Exchange Mail

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FROM	Smith, Gayle E. (AF)
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TO	Frazer, Jendayi E. (AF)
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TEXT_BODY	Can you take the action? -----Original Message----- From: Bouchard, Joseph F. (DEFENSE) Sent: Friday, November 05, 1999 8:21 AM To: @AFRICA - African Affairs; @ASIA - Asian Affairs; @DEFENSE - Defense Policy; @ENVIRON - Environmental; @EUROPE - European Affairs; @HEALTH - International Health Affairs; @INTECON - Economic Affairs; @INTEL - Intelligence Programs; @INTERAM - Inter-American; @LEGAL - Legal Advisor; @LEGISLAT - Legislative Affairs; @MULTILAT - Multilateral and Humanitarian Affairs; @NESASIA - NE/South Asia; @NONPRO - Export Controls; @RUSSIA - Russia/Ukraine; @SEE - Southeast European Affairs; @SPEECH - NSC Speechwriters; @TRANSNATIONAL - Transnational Threats Subject: Second Draft of 1999 National Security Strategy [UNCLASSIFIED] Attached is the second draft of the draft 1999 National Security Strategy. Please review sections of interest to your respective directorates and provide comments no later than November 15. This is your last opportunity to review this document. I have provided suggested sections

for each directorate to review below.

The document on the left
("NSSR 99 Second Draft - Entered.doc") is a "smooth" version. The document on the right ("NSSR 99 Second Draft - LILO.doc") is the same draft in line in/line out format. The agency that provided each change is annotated in brackets (call me if any of my abbreviations
are not self-explanatory). If no source is annotated, the change came from within NSC (or from the spell checker).

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SEE: 41-43 (please try to condense Kosovo
section and make it flow more smoothly)
Speechwriters: Entire document,
esp 3 (failed states) and 37 (ethnic conflict)
Transnational: 3,
17 (law enforcement), 19-21 (transnational threats), 23-25 (domestic preparedness, CIP, NSEP)

I thank all of you for your generous
support of this effort.

Joe

TRANSLATED_ATTACHMENT NSSR 99 Second Draft - Entered.doc
I. Introduction

Our national security strategy is designed to meet the fundamental purposes set
out in the preamble to the Constitution:

...provide for the common defence, promote the general Welfare, and secure the
Blessings of Liberty to ourselves and our Posterity,...

Since the founding of the nation, certain requirements have remained constant.
We must protect the lives and personal safety of Americans, both at home and
abroad. We must maintain the sovereignty, political freedom and independence of
the United States, with its values, institutions and territory intact. And, we
must promote the well being and prosperity of the nation and its people.

Opportunities and Challenges

The 21st Century will be an era of great promise. Globalization-the process of
accelerating economic, technological, cultural and political integration-is
bringing citizens from all continents closer together, allowing them to share
ideas, goods and information at the tap of a keyboard. Many nations around the
world have embraced America's core values of representative governance, free
market economics and respect for fundamental human rights and the rule of law,
creating new opportunities to promote peace, prosperity and greater cooperation
among nations. Former adversaries now cooperate with us. The dynamism of the
global economy is transforming commerce, culture, communications and global
relations, creating new jobs and economic opportunity for millions of Americans.

Globalization also means that the United States is increasingly affected by
events beyond our borders. Outlaw states and ethnic conflicts threaten regional
stability and economic progress in many important areas of the world. Weapons of

mass destruction (WMD), terrorism, drug trafficking and organized crime are
global concerns that transcend national borders. Other problems that once seemed
quite distant-such as resource depletion, rapid population growth, environmental
damage, new infectious diseases, child labor, and uncontrolled refugee

migration-have important implications for American security. Our workers and
businesses will suffer if the global economy is unstable or foreign markets
collapse or lock us out, and the highest domestic environmental standards will
not protect us if we cannot get others to achieve similar standards. In short,
our citizens have a direct and increasing stake in the prosperity and stability
of other nations, in their support for international norms and human rights, in
their ability to combat international crime, in their open markets, and in their
efforts to protect the environment.

National Interests

Since there are always many demands for U.S. action, our national interests must
be clear. These interests fall into three categories. The first includes vital
interests-those of broad, overriding importance to the survival, safety and
vitality of our nation. Among these are the physical security of our territory
and that of our allies, the health and safety of our citizens, our economic well
being, protection of the global environment from severe, irreparable harm, and
protection of our critical infrastructures. We will do what we must to defend
these interests, including-when necessary and appropriate -using our military
might unilaterally and decisively.

The second category includes situations in which important national interests are
at stake. These interests do not affect our national survival, but they do
affect our national well-being and the character of the world in which

we
live-for example, areas where we have a sizable economic stake or commitments to
allies, or areas where there is a potential to generate substantial and highly
destabilizing refugee flows. Our efforts to halt the flow of refugees from Haiti
and restore democracy in that state and our participation in NATO operations in
Bosnia and Kosovo are examples.

The third category is humanitarian and other interests. In some circumstances
our nation may act because our values demand it. Examples include responding to
natural and manmade disasters; promoting human rights and seeking to halt gross
violations of those rights; supporting democratization, adherence to the rule of
law and civilian control of the military; assisting humanitarian demining; and
promoting sustainable development and environmental protection. Often in such
cases, the force of our example bolsters support for our leadership in the world.
When we are faced with deliberate, organized campaigns to murder whole peoples
or expel them from their land because of their ethnic, racial, religious tribal
heritage, if the international community has the capability to end the violence,
we should work to stop genocide and ethnic cleansing. Whenever possible, we seek
to avert humanitarian disasters and conflict through diplomacy and cooperation
with a wide range of partners, including other governments, international
institutions and non-governmental organizations. This may not only save lives,
but also prevent the drain on resources caused by intervention in crises.

Threats to U.S. Interests

The security environment in which we live is dynamic and uncertain, replete with
a host of threats and challenges that have the potential to grow more deadly.

* Regional or State-Centered Threats: A number of states still have

the
capabilities and the desire to threaten our national interests through coercion
or aggression. They continue to threaten the sovereignty of their neighbors,
economic stability, and international access to resources. In many cases, these
states are also actively improving their offensive capabilities, including
efforts to obtain or retain nuclear, biological or chemical weapons and, in some
cases, long-range delivery systems.

* Transnational threats: Terrorism, international crime, drug trafficking,
illicit arms trafficking, uncontrolled refugee migrations, and trafficking in
human beings, particularly women and children, threaten U.S. interests, values,
citizens and the U.S. homeland itself. The possibility of terrorists and other
criminals using WMD is of special concern. We also face threats to critical
national infrastructures-energy, banking and finance, telecommunications,
transportation, agriculture and food distribution, water systems and emergency
services-which increasingly could take the form of a cyber-attack in addition to
physical attack or sabotage, and could originate from terrorist or criminal
groups as well as hostile states.

* Spread of dangerous technologies: Weapons of mass destruction pose the greatest
potential threat to global stability and security. Proliferation of advanced
weapons and technologies threatens to provide rogue states, terrorists and
international crime organizations the means to inflict terrible damage on the
United States, its allies and U.S. citizens and troops abroad.

* Failed states: We can expect that, despite international prevention efforts,
some states will be unable to provide basic governance, safety and security,
services, and opportunities for their populations, potentially generating
internal conflict, humanitarian crises or regional instability. As

governments
lose their ability to provide for the welfare of their citizens, mass migration,
civil unrest, famine, mass killings, epidemic diseases, environmental disasters
and aggression against neighboring states or ethnic groups can threaten U.S.
interests and citizens. Certain other states - fully in possession of their capacity to govern effectively - may succumb to the inflammatory rhetoric of
demagogues who blame their nation's ills on specific ethnic groups, singling
those groups out for condemnation due to their religious, cultural, racial or
tribal heritage. States that fail to respect the rights of their own citizens
and tolerate or actively engage in human rights abuses, ethnic cleansing or acts
of genocide often generate humanitarian crises that the Unites States and the
international community cannot ignore. Such crises not only harm a country's own
citizens, they can spark civil wars and refugee crises, and spill across national
boundaries to destabilize a region.

* Foreign intelligence collection: The threat from foreign intelligence services
is more diverse, complex and difficult to counter than ever before. This threat
is a mix of traditional and non-traditional intelligence adversaries that have
targeted American military, diplomatic, technological, economic and commercial
secrets. Some foreign intelligence services are rapidly adopting new technologies and innovative methods to obtain such secrets, including attempts to
use the global information infrastructure to gain access to sensitive information
via penetration of computer systems and networks. In the immediate future, the
United States faces threats that are much broader in scope than traditional
counterintelligence matters. We must be concerned about efforts by non-state
actors to penetrate and subvert government institutions or critical sectors of
our economy. Non-state actors could include legitimate organizations, both
quasi-governmental and private, and illicit international criminal

organizations.
Their objectives might range from stealing vital statistical information about
American commerce to tapping law enforcement data bases, attempting to influence
our political process or compromising private data networks.

