation between NATO and Russia are too important to be jeopardized.

NATO and Russia will move forward as quickly as possible to try to complete negotiations on a charter for NATO-Russia cooperation. Russia will have a voice, not a veto. At the same time, the two Presidents made important advances in arms control and economic cooperation. Helsinki was a turning point: it demonstrated that the goals we share -- building a secure future for Europe, reducing even more the nuclear danger, increasing ties of trade and investment -- outweigh our differences.

Our second strategic objective is building a strong, stable, integrated Asia-Pacific community. Little more than a decade ago, the conventional wisdom saw Asia, North America and Europe emerging as three rival blocs competing head-to-head. President Clinton had a different vision, based on America’s enduring place as a Pacific power. Soon after he became President, he convened the first-ever Asia Pacific summit meeting, where leaders from China to Indonesia to Australia agreed to a common goal: to define our futures not just in Asian or American terms, but increasingly in Asian-Pacific terms. It’s an evolutionary process. More open trade. Continuing American security engagement in the region. An appreciation that, in an environment where regional rivalries are still dangerous, we provide a balance wheel for stability that helps all of us grow.

To succeed, we must meet three immediate challenges. First, we must deepen our partnership with Japan -- the cornerstone of America’s engagement in Asia -- by strengthening even more our security alliance, enhancing our diplomatic cooperation and continuing market opening initiatives that have helped create a 41% surge in our exports since 1993.

Second, we must continue to work closely with our ally South Korea to reduce tensions on the Cold War’s last frontier. Vigilance against the vagaries of a North Korea in distress.
Pursuing a more stable peace on the Peninsula through the four-party peace talks. Ensuring the dismantlement of North Korea's now frozen nuclear program.

Third, we must deepen our strategic dialogue with China. A China that evolves as a power that is stable, more open politically and economically and non-aggressive militarily -- in short, moving toward, not away, from a secure international order -- is profoundly in our interest. Ultimately, China will define its own destiny. But one way or the other, we will help shape its choices.

Our strategy of engagement with China is not a reward for good behavior. It is a vehicle for expanding areas where we can cooperate to advance our strategic interests -- such as on the comprehensive test ban and stability on the Korean Peninsula -- and where we can deal directly with our fundamental differences -- such as human rights, market access and some of China's weapons sales.

There is no guaranty that engagement will succeed in pulling China in the direction of the international community, away from a more nationalistic, self-absorbed course. But seeking to isolate China... or to isolate us from China... almost certainly will push China in the wrong direction and undercut the stability that America, China and the entire Asia Pacific region need for the future to be secure and prosperous.

Our third strategic goal is to neither shrink from -- nor become enthralled by -- the inescapable reality that America can often be the decisive force for peace in the world. America's greatness flows not only from our size and strength, but also from the wealth of our diversity and the power of our ideals. We have a unique ability to stand with others around the world who seek to bridge their divides -- and build a stronger foundation for peace, security and cooperation.

When, where and how to make a stand for peace has no "one size fits all" answer, as Secretary Albright has said. While we have been freed from the compulsions of containment, we have inherited a more demanding task, particularly in a world where conflict instantly is thrust upon a global stage. We must balance interest and risk, achievability and cost, clarity of mission and support from others in what ultimately is an exercise in prudent judgment. We can't be everywhere and we shouldn't do everything. But we must be prepared to engage when important interests and values are at stake and we can make a difference.

Often, our engagement is diplomatic -- remaining an unrelenting force for peace from the Middle East to Northern Ireland to Central Africa.

Sometimes, with caution and care, our diplomacy must be backed with force. In Bosnia, our use of air power through NATO, combined with determined diplomacy, stopped a war that threatened Europe's stability. Now, our continuing presence through SFOR is giving Bosnia's fragile peace a chance to take hold. In Haiti, where a brutal dictatorship forced tens of thousands to flee for our shores, we caused the dictators to step down peacefully and gave democracy a new lease of life.
There are other places where our engagement is more important than ever. Let me cite just three. South Asia remains not only a flashpoint for conflict but an enormous opportunity for cooperation. The great resource potential and strategic location of the Caucasus and Central Asia gives us a strong stake in working with others to strengthen their stability and build up our ties to the region. And it is profoundly in our interest to help Turkey, at a strategic and cultural crossroads, remain anchored in the West, committed to democracy and working to resolve its differences peacefully with our Greek ally.

**Our fourth strategic goal is to deal with the new transnational security threats I mentioned earlier -- terrorists, international criminals, drug traffickers -- and stand against the enduring danger of rogue regimes.**

There are times when we must and we will act alone. To get others to follow, sometimes we must lead by example. And there is behavior so egregious that we must act even where others won’t. But our fight against these forces that often cut across nations compels us to seek the advantages of collective action. Whether it is the threat of terrorism or the scourge of drugs, we must intensify our efforts to achieve a broader sense of urgency about the dangers and a willingness to launch collective defense to thwart them.

That is why we are working to build international coalitions to take on these new challenges -- arms control agreements that ban chemical weapons, greater international law enforcement cooperation against drug traffickers and criminal cartels, intelligence sharing to root out corruption, and a more concerted strategy against terror. Some see cooperation as at best an elusive goal, at worst a sign of weakness. Against threats that have contempt for borders, it is a source of strength.

**America’s fifth strategic goal is to build a new, open trading system for the 21st century.** Our nation’s economic well-being is tied to the rest of the world. Eleven million Americans depend on exports for their jobs. We should not fear the challenge of the global economy. Our workers and businesses can compete just fine so long as the contest is open, the field competitive and the rules fair and enforced.

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These efforts have paid off for our people. The global economy is not a zero sum game -- we are creating good jobs at home by nurturing new markets abroad. The President is determined to pursue this course, navigating the false choice between protectionism and unbridled free trade.

Protectionism simply isn’t an option in today’s global economic arena. If we walk away, the process of integration won’t stop; it simply will continue without us. Others in Europe and Asia will benefit. Turning inward would mean turning our back on 95 percent of the world’s consumers and forfeiting our stake in the markets of the future.
But while protectionism is not an option, neither is ungoverned free trade. Competition causes dislocation -- especially among those without adequate training and skills to compete in the global economy. We cannot walk away from them -- we have an obligation to enforce the agreements we make and to make change work for all with education and training... so that the benefits of progress are not enjoyed by some while its burdens are carried by others.

To sustain our strong momentum, we need the authority to conclude smart, new market-opening trade agreements. In Latin America alone, our exports in 1995 were greater than our sales to Japan and Germany combined. We need to complete the job we have begun -- to open markets in this hemisphere and globally, to share in that growth, not turn our backs on it.

Finally, we cannot harness the forces of integration without the strength and resources to get the job done -- and without sharing the burdens with other like-minded nations.

We have the finest military in the world. It is the steel that makes American leadership credible and, if necessary, our freedom secure. This President is determined to maintain our ability to dominate any battlefield of the future. That is an indispensable investment in our peace and security.

It also means fulfilling our commitment to fully fund America's diplomacy. Our foreign affairs budget for the current fiscal year is 50% lower, in real terms, than it was a decade ago. This is simply foolish. We must make the investments to advance America's interests for the next 50 years as in the last.

President Clinton's budget request reverses the dangerous downward spiral in international affairs funding. Our request -- about one cent out of every federal dollar -- brings benefits to every taxpayer: strengthening our ability to promote peace, fight drugs, track down terrorists, combat nuclear proliferation, boost exports, and meet our obligations to the community of nations.

We must also resist the false choice between going it alone or not at all. It's simply common sense to spread the costs and risks of leadership by working with others, like the World Bank and the UN. Now is the time to push for progress -- promoting tough reform, paying our bills, and putting the UN and the multilateral development banks back on sound financial footing.

##
Last month, in the first State of the Union address of his second term, President Clinton issued a challenge to the American people. "Fifty years ago," he said, "a farsighted America led in creating the institutions that secured victory in the Cold War and built a growing world economy. As a result, today, more people than ever embrace our ideals and share our interests... Now, we stand at another moment of change and choice -- another time to be farsighted and to bring America another fifty years of security and prosperity."

To meet that challenge, we must begin by seeking to understand the nature of the change that surrounds us and the choices we face. It's been eight years since the Berlin Wall fell, six since Germany's reunification and the USSR's dissolution, five since radical free market reforms began to bear fruit in Central Europe. But because the Cold War ended with a crumble, not a conference -- with no Versailles, no [TK] to mark the moment... and because the transition to democracy among Europe's newly freed countries, while revolutionary in its consequences, is evolutionary in its timetable... the dialogue of foreign policy seems to be stuck in the rhetoric of "the Post-Cold War Era."
I have come here today not only to praise the "Post Cold War Era" but to bury it. That phrase describes what has ended, not what is beginning... what has been destroyed, not what we are building. Today, we are closer to the start of the 21st century than to the end of the Cold War. America stands at the start of a period of construction, based on new realities but enduring values and interests. The blocs and barriers that divided the world for fifty years largely are gone. Now, our challenge is to build up new institutions and understandings, and adapt old ones, to strengthen our security and prosperity for the next fifty years and beyond.

For the past fifty years, only containment was the guiding principle of our foreign policy, we saw a map with advancing and receding lines dividing red from blue... separating those living under the stifling, frequently brutal repression of communism from those who weren't -- the latter bound together in their common steadfast running the range from democracies to near democracies to more or less authoritarian regimes.

That guiding principle is now obsolete -- a one dimensional framework for a new multi-dimensional era. Let's be clear, this new era hardly is free of danger of despotism. Yet more than ever before in modern history, we see the promise of a world fueled by the forces of integration, converging toward shared values and common interests.

If we could look down at earth from a distant planet, the most powerful phenomenon we would observe are the forces of economic integration -- reinforced by a communications and technological revolution that telescopes time and distance.
Every day, we use products conceived in one country, financed in another, manufactured in a third, and sold on every continent. With a tap on a computer keyboard and a $50 modem, ideas and information span the planet in a nano-second. Traders, buyers and investors move a trillion dollars around the world every hour.

I will never forget arriving in my hotel room in Islamabad, turning on CNN and seeing George Stephanopoulos and Robert Reich discussing, who wrote “Primary Colors.” Men and women of good faith can debate whether that’s progress. Or consider that famously traditional images portrayed on Chinese wall hangings—the Li River. If you looked at a photograph today, you would see that the houses that line the river have satellite dishes in their backyards.

We are also seeing in the world that increasingly, though not universally, the world also is increasingly embracing shared values. The ideas that are in the ascendancy today are the central ideas that define America: democracy, liberty, free enterprise. For the first time in history, more than half the world’s people live under governments of their own choosing. In this hemisphere, with dictatorships just years ago, every country but one is a democracy. From the Philippines to Chile, South Africa to Estonia, Korea to Guatemala, people who little more than a decade ago lived under repression have realized the democratic dream. We know with more confidence today than ever that freedom is not only an American birthright or a Western ideal — but the aspiration of human beings everywhere.