* Environmental and health threats: Environmental and health problems can
undermine the health and welfare of U.S. citizens, and compromise our national
security, economic and humanitarian interests abroad for generations. Such
threats respect no national boundary and can be all the more pernicious because
they emanate not from deliberate malicious acts, but from ignorance, inattention
or mismanagement. History has shown that international epidemics can destroy
human life on a scale as great as any war or terrorist act we have seen. In the
future, we face potentially even more devastating threats if we fail to avert
irreparable damage to regional ecosystems and the global environment.
Deforestation and other forms of non-sustainable development, pursuit of
industrial development at the expense of the environment, unchecked emissions of
greenhouse gasses, and the growing black market in toxic waste and
ozone-depleting chemicals all threaten the health and well being of our citizens.
Other environmental issues could have near term national security consequences.
For example, competition over scarce transboundary fresh water resources is a
potential threat to regional stability, and nearly two-thirds of the world's
population is expected to experience some form of water deficit by the year 2025.

Intelligence, surveillance and reconnaissance (ISR) capabilities are critical to
our ability to thwart these dangers. We place highest priority on monitoring the
most serious threats to U.S. security: states hostile to the United States;
countries or other entities that possess strategic nuclear forces or control
nuclear weapons, other WMD or nuclear fissile materials;

transnational threats,
including terrorism, international crime and drug trafficking; potential regional
conflicts that might affect U.S. national security interests; and threats to U.S.
forces and citizens abroad.

A Strategy of Engagement

Our strategy is founded on continued U.S. engagement and leadership abroad. The
United States must lead abroad if we are to be secure at home, but we cannot lead
abroad unless we are strong at home. We must be prepared and willing to use all
appropriate instruments of national power to influence the actions of other
states and non-state actors, to provide global leadership, and to remain the
preferred security partner for the community of states that share our interests.
The international community is often reluctant to act forcefully without American
leadership. In many instances, the United States is the only nation capable of
providing the necessary leadership and capabilities for an international response
to shared challenges. By exerting our leadership abroad we have deterred
aggression, fostered the resolution of conflicts, enhanced regional cooperation,
strengthened democracies, stopped human rights abuses, opened foreign markets and
tackled global problems such as preventing the spread of weapons of mass
destruction and protecting the environment. American leadership and engagement
in the world are vital for our security, and our nation and the world are safer,
healthier and more prosperous as a result.

Achieving our core objectives--enhancing American security, bolstering our
economic prosperity and promoting democracy abroad--will require sustained,
long-term effort. Many of the threats to our national interests are persistent
or recurring--they cannot be resolved or eliminated once and for all, and will
continue to demand our attention. American engagement must be

tempered by
recognition that there are limits to America's involvement in the world, and that
decisions to commit resources today must be weighed against the need to sustain
our engagement over the long term. Our engagement therefore must be selective,
focusing on the threats and opportunities most relevant to our interests and
applying our resources where we can make the greatest difference. Additionally,
sustaining our engagement abroad over the long term will require the support of
the American people and the Congress to bear the costs of defending U.S.
interests-in dollars, effort and, when necessary, with military force. We have
an obligation to foster broad public understanding and bipartisan congressional
support for international engagement.

Implementing the Strategy

Our national security efforts will continue to be guided by President Clinton's
strategic priorities: to foster regional efforts led by the community of
democratic nations to promote peace and prosperity in key regions of the world,
to increase cooperation in confronting new security threats that defy borders and
unilateral solutions, to strengthen international nonproliferation regimes, to
protect our citizens at home and abroad, to protect our critical infrastructures,
to protect the environment and the health of our citizens, to strengthen the
military, diplomatic, economic and law enforcement tools necessary to meet these
challenges, and to create more jobs and opportunities for Americans through a
more open and competitive economic system that promotes prosperity around the
world.

International cooperation will be vital for building security in the next century
because many of the threats we face cannot be addressed by a single nation. Many
of our security objectives are best achieved-or can only be achieved-by

leveraging our influence and capabilities through the United Nations, other multilateral institutions, our alliances, or as a leader of an ad hoc coalition formed around a specific objective. Leadership in the UN and other international organizations, and durable relationships with allies and friendly nations, are vital to our security. A central thrust of our strategy is to strengthen and adapt the formal relationships we have with key nations around the world, create new relationships and structures when necessary, and enhance the capability of friendly nations to exercise regional leadership in support of shared goals. At other times we harness our diplomatic, economic, military and information strengths and law enforcement relationships to shape a favorable international environment outside of formal structures. But building effective coalitions of like-minded nations is not enough, we must always be prepared to act alone when that is our most advantageous course, or when we have no alternative.

Success in countering the wide range of threats we face requires an integrated approach that brings to bear all the capabilities and assets needed to achieve our security objectives-particularly in this era when domestic and foreign policies increasingly overlap. To effectively shape the international environment and respond to the full spectrum of potential threats and crises, diplomacy, military force, law enforcement, our other foreign policy tools and our domestic preparedness efforts must be closely coordinated. We are continuing to strengthen and integrate our own diplomatic, military, intelligence and law enforcement capabilities so we can more effectively lead the international community in responding to these threats, as well as act on our own when we must.

At home, we must have effective capabilities for thwarting and responding to terrorist acts, countering international crime and foreign intelligence

collection, and protecting critical national infrastructures. Our efforts to
counter these threats cross agency and governmental boundaries, requiring close
cooperation among Federal agencies, state and local governments, the industries
that own and operate critical national infrastructures, non-governmental
organizations and others in the private sector.

The Power of Our Values

Underpinning our international leadership is the power of our democratic ideals
and values. In crafting our strategy, we recognize that the spread of democracy,
human rights and respect for the rule of law supports American values and
enhances both our security and prosperity. Democratic governments are more
likely to cooperate with each other against common threats, encourage free trade,
promote sustainable economic development, and protect the rights of their people.
Hence, the trend toward democracy and free markets throughout the world advances
American interests. The United States will support this trend by remaining
actively engaged in the world. This strategy will take us into the next century.

II. Advancing U.S. National Interests

The goals of the national security strategy are to protect the lives and safety
of Americans, maintain the sovereignty of the United States with its values,
institutions and territory intact, and promote the prosperity and well-being of
the nation and its people. In our vision of the world, the United States
provides leadership in key international institutions like the United Nations,
has close cooperative relations with the world's most influential countries and
has the ability to influence the policies and actions of those who can affect our
national well being. We seek to create a stable, peaceful international security
environment - one in which our nation, citizens and interests are not

threatened;
democratic values and respect for human rights and the rule of law are

increasingly accepted; America continues to prosper through increasingly open
international markets and sustainable growth in the global economy; the threat of
global diseases is reduced; and the health and well-being of our citizens are
enhanced by an increasingly cleaner global environment.

Enhancing Security at Home and Abroad

Our strategy for enhancing U.S. security has three components: shaping the
international environment, responding to threats and crises, and preparing for an
uncertain future.

Shaping the International Environment

The United States seeks to shape the global environment through a variety of
means, including diplomacy, economic cooperation, international assistance, arms
control and nonproliferation initiatives, military activities, international law
enforcement cooperation and environmental and health initiatives. Such shaping
activities enhance U.S. security by promoting regional security, enhancing
economic development, and preventing or reducing the diverse threats we face
today. These measures adapt and strengthen alliances, partnerships and
friendships, maintain U.S. influence in key regions, and encourage adherence to
international norms. When signs of potential conflict emerge, or potential
threats appear, we undertake initiatives to prevent or reduce these threats. Our
shaping efforts also aim to discourage arms races and halt the proliferation of
weapons of mass destruction; reduce tensions in critical regions; encourage
sustainable development, open markets and global economic cooperation; counter
terrorism, drug trafficking, firearms trafficking and illegal immigration;
improve law enforcement cooperation; and minimize environmental,

health and other
threats.

Diplomacy

Diplomacy is a vital tool for countering threats to our national security. The
daily business of diplomacy conducted through our missions and representatives
around the world is an irreplaceable shaping activity. These efforts are

essential to sustaining our alliances, forcefully articulating U.S. interests,
resolving regional disputes peacefully, averting humanitarian catastrophe,
deterring aggression against the United States and our friends and allies,
promoting international economic cooperation and stability, fostering trade and
investment opportunities, and projecting U.S. influence worldwide.

One of the lessons that has been repeatedly driven home is the importance of
preventive diplomacy in dealing with conflict and complex emergencies. Helping
prevent nations from failing is far more effective than rebuilding them after an
internal crisis. Helping people stay in their homes is far more beneficial than
feeding and housing them in refugee camps. Helping relief agencies and
international organizations strengthen the institutions of conflict resolution is
far less taxing than healing ethnic and social divisions that have already
exploded into bloodshed. In short, while crisis management and crisis resolution
are necessary tasks for our foreign policy, preventive diplomacy is obviously far
preferable.

Investment in our diplomatic tools and the means to support them and keep them
secure is essential for achieving our national security objectives. We must
retain a strong international assistance program and an effective diplomatic
corps if we are to maintain American leadership in the world and protect our
national interests. Credible military force and the demonstrated will to

use it
are essential for defending our vital interests and keeping America safe. But
force alone cannot solve all our problems. To be most effective, force,

diplomacy, and our other policy tools must complement and reinforce each other -
for there will be many occasions and many places where we must rely on diplomatic
shaping activities to protect and advance our interests.