These forces of integration — economic... technological... political — find practical expression in international rules of the road that are now the true Berlin Wall dividing countries that opt into the community of nations — and those that continue to opt out. These broadly accepted norms —
the rule of law... the rules of trade governed by the WTO... the major regimes to control
dangerous weapons like the Non Proliferation Treaty, the Comprehensive Test Ban Treaty or the
Chemical Weapons Convention -- are important in and of themselves. But they're also important
because, brick by brick, they form a structure for security and prosperity for all those who choose
to live within them... and define the terms of isolation of those states that stay outside. As the
world grows closer, the cost of exclusion from the community of nations will grow higher and
harder to bear.

Let us... about this!

But let us be clear-eyed: the powerful movement toward integration is not without significant
downsides and dangers. As borders become as easy to breach as lines in the sand, nations become
less able to protect their people from transnational tidal waves -- witness the Peso crisis, which
threatened not only Mexico's economy, but jobs here in America and the stability of developing
economies around the world.

The forces of integration also facilitate the counterforces of disintegration: international networks
of corruption and destruction which benefit from the openness and freedom we cherish.

Terrorists, organized criminals, drug traffickers, and rogue states like Iran and Iraq remain
outside the fold of freedom -- and outside the norms of civilized behavior. They too benefit from

technological change and the free flow of products, information and ideas. The price we pay for

progress is a new set of transnational and regional threats that have become part of our new
security agenda.

These now... and seek to undermine and destabilize it.
We must also recognize that the overall progress integration tends to promote can exacerbate disparities among and within countries. More than half the world's people are two days walk from a telephone -- literally disconnected from the present and the future. Even in the emerging economies of Latin America, the gap between rich and poor has grown wider, even as overall wealth has increased dramatically.

In short, integration is neither inherently good or inherently bad. But it is, I believe, inherently a fact of modern life. And it will take place with or without us. The question we must answer is whether we will use our unique position as not only the world's most powerful country, but also the world's most powerful idea, to continue to lead the struggle for a more peaceful, prosperous and secure future -- or be left behind. As President Clinton has put it, "the enemy of our time is inaction."

The challenge this President has undertaken is to seek, to the extent possible, to shape these changes to our advantage -- while preventing the forces of disintegration from dominating the future. His vision -- the world we seek to build for our children -- is driven by six objectives that define America's strategic direction in this new world:

Working for an undivided, democratic peaceful Europe for the first time in history... forging a strong, stable Asia Pacific community... embracing our role as the indispensable force for peace in the world... building a bulwark against new transnational and regional security challenges... creating jobs and growth through a more open and competitive trading system... and maintaining a strong military and fully funded diplomacy to get these jobs done. These ambitious but
Instead, the President chose to adapt the Alliance to meet Europe's new realities and reach out to
democracies, rather than either abandoning or turning its back on American engagement in Europe, or the
forces of peace and stability in the heart of Europe -- tempering hostilities, hastening integration,
and providing a secure climate in which prosperity can grow. Already, the prospect of NATO
membership is prompting regional reconciliation, as Hungary and Romania, Germany and the
Czech Republic have shown.

The process of NATO enlargement will take a leap forward in Madrid this July, when NATO
invites the first potential members to start accession talks. There are three key challenges ahead.
The first is deciding which countries to admit. Naturally, we'll start with those best prepared to
shoulder the burdens of membership -- but the door must and will not close behind them. So our
second challenge is bolstering the security and confidence of countries not in the first wave. We
will strengthen NATO's ties to those countries by expanding the role of the Partnership for Peace
and establishing an Atlantic Partnership Council to give every partner a voice in coordination of
joint activities.

The third challenge is the most hotly debated: How do we heal the scars of Europe's past without
creating new wounds? Some fear that the process of NATO enlargement will shut Russia out
from a rightful and honorable place in Europe -- and undercut Russia's nascent democracy.
Others worry that Russia's cooperation will come at the expense of the interests of Central and
Eastern Europe and the Alliance's ability to shape its own destiny. Navigating these hazards --
the Scylla and Charybdis of NATO enlargement -- is the most crucial test of our commitment to
forge stability across the Atlantic.
achievable objectives -- not the lift of a driving cliché -- provide a roadmap in the world.

Let me briefly describe each.

**Building an Undivided, Democratic Europe**

The first strategic goal is working for an undivided, peaceful, democratic Europe. Twice in this century, war in Europe has drawn Americans into deadly conflict. Now, we have an opportunity to create a durable European peace by replacing the divisions that have plagued the continent in the past with ties of partnership to shape a common future.

With our allies, we are weaving the seams of Europe together by helping its new democracies grow strong; encouraging their integration with the West; forging a productive partnership with a democratic Russia; and, critically, adapting NATO to take on new challenges.

At the end of the Cold War, we faced three alternatives for NATO. We could have declared its mission accomplished and abandoned it altogether. But President Clinton understood that NATO, the anchor of American engagement in Europe, had an indispensable role to play -- and it's proving its relevance and effectiveness in Bosnia even as we speak.

The second option was to freeze the Alliance within the amber of the East-West conflict. But NATO was never a static institution -- it embraced the accession on Germany in 1955, a newly democratic Spain in 19XX and a unified Germany in 199X. Nor are the values it defends reserved for its original members.
Last week in Helsinki, President Clinton and President Yeltsin took an important step forward. They agreed to disagree about enlargement -- despite Russia's objections, it will proceed as scheduled. But they also agreed that the vital relationship between the U.S. and Russia and the benefits to all of cooperation between NATO and Russia are too important to be jeopardized. President Clinton made clear to his counterpart our intent is not to isolate Russia from Europe, but to integrate it into a new democratic continent.

NATO and Russia will move forward quickly to try to complete negotiations on a charter for NATO-Russia cooperation -- as is taking place today in Bosnia. At the same time, the two Presidents made important advances in arms control and economic cooperation. Helsinki was a turning point: it demonstrated that our broad range of common interests outweighs our differences... that the goals we share to build a secure future for Europe, to reduce even more the nuclear danger and to increase ties of trade and investment put former adversaries on the same side.

**Building a Strong and Stable Asia-Pacific Community**

Our second strategic objective is building a strong, stable, integrated Asia-Pacific community.

Little more than a decade ago, the conventional wisdom saw Asia, North America and Europe emerging as three rival blocs competing head to head. President Clinton had a different vision, based on the promise of partnership and on America's enduring place as an Asia Pacific power. Soon after he became President, he convened the first-ever Asia Pacific summit meeting at Blake...
Island, where leaders from China to Indonesia to Brunei agreed to a common goal: to define their futures not only in Asian or American terms, but increasingly in Asian-Pacific terms. It's an evolutionary process. More open trade. Continuing American security engagement in the region. An understanding that we provide a balance wheel for stability that helps all of us grow in an environment where regional rivalries -- still dangerous -- are tempered by our presence.

To succeed, we must meet three immediate challenges. First, we must continue to deepen our partnership with Japan -- the cornerstone of America's engagement in Asia. We've revitalized our security relationship and continuing our security alliance to meet the challenges of the future, and opened markets that have led to an X% decrease in our trade deficit since 19xx. an Y% decrease in our trade deficit and an Z% increase in our exports to Japan.

Second, we must continue to work closely with South Korea to reduce the tensions on the Cold War's last frontier. That means maintaining vigilance against the vagaries of a North Korea in distress. It means pursuing a more stable peace on the Peninsula through the four-party peace talks that Presidents Clinton and Kim proposed last year. And it means ensuring the dismantlement of North Korea's now frozen nuclear program.

Third, we must deepen our strategic dialogue with China. Whether an emerging China evolves as a great power that is stable and more open politically and economically and nonaggressive militarily... that is moving toward not away from a secure international order is profoundly in America's interest. Ultimately, China will define its own destiny. But we have an interest in its choices.
increasing integration in the global community -- not just economically but in its adherence to
global norms of behavior.

Our policy of engagement with China is not a reward for good behavior. It is a vehicle for
expanding areas of cooperation -- such as arms control, stability on the Korean Peninsula, and the
protection of our intellectual property rights -- and for dealing directly with our fundamental
differences -- such as human rights, market access and weapons proliferation. There is no
guaranty that engagement will succeed, over time, in pulling China in the direction of the
international community as opposed to a more nationalistic, self-absorbed course. But seeking to
isolate China... or isolate us from China... will almost certainly push China in the wrong direction
and undercut the stability that America, China and the entire Asia Pacific region all need for the
future to be secure and prosperous.

Advancing Peace

Our third strategic goal is to neither shrink from -- nor become enthralled by -- the inescapable
reality that America has become the indispensable force for peace in the world. Because
America's greatness flows not only from our military strength, but also from the wealth of our
diversity and the power of our ideals, we have a unique ability to stand with others around the
world who seek to bridge their divides -- and build a stronger foundation for peace, prosperity,
security and cooperation.

When, where and how to make a stand for peace has no automatic answer. I don't want to
engage in yet another iteration of the principles -- specific yet general... rigid yet flexible -- that
answer all questions and in reality no questions about the projection of American power --
whether diplomatic, economic or military. The simple fact is there is no simple formula to dictate our response:

Rather, we have to balance interest and risk, achievability and cost, clarity of mission and support from others. We have been freed from the rigid framework of containment, but charged with thinking through each situation more carefully, rigorously and deliberately than before. We can't be everywhere or do everything. But we must be prepared to respond when our interests and values are at stake and we can make a difference. In a world where conflict and turmoil are constantly thrust upon a global stage, that task, particularly in a world where suffering is quickly thrust upon a global stage, involves not threats to our survival, but bringing peace to places where our interests overlap. Sometimes, with great caution and care, our diplomacy must be backed with force. The war in Bosnia, threatened to spill over into a wider conflict. Our selective but substantial use of air power through NATO, combined with determined diplomacy, stopped the war and brought the parties to the bargaining table. Now, our continuing presence through SFOR is giving Bosnia's fragile peace a chance to take hold. In Haiti, a brutal dictatorship forced tens of thousands to flee for our shores. By backing diplomacy with the threat of force, we caused the dictators to step down peacefully and gave democracy a new lease of life.
The flip side of securing peace in conflicted societies is preserving it in fragile ones. We must and we will increasingly focus the force of our diplomatic and economic engagement on countries and regions of key strategic importance -- helping them realize their promise while avoiding the perils of conflict.

As we collectively deal with these challenges, we must face up to the fact that can tempering influence can make a difference. The enormous economic and resource potential of the Caucasus gives us a strong stake in preserving their stability while maintaining our own access to the region. Turkey sits at a strategic crossroads, with paths leading to the Eastern Mediterranean, the Caucasus, the Middle East and the Islamic world. It is profoundly in our interest to help Turkey remain anchored in the West.

New Security Challenges

Our foremost strategic goal is to deal with the new international terrorism, rogue states, international criminals, drug traffickers that disregard borders, prey on open societies, undermine fragile new democracies and exploit technology for illicit gain. No nation is immune to these threats; none can defeat them alone. More than ever before, we need to find ways to work with others to protect ourselves in an era of new security challenges.
Let me be clear: there are times when we must and we will act alone. To get others to follow, we must sometimes lead by example. And there is behaviour so egregious that we must act even where others won't. But as in our effort to advance peace, our fight against these forces of disintegration demands that we look freshly at our instruments of leverage, collective action.