Public Diplomacy

We also have an obligation and opportunity to harness the tools of public
diplomacy to advance U.S. leadership around the world by engaging international
publics on U.S. principles and policies. The global advance of democratic
institutions and the global information infrastructure have increased the ability
of individual citizens and foreign publics to influence the policies of their
governments to an unprecedented degree. As a result, our public diplomacy
programs are a vital component of our national security strategy. Our programs
enhance our ability to inform and influence foreign publics in support of U.S.
national interests, and broaden the dialogue between American citizens and U.S.
institutions and their counterparts abroad.

Information is a key component of every element of national power that must work
hand-in-hand with diplomacy and other tools of national security. Effective use
of our nation's information capabilities to address misinformation and
incitement, mitigate inter-ethnic conflict, promote independent media
organizations and the free flow of information, and support democratic
participation helps advance U.S. interests abroad. International Public
Information (IPI) activities, as defined by the newly promulgated Presidential
Decision Directive (PDD-68), are designed to improve our capability to coordinate
independent public diplomacy, public affairs and other national security
information-related efforts to ensure they are more successfully integrated into

foreign and national security policy making and execution.

International Assistance

From the U.S.-led mobilization to rebuild post-war Europe to more recent economic
success stories across Asia, Latin America and Africa, U.S. foreign assistance
has assisted emerging democracies, promoted respect for human rights and the rule
of law, helped expand free markets, slowed the growth of international crime,
contained major health threats, improved protection of the environment and
natural resources, slowed population growth, and defused humanitarian crises.
Crises are averted-and U.S. preventive diplomacy actively reinforced-through U.S.
sustainable development programs that promote voluntary the rights of workers,
family planning, basic education, environmental protection, democratic
governance, the rule of law, religious freedom, and the economic empowerment of
private citizens.

Debt relief is an important element of our overall effort to alleviate poverty
and promote economic development. The Cologne Debt Initiative announced at the
G-7 summit, together with earlier debt relief commitments, provides for reduction
of up to 70 percent of the total debts for heavily indebted poor countries. This
will be a reduction from the current level of about $127 billion to as low as $37
billion with the cancellation of official development assistance debt by G-7 and
other bilateral creditors. The Cologne Debt Initiative also calls on
international financial institutions to develop a new framework for linking debt
relief with poverty reduction. These measures center around better targeting of
budgetary resources for priority social expenditures, for health, child survival,
AIDS prevention, education, greater transparency in government budgeting, and
much wider consultation with civil society in the development and implementation
of economic programs.

When combined effectively with other bilateral and multilateral activities, such as our cooperative scientific and technological programs, U.S. initiatives reduce the need for costly military and humanitarian interventions. When assistance programs succeed in promoting democracy and free markets, substantial growth of American exports has usually followed. Where crises have occurred, our assistance programs have helped stanch mass human suffering through targeted relief. Other assistance programs have created a path out of conflict and dislocation, helped to help restore elementary security and civic institutions, and promoted political stability and economic recovery.

Arms Control

Arms control efforts are an essential element of our national security strategy. We pursue verifiable arms control treaties and agreements that support our efforts to prevent the spread and use of weapons of mass destruction, halt the use of conventional weapons that cause unnecessary suffering, and contribute to regional stability at lower levels of armaments. By increasing transparency in the size, structure and operations of military forces and building confidence in the intentions of other countries, arms control agreements and confidence-building measures reduce incentives and opportunities to initiate an attack, reduce the mutual suspicions that arise from and spur on armaments competition, and help provide the assurance of security necessary to strengthen cooperative relationships and direct resources to safer, more productive endeavors.

Verifiable reductions in strategic offensive arms and the steady shift toward less destabilizing systems remain essential to our strategy. Entry into force of the START I Treaty in December 1994 charted the course for reductions in the deployed strategic nuclear forces of the United States and Russia. The other

countries of the Former Soviet Union that had nuclear weapons on their soil - Belarus, Kazakhstan and Ukraine - have become non-nuclear weapons states. Once the START II Treaty enters into force, the United States and Russia will each be limited to between 3,000-3,500 accountable strategic nuclear warheads. START II also will eliminate destabilizing land-based multiple warhead and heavy missiles. On September 26, 1997, the U.S. and Russia signed a START II Protocol extending the end date for reductions to 2007, and exchanged letters on early deactivation by 2003 of those strategic nuclear delivery systems to be eliminated by 2007.

At the Helsinki Summit in March 1997, Presidents Clinton and Yeltsin agreed that once START II enters into force, our two nations would immediately begin negotiations on a START III agreement. They agreed to START III guidelines that, if adopted, will cap the number of strategic nuclear warheads deployed in each country at 2,000-2,500 by the end of 2007-reducing both our arsenals by 80 percent from Cold War heights. They also agreed that, in order to promote the irreversibility of deep reductions, a START III agreement will include measures relating to the transparency of strategic nuclear warhead inventories and the destruction of strategic nuclear warheads. The statement also committed the two nations to explore possible measures relating to non-strategic nuclear weapons, to include appropriate confidence building and transparency measures. At the Cologne G8 Summit in June 1999, Presidents Clinton and Yeltsin agreed to a Joint Statement reaffirming that they will do all they can to secure prompt ratification of START II and to begin discussions on START III.

The Anti-Ballistic Missile (ABM) Treaty remains a cornerstone of strategic stability, and the United States is committed to continued efforts to strengthen the Treaty and to enhance its viability and effectiveness. At the Helsinki

Summit, Presidents Clinton and Yeltsin reaffirmed their commitment to the ABM
Treaty and recognized the need for effective theater missile defenses in an
agreement in principle on demarcation between systems to counter strategic
ballistic missiles and those to counter theater ballistic missiles. On September
26, 1997, the U.S. Secretary of State and Russian Foreign Minister, along with
their counterparts from Belarus, Kazakhstan and Ukraine, signed or initialed five
agreements relating to the ABM Treaty. At the Cologne G8 Summit in June 1999,
Presidents Clinton and Yeltsin reiterated their determination to achieve earliest
possible ratification and entry into force of those agreements. The agreements
on demarcation and succession will be provided to the Senate for its advice and
consent following Russian ratification of START II. The two presidents also
reaffirmed at Cologne their existing obligations under Article XIII of the ABM
Treaty to consider possible changes in the strategic situation that have a
bearing on the ABM Treaty and, as appropriate, possible proposals for further
increasing the viability of the Treaty; they also agreed to begin discussions on
the ABM Treaty, which are now underway in parallel with discussions on START III.
The United States is proposing that the ABM Treaty be modified to accommodate
possible deployment of a limited National Missile Defense system to counter the
emerging ballistic missile threat from rogue states.

At the Moscow Summit in September 1998, Presidents Clinton and Yeltsin agreed on
a new initiative for the exchange of information on missile launches and early
warning. The agreement will significantly reduce the danger that ballistic
missiles could be launched inadvertently on the basis of false warning of attack.
It will also promote increased mutual confidence in the capabilities of the
ballistic missile early warning systems of both sides. The United States and

Russia will develop arrangements for providing each other with continuous information on the launches of ballistic missiles and space launch vehicles that can be detected by their respective early warning systems. The United States and Russia will also work towards establishing a multilateral ballistic missile and space launch vehicle pre-launch notification regime in which other states would be invited to participate.

The United States remains committed to bringing the Comprehensive Nuclear Test Ban Treaty (CTBT) into force. To this end, the United States will maintain its moratorium on nuclear testing, and is encouraging all other states to do the same. We are also encouraging all states that have not done so to sign and ratify the CTBT.

The CTBT ends nuclear testing worldwide. More than 150 countries have signed the Treaty so far, agreeing to stop all nuclear explosive testing. The CTBT would constrain nuclear weapons development and would also help prevent nuclear technologies from spreading to other countries. The United States ended nuclear testing seven years ago; the CTBT forces other countries to end testing, too. We have developed means of making sure our nuclear weapons work through non-nuclear tests and computer simulations, rather than by tests with nuclear explosions, and we spend $4.5 billion a year to ensure that our nuclear weapons remain safe and reliable.

The CTBT puts in place a worldwide network for detecting nuclear explosions. With over 300 stations around the globe - including 31 in Russia, 11 in China, and 17 in the Middle East - this international monitoring system improves our ability to monitor suspicious activity and catch cheaters. The United States already has dozens of monitoring stations of its own; the CTBT allows us to take

advantage of other countries' stations and create new ones, too. The Treaty also provides the opportunity to inspect suspected nuclear testing sites in other countries.

To be secure, we must not only have a strong military; we must also take the lead in building a safer, more responsible world. We have a fundamental responsibility to limit the spread of nuclear weapons and reduce the danger of nuclear war. We will continue to work toward gaining Senate advice and consent to ratification of the CTBT. U.S. ratification will encourage other states to ratify, enable the United States to lead the international effort to gain CTBT entry into force, and strengthen international norms against nuclear testing.