In a global economy, often in the absence of an American technological monopoly, there is less to gain from waving sticks if others continue to hold out the carrots. Whether it is the threat of terrorism or the scourge of drugs, we must intensify our efforts to achieve a common sense of urgency about the threats and a collective defense against them.

That is why we are working to build international coalitions to take on these new challenges to our security together -- arms control agreements that ban chemical weapons, law enforcement cooperation to put drug traffickers behind bars and organized criminals out of business, intelligence sharing to root out corruption, and a concerted strategy against terror. Some see cooperation as at best a elusive goal, at worst a sign of weakness. Against threats that have contempt for borders, it is a source of strength -- a logical, necessary and effective response to the security challenges of a new era.

Building a New, Open Trading System for the 21st Century

America's fifth strategic goal is to build a new, open trading system for the 21st century. In an age when 11 million Americans depend on exports for their jobs, our nation's economic well-being is tied to the rest of the world. We should not fear the challenge of the global economy.
Our workers and businesses can compete with anyone. But the contest must be open, the field competitive and the rules fair and enforced.

I believe historians

One hundred years from now, people will look back at this period and see the most far-reaching changes in the global trading system since the days of Harry Truman. We completed the Uruguay Round of the GATT; forged a comprehensive regional trade agreement with two of our three largest trading partners; secured pathbreaking global market opening agreements in high-tech sectors where America leads the world; and laid the foundation for competitive and open trade in our hemisphere and the Asia Pacific.

These efforts pay off for our people at home, with 1.6 million new American jobs since 1993. They help open the doors of opportunity to those on the outside of the global economy. And as people around the world gain greater skills and standards of living, we all stand a better chance to reap the benefits of growth. The global economy is not a zero sum game -- we are creating good jobs at home by nurturing new markets abroad.

Protectionism simply isn't an option in today's global economic arena. If we walk away, the process of integration won't stop; it will simply continue without us.

Others write in
back on 95 percent of the world's consumers... forfeiting our stake in the markets of the future —
and ceding our influence in setting the rules that govern global commerce.

But while protectionism is not an option, neither is ungoverned free trade. Competition causes
dislocation -- especially among those who lack the training and skills to compete in the global
economy. We cannot and will not walk away from the -- we have an obligation to enforce the
agreements we make... to round off the rough edges of change with education and training... to
make sure that the benefits of progress are enjoyed by the few while its burdens are carried by the
many.

We're determined to sustain our strong momentum, advancing our exports and standing up for
American workers. To truly succeed, we need the authority to conclude new market-opening
trade agreements. Such authority was crucial to our ability to secure the Information Technology
Agreement that wiped out tariffs in a $1 trillion sector that covers everything from computer to
semiconductors to telecommunications equipment. It will help us complete our initiatives.

In Latin America, where our exports in 1995 were greater than our sales to Japan and Germany combined.

We need to complete the job we have begun -- to
And [TK: fast track's] significance goes beyond trade. It shows the world the United States is a
open markets in this Hemisphere and globally, to share in
front line supporter of free market reform -- and that we have the will and vision to lead.
That growth, not turn our backs on it.

Securing the Tools to Succeed

Let me turn to our final priority. None of the goals on our agenda can be wished into being. We
cannot harness the forces of integration without the strength and resources to get the job done --
and without sharing the burdens with other like-minded nations.
That means maintaining our commitment to a strong, ready military. We have the finest military in the world. It is not a showcase. It is the steel that makes American leadership credible and, if necessary, able to protect our freedom. This President has seen that, time and again. And he is determined that we maintain our ability to dominate any battlefield of the future. That is an indispensable investment in peace and security.

It also means fulfilling our commitment to fully fund America's diplomacy. Our foreign affairs budget for the current fiscal year is 50% lower, in real terms, than a decade ago. This is simply foolish. We must make the investments to advance America's interests -- for the next 50 years as in the last.

President Clinton's budget request reverses the dangerous downward spiral in international affairs funding. The $19.4 billion request -- about one cent out of every federal dollar -- brings benefits to every taxpayer: strengthening our ability to promote peace, fight drugs, track down terrorists, fight nuclear proliferation, boost American exports around the world, and meet our obligations to the community of nations.

It's simply common sense to spread the costs and risks of leadership by working with others, like the World Bank and the UN. The United Nations has a strong new leader committed to cut costs and do better with less. Now is the time to push for progress -- promoting tough reform, paying our bills, and putting the UN and the multilateral development banks back on sound financial footing.
United Nations has a strong new leader committed to cut costs and do better with less. Now is the time to push for progress -- promoting tough reform, paying our bills, and putting the UN and the multilateral development banks back on sound financial footing.

Conclusion

To follow
Last month, in the first State of the Union address of his second term, President Clinton issued a challenge to the American people. "Fifty years ago," he said, "a farsighted America led in creating the institutions that secured victory in the Cold War and built a growing world economy... Now, we stand at another moment of change and choice -- another time to be farsighted and to bring America another fifty years of security and prosperity."

To meet that challenge, we must first understand the nature of the change that surrounds us. It’s been eleven years since glasnost, eight years since the Berlin Wall fell, six since Germany’s reunification and five years since the Soviet Union’s dissolution. But because the Cold War ended with a crumble, not a conference to mark the moment -- and because the transition to democracy among Europe’s newly freed countries, while revolutionary in its consequences, is evolutionary in its timetable... the dialogue of foreign policy has, for too long, been frozen in the rhetoric of "the Post-Cold War Era."