The United States is pursuing adaptation of the 1990 Conventional Armed Forces in Europe (CFE) Treaty, consistent with the Decision on Certain Basic Elements adopted on July 23, 1997, and the Joint Consultative Group decision of March 30, 1999, which was accepted by all 30 CFE states. Success in this negotiation will ensure that this landmark agreement remains a cornerstone of European security into the 21st century and beyond. We continue to seek Russian, Ukrainian and Belarusian ratification of the 1992 Open Skies Treaty to increase transparency of military forces in Eurasia and North America. We also promote, through international organizations such as the Organization for Security and Cooperation in Europe (OSCE), implementation of confidence and security-building measures, including the 1994 Vienna Document, throughout Europe and in specific regions of tension and instability.

President Clinton is committed to ending the tragic damage to innocent civilians due to anti-personnel landmines (APLs). The United States has already taken major steps in the spirit that motivated the Ottawa Convention, while ensuring

our ability to meet international obligations and provide for the safety and
security of our men and women in uniform. President Clinton has directed the
Defense Department to end the use of all APLs, including self-destructing APLs,
outside Korea by 2003 and to pursue aggressively the objective of having APL
alternatives ready for Korea by 2006. We will also aggressively pursue
alternatives to our mixed anti-tank systems that contain anti-personnel

submunitions. We have made clear that the United States will sign the Ottawa
Convention by 2006 if by then we have succeeded in identifying and fielding
suitable alternatives to our self-destructing APLs and mixed anti-tank systems.
Furthermore, U.S. ratification of the Amended Landmine Protocol to the Convention
on Conventional Weapons in May 1999 was a major achievement. A key element of
this agreement is a ban on the indiscriminate use of long-duration APLs that
caused the worldwide humanitarian problem. We have established a permanent ban
on APL exports and are seeking to universalize an export ban through the
Conference on Disarmament in Geneva. We are supporting humanitarian demining
programs and through our "Demining 2010" initiative have challenged the world to
increase the effectiveness and efficiency of removing landmines that threaten
civilians.

Nonproliferation Initiatives

Nonproliferation initiatives enhance global security by preventing the spread of
WMD, materials for producing them and means of delivering them. That is why the
Administration is promoting universal adherence to the international treaty
regimes that prohibit the acquisition of weapons of mass destruction, including
the Nuclear Non-Proliferation Treaty (NPT), the Chemical Weapons Convention (CWC)
and the Biological Weapons Convention (BWC).

The NPT is the cornerstone of international nuclear nonproliferation efforts and reinforces regional and global security by creating confidence in the nonnuclear commitments of its parties. It was an indispensable precondition for the denuclearization of Ukraine, Kazakhstan, Belarus and South Africa. We seek to ensure that the NPT remains a strong and vital element of global security by achieving universal adherence and full compliance by its parties with their Treaty obligations. The 2000 NPT Review Conference will pose a major challenge to the future of this critical Treaty. We will vigorously promote the value of the NPT in preventing the spread of nuclear weapons while continuing policies designed to reduce U.S. reliance on nuclear weapons and to work for their ultimate elimination.

To reinforce the international nuclear nonproliferation regime, we seek to strengthen the International Atomic Energy Agency (IAEA) safeguards system and achieve a Fissile Material Cutoff Treaty in the Geneva Conference on Disarmament. A Cutoff Treaty would cap the nuclear materials available worldwide for weapons, a key step in halting the spread of nuclear weapons. A coordinated effort by the intelligence community and law enforcement agencies to detect, prevent and deter illegal trafficking in fissile materials, and the Materials Protection, Security and Accounting (MPSA) program, which enhances security for nuclear materials having potential terrorist applications, are also essential to our counter-proliferation efforts.

We seek to strengthen the BWC with a new international regime to ensure compliance. We are negotiating with other BWC member states in an effort to reach consensus on a protocol to the BWC that would implement an inspection system to enhance compliance and promote transparency. We are also working hard to implement and enforce the CWC. The United States Congress

underscored the
importance of these efforts in October 1998 by passing legislation to implement
full compliance with the commercial declarations and inspections required by the
CWC.

The Administration also seeks to prevent destabilizing buildups of conventional
arms and limit access to sensitive technical information, equipment and
technologies by strengthening multilateral regimes, including the Wassenaar
Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and
Technologies, the Australia Group (for chemical and biological weapons), the
Missile Technology Control Regime (MTCR), the Nuclear Suppliers Group, and the
Zangger Committee. At the NATO 50th Anniversary Summit, Allied leaders agreed to
enhance NATO's ability to deal both politically and militarily with the

proliferation of weapons of mass destruction and the means of their delivery.

Regional nonproliferation efforts are particularly important in three critical
proliferation zones. On the Korean Peninsula, we are implementing the 1994
Agreed Framework, which requires full compliance by North Korea with its
nonproliferation obligations. We also seek to convince North Korea to halt its
indigenous missile program and exports of missile systems and technologies. In
the Middle East and Southwest Asia, we encourage regional confidence building
measures and arms control agreements that address the legitimate security
concerns of all parties, and continue efforts to thwart and roll back Iran's
development of WMD and long-range missiles, and Iraq's efforts to reconstitute
its WMD programs. In South Asia, we seek to persuade India and Pakistan to
refrain from weaponization or deployment of nuclear weapons, testing or deploying
missiles capable of delivering nuclear weapons, and any further production of

fissile material for nuclear weapons, as well as to adhere fully to international
nonproliferation standards and to sign and ratify the CTBT.

Through the Nunn-Lugar Cooperative Threat Reduction (CTR) Program and other
initiatives, we aim to strengthen controls over weapons-usable fissile material
and prevent the theft or diversion of WMD and related material and technology.
The CTR Program has effectively supported enhanced safety, security, accounting
and centralized control measures for nuclear weapons and fissile materials in the
former Soviet Union. It has assisted Ukraine, Kazakhstan and Belarus in becoming
non-nuclear weapons states and will continue to assist Russia in meeting its
START obligations. The CTR Program is also supporting measures to eliminate and
prevent the proliferation of chemical weapons and biological weapon-related
capabilities, and has supported many ongoing military reductions and reform
measures in the former Soviet Union. We are working to strengthen the Convention
on the Physical Protection of Nuclear Material to increase accountability and
protection, which complements our effort to enhance IAEA safeguards.

In his 1999 State of the Union address, the President launched the Enhanced
Threat Reduction Initiative (ETRI). This multi-agency effort is designed to
address the new security challenges in Russia and the other Newly Independent
States caused by the financial crisis, including preventing WMD proliferation,
reducing the threat posed by residual WMD, and stabilizing the military. This
initiative builds on the success of existing programs such as the Cooperative
Threat Reduction program, the Material Protection Control, and Accounting program
and the Science Centers by accelerating current program activities and adding new
program elements that make additional progress in the more challenging
environment now facing Russia and the NIS states. For example, new

ETRI
initiatives will substantially expand our cooperative efforts to eliminate WMD in
the NIS, a new component of our nuclear security program will greatly increase
the security of fissile material by concentrating it at fewer, well protected
sites, and new programs will increase the security of facilities and experts
formerly associated with the Soviet Union's BW effort.

We are purchasing tons of highly enriched uranium from dismantled Russian nuclear
weapons for conversion into commercial reactor fuel, and working with Russia to
remove 34 metric tons of plutonium from each country's nuclear weapons programs
and converting it so that it can never be used in nuclear weapons. We are
redirecting dozens of former Soviet WMD facilities and tens of thousands of
former Soviet WMD scientists in Eastern Europe and Eurasia from military to
peaceful activities. We also are working to implement a new biotechnical
initiative aimed at increasing transparency in former Soviet biological weapons
facilities and redirecting their scientists to civilian commercial, agricultural,
and public health activities. In support of U.S. efforts to prevent
proliferation of WMD by organized crime groups and individuals in the NIS and
Eastern Europe, the Departments of Defense, Energy, Commerce, and the FBI are
engaging in programs that assist governments in developing effective export
control systems and capabilities to prevent, deter, or detect potential
proliferation of WMD and weapons materials across borders. These programs provide
training, equipment, expert advice, and services to law enforcement and border
security agencies in these countries.

Military Activities

The U.S. military plays an important role in shaping the international security
environment in ways that protect and promote U.S. interests, but is not a
substitute for other forms of engagement, such as diplomatic,

economic,
scientific, technological, cultural and educational activities. Military forces
have a unique role in our overall strategy of engagement. Through overseas
presence and peacetime engagement activities such as defense cooperation,
security assistance, and training and exercises with allies and friends, our
armed forces help to deter aggression and coercion, build coalitions, promote
regional stability and serve as role models for militaries in emerging
democracies. With countries that are neither staunch friends nor known foes,
military cooperation can serve as a positive means of building security

relationships today that will contribute to improved relations tomorrow. Our
concern for human rights remains high, and we will continue to ensure that we do
not train or assist known human rights abusers.