I have come here today not only to praise the "Post Cold War Era" but to bury it. That phrase describes what has ended, not what is beginning... what has been dismantled, not what we are building. Today, closer to the start of the 21st century than to the end of the Cold War, we are embarked on a period of construction, based on new realities but enduring values and interests. The blocs and barriers that divided the world for fifty years largely are gone. Now, our challenge
is to build up new institutions and understandings, and adapt old ones, that strengthen our security and prosperity for the next fifty years and beyond.

For the past fifty years, with containment as the guiding principle of our foreign policy, we saw a world map with advancing and receding lines dividing red from blue... separating those living under the brutal hand of communism from those who weren’t -- the latter running the range from democracies to more or less authoritarian regimes bound together by their anti-communism.

Because we stood firm for half a century, that guiding principle is now obsolete. Instead, this new time increasingly is shaped by the forces of integration. They create unprecedented opportunities for progress. But we should have no illusions: they will not eliminate all the dangers and despots of this world. And they can help fuel new threats to the security, peace and prosperity we seek to build.

If we could look down at the earth from a distant planet, one of the most powerful phenomena we would observe are the effects of economic integration -- reinforced by a communications and technological revolution that telescopes time and distance. With a tap on a computer keyboard and a $50 modem, ideas and information span the planet in a nano-second. Traders, buyers and investors move a trillion dollars around the world every hour.

I will never forget arriving late one night in my hotel room in Islamabad turning on CNN and seeing George Stephanopoulos and Bob Reich debating who wrote “Primary Colors.” Men and women of good faith can debate whether that’s progress. But the fact of it is transforming the
way we work, live and interact. Or consider the famous images of the ancient Li River portrayed on Chinese wall hangings. If you looked at a photograph today, you would see that the houses that line the river have satellite dishes in their backyards.

The forces of integration also spread values -- and the ideas increasingly if not universally being embraced today are the central ideas that define America: democracy, liberty, free enterprise. For the first time in history, more than half the world's people live under governments of their own choosing. In this hemisphere, where just three decades ago almost one-third of the countries in this hemisphere were under authoritarian rule, every country but one today is a democracy. From the Philippines to Chile, South Africa to Estonia, Korea to Guatemala, people who little more than a decade ago lived under repression are building their democracies. We see with more clarity today than ever before that freedom is not only an American birthright or a Western ideal -- but the aspiration of human beings everywhere.

These forces of integration -- economic... technological... political -- find practical if imperfect expression in international rules of the road that are becoming the true Berlin Wall between countries: those that opt into the community of nations -- and those that remain outliers. These norms -- collective security in alliances of like-minded countries... adherence to the rule of law... open and competitive trade... major regimes to control dangerous weapons -- are important in and of themselves. But they're also important because, brick by brick, they form a structure for security and prosperity for all those who choose to live within them, and define the terms of isolation of those that stay outside. As the world grows closer, the cost of exclusion from the community of nations will grow higher.
But the powerful movement toward integration is not without significant downsides and dangers. As borders become as easy to breach as lines in the sand, nations become less able to protect their people from transnational tidal waves -- witness the Peso crisis, which threatened not only Mexico's economy, but jobs in America and the stability of developing economies around the world.

The forces of integration also lubricate the counterforces of disintegration: terrorists, organized criminals, drug traffickers who form international networks of corruption and destruction. They too benefit from technological change and the free flow of products and information. Meanwhile, rogue states like Iran, Iraq, Libya and Sudan remain outside the community of nations -- and seek to undermine and destabilize it.

Further, the overall progress integration tends to promote can exacerbate disparities among and within countries. More than half the world’s people are two days walk from a telephone -- literally disconnected from the present and the future. In many developing and developed countries, the gap between rich and poor has grown wider, even as overall wealth has increased dramatically.

In short, integration is not inherently good or inherently bad. But it is, I believe, inherently a fact of modern life. And it will take place with or without us. The fundamental question we must answer is whether we will use our unique position as not only the world’s most powerful country, but also the world’s most powerful idea, to continue to lead the struggle for a more peaceful,
prosperous and secure future -- or be left behind. As President Clinton has put it, "the enemy of our time is inaction."

The challenge this President has undertaken is to encourage, to the extent possible, the positive forces of integration -- while preventing the forces of disintegration from dominating the future.

His vision is driven by six key strategic objectives: Working for an undivided, democratic peaceful Europe for the first time in history... forging a strong, stable Asia Pacific community... embracing our role -- prudently but not fearfully -- as a decisive force for peace in the world... building the bulwarks against transnational and regional security challenges... creating jobs and growth through a more open and competitive trading system... and maintaining a strong military and fully funded diplomacy to get these jobs done. These create -- not the lift of a driving cliché -- provide America’s roadmap in the world. Let me describe each briefly.

The first strategic goal is working for an undivided, peaceful, democratic Europe. Twice in this century, war in Europe has drawn Americans into deadly conflict. Now, we have an opportunity to create a durable European peace by replacing the divisions that have plagued the continent in the past with ties of partnership to shape a common future.

With our allies, we are helping Europe’s new democracies grow strong; encouraging their integration with the West; forging a productive partnership with a democratic Russia; and, critically, adapting NATO to take on new challenges.
America has taken the lead in opening NATO's doors to new members -- rather than either abandoning the anchor of our engagement in Europe or freezing the alliance within the amber of the Cold War. NATO can do for Europe's East what it did for Europe's West: strengthen the forces of peace and stability.