Maintaining our overseas presence promotes regional stability, giving substance
to our bilateral and multilateral security commitments, helping to prevent the
development of power vacuums and instability, contributing to deterrence by
demonstrating our determination to defend U.S., allied, and friendly interests in
critical regions, and better positioning the United States to respond rapidly to
crises. Equally essential is effective global power projection, which is key to
the flexibility demanded of our forces and provides options for responding to
potential crises and conflicts even when we have no permanent presence or a
limited infrastructure in a region. Conversely, global power projection is
enabled and facilitated by having combat credible forces forward deployed in
peacetime. These two operational concepts - forward presence and power
projection - are complementary, each increasing the potency of the other and
together providing the broad range of military options needed for carrying out
our strategy.

Although military activities make an essential contribution to shaping the international security environment in peacetime, we must be mindful that the primary mission of our Armed Forces is to deter and, if necessary, to fight and win conflicts in which our vital interests are threatened. Just as American engagement overall must be selective-focusing on the threats and opportunities most relevant to our interests and applying our resources where we can make the greatest difference-so must our use of the Armed Forces for shaping be selective. Shaping activities must be carefully managed to prevent erosion of our military's current and long-term readiness. The Defense Department's theater engagement planning process, which was approved by the President in 1997, will help ensure that military engagement activities are prioritized within and across theaters, and balanced against the availability of resources. In short, we must prioritize military shaping activities to ensure the readiness of our Armed Forces to carry out crisis response and warfighting missions, as well as to ensure that we can sustain an appropriate level of shaping activities over the long term.

Deterrence of aggression and coercion on a daily basis is crucial. Our ability to deter potential adversaries in peacetime rests on several factors, particularly on our demonstrated will and ability to uphold our security commitments when they are challenged. We have earned this reputation through both our declaratory policy, which clearly communicates costs to potential adversaries, and our credible warfighting capability. This capability is embodied in ready forces and equipment strategically stationed or deployed forward, in forces in the United States at the appropriate level of readiness to deploy when needed, in our ability to gain timely access to critical regions and infrastructure overseas, and in our demonstrated ability to form and lead

effective military coalitions. Because terrorist organizations may not be
deterred by traditional means, we must ensure a robust capability to accurately
attribute the source of attacks against the United States or its citizens, and to
respond effectively and decisively to protect our national interests.

Our nuclear deterrent posture is one of the most visible and important examples
of how U.S. military capabilities can be used effectively to deter aggression and
coercion against U.S. interests. Nuclear weapons serve as a hedge against an
uncertain future, a guarantee of our security commitments to allies and a
disincentive to those who would contemplate developing or otherwise acquiring
their own nuclear weapons or other WMD. Our military planning for the possible
employment of U.S. strategic nuclear weapons is focused on deterring a nuclear
war and emphasizes the survivability of the nuclear systems and infrastructure
necessary to endure a preemptive attack and still respond at overwhelming levels.
The United States must continue to maintain a robust triad of strategic nuclear
forces sufficient to deter any hostile foreign leadership with access to nuclear
forces and to convince it that seeking a nuclear advantage would be futile. In
addition, some U.S. non-strategic nuclear forces are maintained in a
forward-deployed status in NATO as a visible reminder of our security commitment.
We must also ensure the continued viability of the infrastructure that supports
U.S. nuclear forces and weapons. The Stockpile Stewardship Program will provide
high confidence in the safety and reliability of our nuclear weapons under the
Comprehensive Nuclear Test Ban Treaty.

We are committed to maintaining U.S. leadership in space. Unimpeded use of space
is essential for protecting U.S. national security, promoting our prosperity and
ensuring our well being. Consistent with our international obligations, we will
deter threats to our interests in space, defeat hostile efforts against

U.S.
access to and use of space, and maintain the ability to counter space systems and
services that could be used for hostile purposes against our military forces,
command and control system, or other critical capabilities. We also will
continue efforts to prevent the spread of weapons of mass destruction to space,
and will continue to pursue global partnerships addressing space-related
scientific, economic, environmental and security issues.

We also are committed to maintaining information superiority - the capability to
collect, process, and disseminate an uninterrupted flow of information while
exploiting and/or denying an adversary's ability to do the same. Operational
readiness as well as the command and control of forces rely increasingly on
information systems and technology. We must keep pace with rapidly evolving
information technology so that we can cultivate and harvest the promise of
information superiority among U.S. forces and coalition partners while exploiting
the shortfalls in our adversaries' information capabilities.

Quality people - civilian and military - are our most critical asset in
implementing our strategy. The quality of our men and women in uniform will be
the deciding factor in future military operations. We must ensure that we remain
the most fully prepared and best trained fighting force in the world.
Accordingly, we will continue to place the highest priority on initiatives and
programs that support recruiting, quality of life, and training and education.

International Law Enforcement Cooperation

As threats to our national security from drug trafficking, terrorism and

international crime increase, U.S. and foreign law enforcement and judicial
agencies must continue to find innovative ways to develop a concerted, global
attack on the spread of international crime. One way to accomplish this is

through cooperative activities, such as overseas law enforcement presence, to leverage resources and foster the establishment of effective working relationships with foreign law enforcement agencies. U.S. investigators and prosecutors draw upon their experience and background to enlist the cooperation of foreign law enforcement officials, keeping crime away from American shores, enabling the arrest of many U.S. fugitives and solving serious U.S. crimes. This presence develops substantive international links by creating personal networks of law enforcement professionals dedicated to preventing crime and bringing international criminals to justice. The Department of State and U.S. federal law enforcement agencies and are engaged in a cooperative effort to provide assistance to law enforcement agencies in Central and Eastern Europe and East Asia through the International Law Enforcement Academy (ILEA), with training centers established in Hungary and Thailand. The ILEA initiative is a multi-national effort organized by the United States, the host nations, and other international training partners to provide mutual assistance and law enforcement training.

Recent advances in information technology offer unprecedented opportunities to collect, process, store, and electronically transmit vital information throughout the world. Law enforcement must begin to utilize this technology to facilitate the secure transfer of law enforcement data, in a manner consistent with U.S. law, among the international law enforcement community. This is accomplished through the linking of databases, and the establishment of worldwide standards for the inter-operability of automated information systems. Achievements in this arena will accelerate the criminal identification process and provide an increasing basis of international support for the reduction of crime and terrorism around the world.

Environmental and Health Initiatives

Decisions today regarding the environment and natural resources can affect our security for generations. Environmental threats do not heed national borders and can pose long-term dangers to our security and well being. Natural resource scarcities can trigger and exacerbate conflict. To help cope with these sources of instability, it is in our national interest to increase the capacity of developing countries to successfully meet environmental and demographic challenges. Environmental threats such as climate change, stratospheric ozone depletion, introduction of nuisance plant and animal species, overharvesting of fish, forests and other living natural resources, and the transnational movement of hazardous chemicals and waste directly threaten the health and economic well-being of U.S. citizens. Additionally, the foods of indigenous populations, such as Alaskan Native Americans, are often vulnerable to transnational sources of environmental contaminants that threaten shared ecosystems. We have a full diplomatic agenda, working bilaterally and multilaterally to respond aggressively to environmental threats. For example, at Kyoto in December 1997, the industrialized nations of the world agreed for the first time to binding limits on greenhouse gases. This was a vital turning point, but we must press for participation by key developing nations and will not submit the Kyoto protocol for ratification until they have agreed to participate meaningfully in efforts to address global warming. We must also continue working to improve the safety of the nuclear power plants in Russia and China and Eastern Europe and help mobilize investments to replace unsafe reactors.

Diseases and health risks can no longer be viewed solely as a domestic concern. Like the global economy, the health and well being of all peoples are becoming increasingly interdependent. With the movement of over two million

people per
day across international borders and the expansion of international trade, health
issues as diverse as importation of dangerous infectious diseases and bioterrorism preparedness profoundly affect our national security. Beyond the
direct threat to Americans from disease, healthy populations internationally
provide an essential underpinning for economic development, democratization and
political stability. We are, therefore, taking a proactive leadership role to
promote international cooperation on health issues.

Beyond these general concerns, a number of specific international health issues
are critical for our national security. Because a growing proportion of our
national food supply is coming from international sources, assuring the safety of
the food we consume must be a priority. The Administration has announced new and
stronger program to ensure the safety of imported as well as domestic foods, to
be overseen by the President's Council on Food Safety. New and emerging
infections such as drug-resistant tuberculosis and the Ebola virus can move with
the speed of jet travel. We are actively engaged with the international health
community as well as the World Health Organization to stop the spread of these
dangerous diseases. The worldwide epidemic HIV/AIDS is destroying peoples and
economies in an unprecedented scale and is now the number one cause of death in
Africa, killing over 5,500 per day. The Administration has taken bold new steps
to combat this devastating epidemic, including reaching agreement in 1999 with
the G-7 in Cologne to link debt relief with social programs such as HIV/AIDS
prevention.

Responding to Threats and Crises

Because our shaping efforts alone cannot guarantee the international security
environment we seek, the United States must be able to respond at home and abroad

to the full spectrum of threats and crises that may arise. Our resources are finite, so we must be selective in our responses, focusing on challenges that most directly affect our interests and engaging where we can make the most difference. We must use the most appropriate tool or combination of tools-diplomacy, public diplomacy, economic measures, law enforcement, military operations, and others. Our use of these tools may at times require that we strike a balance between our objectives of enhancing our security and bolstering our prosperity because economic sanctions imposed to counter specific threats to our security can have adverse impact on U.S. exports and the global economy. We act in alliance or partnership when others share our interests, but unilaterally when compelling national interests so demand.