The process of NATO enlargement will take a leap forward in Madrid this July, when NATO invites the first potential members to start accession talks. There are three key challenges ahead. The first is deciding which countries to admit. Naturally, we'll start with those best prepared to shoulder the burdens of membership -- but the door must and will not close behind them. So our second challenge is bolstering the security and confidence of countries not in the first wave -- which we will do by expanding the role of the Partnership for Peace and giving every partner a voice in coordinating joint activities.

The third challenge is the most hotly debated: How do we heal the scars of Europe's past without creating new wounds? Some fear that the process of NATO enlargement will shut Russia out from a rightful place in Europe -- and undercut Russia's nascent democracy. Others worry that Russia's cooperation will come at the expense of the interests of Central and Eastern Europe and the Alliance's ability to shape its own destiny. Navigating this Scylla and Charybdis of NATO enlargement is the most crucial test of our commitment to forge stability across the Atlantic.

Last week in Helsinki, President Clinton and President Yeltsin took an important step forward. They agreed to disagree about enlargement -- Russia objects, but it will proceed. But they also
agreed that the vital relationship between the United States and Russia and the benefits to all of cooperation between NATO and Russia are too important to be jeopardized.

NATO and Russia will move forward as quickly as possible to try to complete negotiations on a charter for NATO-Russia cooperation. At the same time, the two Presidents made important advances in arms control and economic cooperation. Helsinki was a turning point: it demonstrated that the goals we share -- building a secure future for Europe, reducing even more the nuclear danger, increasing ties of trade and investment -- outweigh our differences.

**Our second strategic objective is building a strong, stable, integrated Asia-Pacific community.** Little more than a decade ago, the conventional wisdom saw Asia, North America and Europe emerging as three rival blocs competing head-to-head. President Clinton had a different vision, based on America’s enduring place as a Pacific power. Soon after he became President, he convened the first-ever Asia Pacific summit meeting at Bled Island, where leaders from China to Indonesia to Australia agreed to a common goal: to define our futures not just in Asian or American terms, but increasingly in Asian-Pacific terms as well.

It’s an evolutionary process. More open trade. Continuing American security engagement in the region. An appreciation that, in an environment where regional rivalries are still dangerous, we provide a balance wheel for stability that helps all of us grow.

To succeed, we must meet three immediate challenges. First, we must deepen our partnership with Japan -- the cornerstone of America’s engagement in Asia -- by strengthening even more our
security alliance, enhancing our diplomatic cooperation and continuing to open markets that have helped create a 41% surge in our exports since 1993.

Second, we must continue to work closely with our ally South Korea to reduce tensions on the Cold War’s last frontier. Vigilance against the vagaries of a North Korea in distress. Pursuing a more stable peace on the Peninsula through the four-party peace talks. Ensuring the dismantlement of North Korea’s now frozen nuclear program.

Third, we must deepen our strategic dialogue with China. An China that evolves as a power that is stable, more open politically and economically and nonaggressive militarily -- in short, moving toward, not away, from a secure international order -- is profoundly in our interest. Ultimately, China will define its own destiny. But one way or the other, we will help shape its choices.

Our strategy of engagement with China is not a reward for good behavior. It is a vehicle for expanding areas where we can cooperate to advance our strategic interests -- such as on the comprehensive test ban and stability on the Korean Peninsula -- and where we can deal directly with our fundamental differences -- such as human rights, market access and some of China’s weapon relationships. There is no guaranty that engagement will succeed in pulling China in the direction of the international community, away from a more nationalistic, self-absorbed course. But seeking to isolate China... or to isolate us from China... almost certainly will push China in the wrong direction and undercut the stability that America, China and the entire Asia Pacific region need for the future to be secure and prosperous.
Our third strategic goal is to neither shrink from -- nor become enthralled by -- the inescapable reality that America can often be the decisive force for peace in the world.

America's greatness flows not only from our size and strength, but also from the wealth of our diversity and the power of our ideals. We have a unique ability to stand with others around the world who seek to bridge their divides -- and build a stronger foundation for peace, security and cooperation.

When, where and how to make a stand for peace has no “one size fits all” answer, as Secretary Albright has said. While we have been freed from the compulsions of containment, we have inherited a more demanding task, particularly in a world where conflict is instantly thrust upon a global stage. That task is to balance interest and risk, achievability and cost, clarity of mission and support from others in what is ultimately an exercise in prudent judgment. We can't be everywhere and do everything. But we must be prepared to engage when our interests and values are at stake and we can make a difference.

Often, our engagement is diplomatic -- remaining an unrelenting force for peace from the Middle East to Northern Ireland to Central Africa.

Sometimes, with great caution and care and where our interests warrant it, our diplomacy must be backed with force. In Bosnia, our use of air power through NATO, combined with determined diplomacy, stopped a war that threatened Europe’s stability and brought the parties to the bargaining table. Now, our continuing presence through SFOR is giving Bosnia’s fragile peace a
chance to take hold. In Haiti, where a brutal dictatorship forced tens of thousands to flee for our shores, we caused the dictators to step down peacefully and gave democracy a new lease of life.

There are other places where our engagement is more important than ever. Let me cite just three. South Asia remains not only a flashpoint for conflict but an opportunity for greater cooperation. The enormous resource potential and strategic location of the Caucasus and Central Asia gives us a strong stake in working with others to preserve their stability and build on our ties to the region. And it is profoundly in our interest to help Turkey, at a strategic and cultural crossroads, remain anchored in the West, committed to democracy and working to resolve its differences peacefully with our Greek allies.

Our fourth strategic goal is to deal with the new transnational security threats I mentioned earlier -- terrorists, international criminals, drug traffickers -- and stand against the enduring danger of rogue regimes.