When efforts to deter an adversary-be it an aggressor nation, terrorist group or criminal organization-occur in the context of a crisis, they become the leading edge of crisis response. In this sense, deterrence straddles the line between shaping the international environment and responding to crises. Deterrence in crisis generally involves signaling the United States' commitment to a particular country or interest by enhancing our warfighting capability in the theater. The U.S. may also choose to make additional statements to communicate the costs of aggression or coercion to an adversary, and in some cases may choose to employ U.S. forces to underline the message and deter further adventurism.

Transnational Threats

Transnational threats include terrorism, international crime, narcotics trafficking, and illegal trade in fissile materials, potential biological agents, toxic waste, ozone-depleting substances and other dangerous materials.

Terrorism

Our policy to counter international terrorists rests on the following

principles:
(1) make no concessions to terrorists; (2) bring all pressure to bear on all
state sponsors of terrorism; (3) fully exploit all available legal mechanisms to
punish international terrorists; and (4) help other governments improve their
capabilities to combat terrorism. Following these principles, we seek to
eliminate foreign terrorists and their support networks in our country, extend
the reach of financial sanctions to international terrorist support networks,
eliminate terrorist sanctuaries, and counter state-supported terrorism and
subversion of moderate regimes.

The United States has made concerted efforts to deter and punish terrorists and
remains determined to apprehend and bring to justice those who terrorize American
citizens. Whenever possible, we use law enforcement and diplomatic tools to wage
the fight against terrorism. In the wake of the August 1998 bombings in East
Africa, the FBI established five Rapid Deployment Teams that are ready to respond
quickly to terrorist events anywhere in the world. Following the initial response
by the nearest FBI Legal Attaché, an FBI Advance Team, comprised of 12 to 15
topical experts, will depart for the crisis site. When necessary, the full Team,
consisting of approximately 160 personnel, will follow the Advance Team to the
site. But there have been, and will be, times when law enforcement and
diplomatic tools are simply not enough. As long as terrorists continue to target
American citizens, or otherwise put their security at risk, we reserve the right
to act in self-defense by striking at their bases and those who sponsor, assist
or actively support them.

On August 20, 1998, acting on convincing information from a variety of reliable
sources that the network of radical groups affiliated with Osama bin Laden had
planned, financed and carried out the bombings of our embassies in

Nairobi and
Dar es Salaam, the U.S. Armed Forces carried out strikes on one of the most
active terrorist bases in the world. It contained key elements of the bin Laden
network's infrastructure and has served as a training camp for literally
thousands of terrorists from around the globe. The strikes were a necessary and
proportionate response to the imminent threat of further terrorist attacks
against U.S. personnel and facilities, and demonstrated that no country can be a
safe haven for terrorists.

International Crime

International crime is a serious threat to Americans at home and abroad. Drug
trafficking, illegal trade in firearms, fissile material smuggling, financial
crimes-such as money laundering, counterfeiting, advanced fee and credit card
fraud, and income tax evasion-illegal alien smuggling, extortion, kidnapping,
trafficking in women and children, economic espionage, intellectual property
theft, computer hacking, public corruption, and illegal shipments of toxic waste
and ozone-depleting chemicals all have a direct impact on the security and
prosperity of the American people. The efficiency of the market place depends on
transparency and effective law enforcement, which limit distorting factors such
as extortion and corruption. A free and efficient market requires elimination of
unlawful activities that impede rational business decisions and fair competition.
Additionally, the integrity and reliability of the international financial
system will be improved by standardizing laws and regulations governing financial
institutions and improving international law enforcement cooperation in the
financial sector. Finally, there must be no safe haven where criminals can roam
free, beyond the reach of our extradition and legal assistance treaties.

In concert with our allies, efforts are under way to accelerate the criminal
identification process and facilitate global participation in the

investigation
and prosecution of criminal activities. These efforts are being advanced through
the linking of worldwide automated information system databases, and the
establishment of international data sharing standards to facilitate the transfer
of law enforcement data. This will be done in a manner that protects the privacy
of U.S. citizens. As a result, more timely and accurate data is provided to the
international law enforcement community.

We are negotiating and implementing new and updated extradition and mutual legal
assistance treaties, making a concerted effort at home and abroad to shut down
the illicit trade in firearms, ammunition and explosives that fuels the violence
associated with terrorism, drug trafficking and international crime, and
increasing our enforcement powers through bilateral and multilateral agreements
on asset seizure, forfeiture and money laundering, and memoranda of cooperation
on auto theft initiatives. No area of criminal activity has greater
international implications than high technology crime because of the global
nature of information networks. Computer hackers and other cyber-criminals are
not hampered by international boundaries, since information and transactions
involving funds or property can be transmitted quickly and covertly via telephone
and information systems. Law enforcement faces difficult challenges in this
area, many of which are impossible to address without international consensus and
cooperation. We seek to develop and implement new agreements with other nations
to address high technology crime, particularly cyber-crime.

Drug Trafficking

We have shown that with determined and relentless efforts, we can make
significant progress against the scourge of drug abuse and drug trafficking. For
much of this century, organized crime leaders inside the United States controlled

America's drug trade. Today, as result of aggressive law enforcement against
U.S. crime syndicates, criminals based in foreign countries control the drug
trade. International drug syndicates, especially those based in Mexico and
Colombia, continue to diversify and seek new markets in the United States -
moving beyond large cities into smaller communities and rural towns.

The aim of our drug control strategy is to cut illegal drug use and availability
in the United States by 50 percent by 2007-and reduce the health and social
consequences of drug use and trafficking by 25 percent over the same
period-through expanded prevention efforts, improved treatment programs,
strengthened law enforcement and tougher interdiction. Our strategy recognizes
that, at home and abroad, prevention, treatment and economic alternatives must be
integrated with law enforcement and interdiction efforts. Domestically, we seek
to educate and enable America's youth to reject illegal drugs, increase the
safety of America's citizens by substantially reducing drug-related crime and
violence, reduce health and social costs to the public of illegal drug use,
reduce domestic cultivation of cannabis and production or methamphetamines and
other synthetic drugs, and shield America's air, land and sea frontiers from the
drug threat. Concerted efforts by the public, all levels of government and the
private sector together with other governments, private groups and international
organizations will be required for our strategy to succeed.

Internationally, our strategy recognizes that the most effective counterdrug
operations are mounted at the source where illegal drugs are grown and produced.
We seek to stop drug trafficking by bolstering the capabilities of source nations
to reduce cultivation through eradication and development of alternative crops,
and attack production through destruction of laboratories and control of
chemicals used to produce illegal drugs. In the transit zone between

source
regions and the U.S. border, we support interdiction programs to halt the
shipment of illicit drugs. In concert with allies abroad, we pursue prosecution
of major drug traffickers, destruction of drug trafficking organizations,
prevention of money laundering, and elimination of criminal financial support
networks. Our strategy also includes efforts to build cooperative links with
foreign law enforcement agencies, strengthen democratic institutions, assist
source nations root out corruption, and safeguard human rights in both source and
transit nations. Additionally, we are engaging international organizations,
financial institutions and non-governmental organizations in counterdrug
cooperation.

Defending the Homeland

Our potential enemies, whether nations or terrorist groups, may be more likely in
the future to resort to attacks against vulnerable civilian targets in the United
States rather than conventional military operations abroad. At the same time,
easier access to sophisticated technology means that the destructive power
available to aggressor nations and terrorists is greater than ever. Adversaries
may be tempted to use long-range ballistic missiles or unconventional tools, such
as WMD, financial destabilization or information attacks, to threaten our
citizens and critical national infrastructures. The United States must act to
deter or prevent such attacks and, if attacks occur despite those efforts, must
be prepared to defend against them, limit the damage they cause, and respond
decisively against the perpetrators. At home, we must forge an effective
partnership of Federal, state and local government agencies, industry and other
private sector organizations.

National Missile Defense

We are committed to meeting the growing danger that outlaw nations will develop
and deploy long-range missiles that could deliver weapons of mass destruction
against us and our allies. Informed by the Intelligence Community's analysis of
the August 1998 North Korean flight test of its Taepo Dong I missile, as well as
the report of the Rumsfeld Commission, the Administration has stated that the
threat posed by a rogue state developing an ICBM capable of striking the United
States is growing, and we expect it will soon pose a danger to Americans here at
home.

In 2000, we will determine whether to deploy a limited national missile defense
against strategic ballistic missile threats to the United States. The
Administration's decision will be based on an assessment of the four factors that
must be taken into account in deciding whether to field this system: (1) whether
the threat is materializing; (2) the status of the technology based on an initial
series of rigorous flight tests, and the proposed system's operational
effectiveness; (3) whether the system affordable; and (4) the implications of
going forward with NMD deployment for our objectives with regard to achieving
further reductions in strategic nuclear arms under START II and START III.

In making our decision in 2000, we will review progress in achieving our arms
control objectives, including negotiating any amendments to the ABM Treaty that
may be required to accommodate a possible limited NMD deployment. At the Cologne
G8 Summit in June 1999, Presidents Clinton and Yeltsin agreed to begin
discussions on START III and the ABM Treaty. Their reaffirmation that under the
ABM Treaty the two sides are obligated to consider possible changes in the
strategic situation that have a bearing on the Treaty and possible proposals for
further increasing the viability of the Treaty opened the door for discussion of

proposals for amending the Treaty to accommodate NMD deployment. The United States will attempt to negotiate in good faith any amendments to the ABM Treaty that may be necessary to accommodate deployment of a limited NMD system. At the same time, the Administration has made clear that it will not give any state a veto over any missile defense deployment decision that is vital to our national security interests.

Countering Foreign Intelligence Collection

The United States is a primary target of foreign intelligence services due to our military, scientific, technological and economic preeminence. Foreign intelligence services aggressively seek information about U.S. political and military intentions and capabilities, and are stepping up their efforts to collect classified or sensitive information on U.S. weapons systems, emerging technologies with military applications, and related technical methods. Such information enables potential adversaries to counter U.S. political and military objectives, develop sophisticated weapons more quickly and efficiently, compete better with the United States in world arms markets, and develop countermeasures against U.S. weapons systems. Intelligence collection against U.S. economic, commercial and proprietary information enables foreign states and corporations to obtain shortcuts to industrial development and improve their competitiveness against U.S. corporations in global markets. Although difficult to quantify, industrial espionage results in the loss of millions of dollars and thousands of jobs annually.

To protect sensitive national security information, we must be able to effectively counter the collection efforts of foreign intelligence services through vigorous counterintelligence efforts and security programs. Over the last five years, we have created new counterintelligence mechanisms and

implemented procedures to improve coordination among intelligence, counterintelligence and law enforcement agencies. These measures have considerably strengthened our ability to counter the foreign intelligence collection threat. To keep pace with the rapid pace of globalization and the ever-changing intelligence collection threat, we will continue to refine and enhance our counterintelligence capabilities, coordination, and support for all levels of government and the private sector. As we enter the 21st century, our counterintelligence posture must change to meet the challenge of future threats.
Toward that end, the CIA, FBI and Defense Department have launched a study of future foreign intelligence threats, particularly non-traditional threats emerging from globalization of information and commerce, as well as the capabilities that will be required to effectively counter those threats.

Domestic Preparedness against Weapons of Mass Destruction

The Federal Government will respond rapidly and decisively to any terrorist incident in the United States involving WMD, working with state and local governments to restore order and deliver emergency assistance. The Domestic Terrorism Program is integrating the capabilities and assets of a number of Federal agencies to support the FBI, FEMA, the Department of Health and Human Services, and state and local governments in crisis response and managing the consequences of a WMD incident. We have a comprehensive strategy to protect our civilian population from the scourge of biological and chemical weapons. We are upgrading our public health and medical surveillance systems to enhance our preparedness for a biological or chemical weapons attack, and helping to ensure that federal, state and local emergency response personnel have the resources they need to deal with such a crisis.

Critical Infrastructure Protection

Our national security and our economic prosperity rest on a foundation of
critical infrastructures, including telecommunications, energy, banking and
finance, transportation, water systems and emergency services-. These

infrastructures are vulnerable to computer-generated and physical attacks. More
than any nation, America is dependent on cyberspace. We know that other
governments and terrorist groups are creating sophisticated, well-organized
capabilities to launch cyber-attacks against critical American information
networks and the infrastructures that depend on them.

The President has directed that a Plan for defending our critical infrastructures
be in effect by May 2001, and fully operational by December 2003. Through this
Plan we will achieve and maintain the ability to protect our critical
infrastructures from intentional acts that would significantly diminish the
abilities of the Federal Government to perform essential national security
missions. This plan will also help ensure the general public health and safety;
protect the ability of state and local governments to maintain order and to
deliver minimum essential public services; and work with the private sector to
ensure the orderly functioning of the economy and the delivery of essential
telecommunications, energy, financial and transportation services.

The Federal government is committed to building this capability to defend our
critical infrastructures, but it cannot do it alone. The private sector, as much
as the Federal government, is a target for infrastructure attacks, whether by
cyber or other means. A new partnership between the Federal government and the
private sector is required. We are building this partnership. Acting jointly,
we will work proactively to identify and eliminate significant vulnerabilities in
our critical infrastructures and the information systems that support them. We
are creating the systems necessary to detect and respond to attacks

before they
can cause serious damage. For the first time, law enforcement, intelligence
agencies and the private sector will share, in a manner consistent with U.S. law,
information about cyber-threats, vulnerabilities and attacks. The Government is
developing and deploying new intrusion detection network technologies to protect
Defense Department and other critical Federal systems, and we are encouraging the
private sector to develop and deploy appropriate protective technology as well.
A nationwide system for quickly reconstituting in the face of a serious

cyber-attack is being developed. Every Federal Department is also developing a
plan to protect its own critical infrastructures, which include both cyber and
physical dimensions. Finally, we will be building a strong foundation for
continued protection of our critical infrastructures: increased Federal R&D in
information security, increased investment in training and educating
cyber-security practitioners, and evaluating whether legislation is necessary to
protect both our civil liberties and our critical infrastructures.

National Security Emergency Preparedness

National security emergency preparedness is imperative. We will do all we can to
deter and prevent destructive and threatening forces such as terrorism, WMD use,
disruption of our critical infrastructures, and regional or state-centered

threats from endangering our citizens. We must also maintain the strength and
responsiveness of our industrial and technology base as a critical element or our
national security emergency preparedness. I f an emergency occurs, whether
man-made or a natural disaster, we must be prepared to respond effectively to
protect lives and property, mobilize the personnel, resources and capabilities
necessary to effectively handle the emergency, and ensure the survival of our
institutions and national infrastructures.

Smaller-Scale Contingencies

In addition to defending the U.S. homeland, the United States must be prepared to respond to the full range of threats to our interests abroad. Smaller-scale contingency operations encompass the full range of military operations short of major theater warfare, including humanitarian assistance, peace operations, enforcing embargoes and no-fly zones, evacuating U.S. citizens, reinforcing key allies, and limited strikes and intervention. These operations will likely pose the most frequent challenge for U.S. forces and cumulatively require significant commitments over time. These operations will also put a premium on the ability of the U.S. military to work closely and effectively with other U.S. Government agencies, non-governmental organizations, regional and international security organizations and coalition partners.

At times it will be in our national interest to proceed in partnership with others to preserve, maintain and restore peace. American participation in peace operations takes many forms, such as the NATO-led coalitions in Bosnia and Kosovo, the American-led UN force in Haiti, the recently concluded Military Observer Mission Ecuador and Peru (MOMEP), our participation in the multilateral coalition operation in the Sinai, and military observers in UN missions in Western Sahara, Georgia and the Middle East. The question of command and control in multinational contingency operations is particularly critical. Under no circumstances will the President ever relinquish his constitutionally mandated command authority over U.S. forces, but there may be times in the future, just as in the past, when it is in our interest to place U.S. forces under the temporary operational control of a competent allied or United Nations commander.

Not only must the U.S. military be prepared to successfully conduct

multiple
smaller-scale contingencies worldwide, it must be prepared to do so in the face
of challenges such as terrorism, information operations and the threat or use of
WMD. U.S. forces must also remain prepared to withdraw from contingency
operations if needed to deploy to a major theater war. Accordingly, appropriate
U.S. forces will be kept at a high level of readiness and will be trained,
equipped and organized to be multi-mission capable.

Major Theater Warfare

Fighting and winning major theater wars is the ultimate test of our Armed Forces
- a test at which they must always succeed. For the foreseeable future, the
United States, preferably in concert with allies, must have the capability to
deter and defeat large-scale, cross-border aggression in two distant theaters in
overlapping time frames. Maintaining a two major theater war capability deters
opportunism elsewhere when we are heavily involved in deterring or defeating
aggression in one theater, or while conducting multiple smaller-scale
contingencies and engagement activities in other theaters. It also provides a
hedge against the possibility that we might encounter threats larger or more
difficult than expected. A strategy for deterring and defeating aggression in
two theaters ensures we maintain the capability and flexibility to meet unknown
future threats, while continued global engagement helps preclude such threats
from developing.

Fighting and winning major theater wars entails three particularly challenging
requirements. First, we must maintain the ability to rapidly defeat initial
enemy advances short of the enemy's objectives in two theaters, in close
succession. The United States must maintain this ability to ensure that we can
seize the initiative, minimize territory lost before an invasion is halted

and
ensure the integrity of our warfighting coalitions. Failure to defeat initial
enemy advances rapidly would make the subsequent campaign to evict enemy forces
from captured territory more difficult, lengthy, and costly, and also could
undermine U.S. credibility, weaken coalition support, and increase the risk of
conflict elsewhere.