There are times when we must and we will act alone. To get others to follow, sometimes we must lead by example. And there is behavior so egregious that we must act even where others won't. But our fight against these forces that cut across nations compels us to seek the advantages of collective action. Whether it is the threat of terrorism or the scourge of drugs, we must intensify our efforts to achieve a broader sense of urgency about the dangers and a collective defense to thwart them.
That is why we are working to build international coalitions to take on these new challenges -- arms control agreements that ban chemical weapons, international law enforcement cooperation against drug traffickers and criminal cartels, intelligence sharing to root out corruption, and a more concerted strategy against terror. Some see cooperation as at best an elusive goal, at worst a sign of weakness. Against threats that have contempt for borders, it is a source of strength.

**America’s fifth strategic goal is to build a new, open trading system for the 21st century.**

Our nation’s economic well-being is tied to the rest of the world. Eleven million Americans depend on exports for their jobs. We should not fear the challenge of the global economy. Our workers and businesses can compete so long as the contest is open, the field competitive and the rules fair and enforced.

Historians will look back at this period and see the most far-reaching changes in the global trading system since the days of Harry Truman. We completed the most sweeping round of the GATT; forged a comprehensive trade agreement with our two neighbors; tore down barriers in high-tech sectors where America leads the world; and launched a process for more open and competitive trade in our hemisphere and the Asia Pacific.

These efforts have paid off for our people. The global economy is not a zero sum game -- we are creating good jobs at home by nurturing new markets abroad. The President is determined to pursue this course, navigating the false choice between protectionism and unbridled free trade.
Protectionism simply isn’t an option in today’s global economic arena. If we walk away, the process of integration won’t stop; it simply will continue without us. Others in Europe and Asia will benefit. Turning inward would mean turning our back on 95 percent of the world’s consumers and forfeiting our stake in the markets of the future.

But while protectionism is not an option, neither is ungoverned free trade. Competition causes dislocation -- especially among those without adequate training and skills to compete in the global economy. We cannot walk away from them -- we have an obligation to enforce the agreements we make and to make change work for all with education and training... so that the benefits of progress are not enjoyed by some while its burdens are carried by others.

To sustain our strong momentum, we need the authority to conclude smart, new market-opening trade agreements. In Latin America alone, our exports in 1995 were greater than our sales to Japan and Germany combined. We need to complete the job we have begun -- to open markets in this hemisphere and globally, to share in that growth, not turn our backs on it.

Finally, we cannot harness the forces of integration without the strength and resources to get the job done -- and without sharing the burdens with other like-minded nations.

We have the finest military in the world. It is the steel that makes American leadership credible and, if necessary, our freedom secure. This President is determined to maintain our ability to dominate any battlefield of the future. That is an indispensable investment in our peace and security.
It also means fulfilling our commitment to fully fund America's diplomacy. Our foreign affairs budget for the current fiscal year is 50% lower, in real terms, than it was a decade ago. This is simply foolish. We must make the investments to advance America's interests for the next 50 years as in the last.

President Clinton's budget request reverses the dangerous downward spiral in international affairs funding. Our request -- about one cent out of every federal dollar -- brings benefits to every taxpayer: strengthening our ability to promote peace, fight drugs, track down terrorists, combat nuclear proliferation, boost exports, and meet our obligations to the community of nations.

We must also resist the false choice between going it alone or not at all. It's simply common sense to spread the costs and risks of leadership by working with others, like the World Bank and the UN. Now is the time to push for progress -- promoting tough reform, paying our bills, and putting the UN and the multilateral development banks back on sound financial footing.

Ladies and gentlemen, a child born today will grow up not just in a new century but in a new world -- one in which people can be united more by their hopes than their fears. America's new foreign policy agenda -- ambitious but within our reach -- reflects the promise of this time... a sober awareness of its perils... and the conviction that America must lead if we are to shape change to our benefit. This is a pivotal moment -- let us make the most of it, confident that our cause is right, our course is sound and the future is ours to seize.
For the past forty years a revealing principle has been the one of containment—a map with advancing and receding lines dividing the red from the blue. The battle of 1966 was fought on both the blue and the red. But the blue, whose long under the stifling and often brutal repression of communism and those who threatened it, was very different. A somewhat democratic anti-authoritarian continuum from democracy to anti-communist authoritarianism.

Moreover, it is not teary-eyed, believing our cause is lost. Instead, we are entering a new era of danger and despotism, yet to the greatest extent
in modern history, it offers the prospect and the promise of a world, grounded by the forces of economic integration, converging around shared values and common interests.

If looked at from above, planet Earth from distant space, most powerful pervasive phenomenon you would see (in addition to beyond) are forces of economic integration.
*reinforced by communications and technological revolution.

* factoid
* factoid

* not without downsides and dangers. National abilities of nations to protect their people from international tidal waves (e.g., Mexico's peso).

* very forces of integration, openness also give new impetus to forces of disintegration -- multinational networks of corruption and destruction (crime, drugs, terrorism)
World draws closer are the ideas that define America: democracy, freedom, liberty, free enterprise. Powerful idea for first time, more than half world's people under democracy.

[Discussion note: competition for investment, while still need for do assistance, flow of]
Investments in what matters today often sketch the NS dialogue moved to competition

CHALLENGE - to movement

1. Use our unique position as not only the world's most powerful country, but the world's most powerful idea, to lead ... shape these forces of integration in ways that are computable with our interests work to spread the broader forces of integration beyond areas of economics and communications
ent to other regimes that

thereafter:

⇒ rule of law
⇒ rule of trade and commerce (WTO)
⇒ regime of weapons
⇒ control dangerous weapons (NPT, CTBT, MCMA, etc.)

and that can work to combat present forces of violence/intrigue