Second, the United States must plan and prepare to fight and win under conditions
where an adversary may use asymmetric means against us-unconventional approaches
that avoid or undermine our strengths while exploiting our vulnerabilities.
Because of our dominance in the conventional military arena, adversaries who
challenge the United States are likely to use asymmetric means, such as WMD,
information operations or terrorism. Such asymmetric attacks could be used to
disrupt the critical logistics pipeline - from its origins in the United States,
along sea and air routes, at in-transit refueling and staging bases, to its

termination at airfields, seaports and supply depots in theater - as well as our
forces deployed in the field.

We are enhancing the preparedness of our Armed Forces to effectively conduct
sustained operations despite the presence, threat or use of WMD. These efforts
include development, procurement and deployment of theater missile defense
systems to protect forward-deployed troops, as well as improved intelligence
collection capabilities, heightened security awareness and force protection
measures worldwide. We are also enhancing our ability to defend against hostile
information operations, which could in the future take the form of a full-scale,
strategic information attack against our critical national infrastructures,
government and economy-as well as attacks directed against our military forces.

Third, our military must also be able to transition to fighting major theater wars from a posture of global engagement-from substantial levels of peacetime engagement overseas as well as multiple concurrent smaller-scale contingency operations. Withdrawing from such operations would pose significant political and operational challenges. Ultimately, however, the United States must accept a degree of risk associated with withdrawing from contingency operations and engagement activities in order to reduce the greater risk incurred if we failed to respond adequately to major theater wars.

The Decision to Employ Military Forces

Our national security strategy recognizes that achieving our core objectives will require sustained, long-term effort and that our engagement must be selective. Although there will be many demands for U.S. involvement, the need to husband limited resources requires that we must carefully select the means and level of our participation in particular military operations. Responding to multiple concurrent contingencies requires careful consideration to ensure our forces are neither unable, nor perceived as unable, to respond to more critical threats. We must be as clear as possible about when and how we will use our military forces.

The decision on whether to use force is dictated first and foremost by our national interests. In those specific areas where our vital interests are at stake, our use of force will be decisive and, if necessary, unilateral.

In situations posing a threat to important national interests, military forces should only be used if they advance U.S. interests, they are likely to be able to accomplish their objectives, the costs and risks of their employment are commensurate with the interests at stake, and other, non-military, means are incapable of achieving our objectives. Such uses of military forces

should be
selective and limited, reflecting the relative saliency of the interests at stake.

The decision to employ military forces to support our humanitarian and other
interests focuses on the unique capabilities and resources the military can bring
to bear, rather than on its combat power. Generally, the military is not the
best tool for humanitarian concerns, but under certain conditions use of our
Armed Forces may be appropriate. Those conditions are when the scale of a
humanitarian catastrophe dwarfs the ability of civilian relief agencies to
respond, when the need for relief is urgent and only the military has the ability
to provide an immediate response, when the military is needed establish the
preconditions necessary for effective application of other instruments of
national power, when a humanitarian crisis could affect U.S. combat operations,
or when a response otherwise requires unique military resources. Such efforts by
the United States, preferably in conjunction with other members of the

international community will be limited in duration, have a clearly defined end
state, entail minimal risk to American troops, and be designed to give the
affected country the opportunity to restore its own basic services.

In all cases, the costs and risks of U.S. military involvement must be
commensurate with the interests at stake. We will be more inclined to act where
there is reason to believe that our action will bring lasting improvement. Our
involvement will be more circumscribed when other regional or multilateral actors
are better positioned to act than we are. Even in these cases, however, the
United States will be actively engaged with appropriate diplomatic, economic and
military tools.

In every case, we will consider several critical questions before committing
military force: Have we explored or exhausted non-military means

that offer a
reasonable chance of achieving our goals? Is there a clearly defined, achievable
mission? What is the threat environment and what risks will our forces face?
What level of effort will be needed to achieve our goals? What are the potential
costs-human and financial-of the operation? What are the opportunity costs in
terms of maintaining our capability to respond to higher-priority contingencies?
Do we have milestones and a desired end state to guide a decision on terminating
the mission?

Having decided that use of military forces is appropriate, the decision on how
they will be employed is based on two guidelines. First, our forces will have a
clear mission and the means to achieve their objectives decisively. Second, as
much as possible, we will seek the support and participation of our allies,
friends and relevant international institutions. When our vital interests are at
stake, we are prepared to act alone. But in most situations, working with other
nations increases the effectiveness of each nation's actions and lessens

everyone's burden.

Sustaining our engagement abroad over the long term will require the support of
the American people and the Congress to bear the costs of defending U.S.
interests-including the risk of losing American lives. Some decisions to engage
abroad could well face popular opposition, but must ultimately be judged by
whether they advance the interests of the American people in the long run. When
it is judged to be in America's interest to intervene, we must remain clear in
our purposes and resolute in our actions.

Preparing Now for an Uncertain Future

We must prepare for an uncertain future even as we address today's security
problems. We need to look closely at our national security apparatus

to ensure
it remains relevant by adapting its institutions to meet new challenges. This
means we must transform our capabilities - diplomatic, defense, intelligence, law
enforcement, economic - to act swiftly and to anticipate new opportunities and
threats in today's continually evolving, highly complex international security
environment. Preparing for an uncertain future also means that we must have a
strong, competitive, technologically superior, innovative and responsive
industrial and research and development base.

Within the military, transformation requires that we strike a balance among
funding three critical priorities: maintaining the ability of our forces to shape
and respond today, modernizing to protect the long-term readiness of the force,
and transforming our unparalleled capabilities to ensure we can effectively shape
and respond in the future. We also must work with Allies and coalition partners
to help improve their defense capabilities and interoperability with our forces,
in order to bolster the effectiveness of multinational operations across the full
spectrum of potential military missions.

This transformation of our military forces is critical to meeting the military
challenges of the next century. Transformation extends well beyond the
acquisition of new military systems - it seeks to leverage technological,
doctrinal, operational and organizational innovations to give U.S. forces greater
capabilities and flexibility. Exploiting the revolution in military affairs is
fundamental if U.S. forces are to retain their dominance in an uncertain world.
Investment in research and development while closely monitoring trends in likely
future threats are important elements of our transformation effort. Selected,
focused research is a relatively inexpensive and prudent way to manage risk in an
uncertain environment. Only a sustained research and development

program can
mitigate the risk of being unprepared to meet a new threat, the risk of developing the wrong capabilities, and the risk of an adversary developing an
effective counters to a capability, making it obsolete. A carefully planned and
focused modernization program will maintain our technological superiority and
replace Cold War-era equipment with new systems and platforms capable of
supporting the full spectrum of military operations.

To support the readiness, modernization and transformation of our military
forces, we will work cooperatively with the Congress to enact legislation to
implement the Defense Reform Initiative, which will free up resources through an
exploitation of a Revolution in Business Affairs - an integral part of our
strategy for the 21st century. This effort includes privatization, acquisition
reform, transformation of logistics, and elimination of excess infrastructure
through two additional base realignment and closure (BRAC) rounds. We will
continue to explore new approaches for integrating the Active and Reserve
components into a Total Force optimum for future missions, modernize our forces,
ensure the quality of military personnel, and take prudent steps to position
ourselves to effectively counter unlikely but significant future threats. The
Administration, in partnership with the Congress, will continue to assure we
maintain the best-trained, best-equipped and best-led military force in the world
for the 21st century.

We must renew our commitment to America's diplomacy-to ensure we have the
diplomatic representation and voice in international organizations that are
required to support our global interests. This is central to our ability to

retain our influence on international issues that affect our well being. Our
national security requires that we ensure international organizations such as the

UN are as effective and relevant as possible. We must, therefore, ensure that
our financial obligations to the UN and the UN system are met in full. Preserving our leadership, influence and credibility in the world demands that we
maintain highly trained and experienced personnel, a broad range of capabilities
for diplomacy and public diplomacy, a secure diplomatic infrastructure abroad,
and a respected voice in international organizations. The cost of doing this is
a tiny fraction of the costs we otherwise will have to pay as our interests are
increasingly ignored around the world and we are ever more frequently forced to
employ our military forces to cope with crises that might have been averted or
handled at less cost to us through collective international action.

In the area of law enforcement, technological advances are generating new
opportunities for international criminals as well as providing powerful new tools
for combating crime. In the future, the United States will face criminal threats
that are much broader in scope and much more sophisticated than those we face
today. Even technological and economic advances that are not inherently
dangerous, such as the internet and globalization of markets, have national
security implications. Anticipating and preparing for the law enforcement
challenges arising from emerging technology, globalization of trade and finance,
and other international dynamics must be part of our strategy for the future.

We also must continue efforts to construct appropriate twenty-first century
national security programs and structures government-wide. We will continue to
foster innovative approaches and organizational structures to better protect
American lives, property and interests at home and abroad.

Promoting Prosperity

The second core objective of our national security strategy is to promote

America's prosperity through efforts at home and abroad. Our economic and security interests are inextricably linked. Prosperity at home depends on stability in key regions with which we trade or from which we import critical commodities, such as oil and natural gas. Prosperity also demands our leadership in international development, financial and trade institutions. In turn, the strength of our diplomacy, our ability to maintain an unrivaled military and the attractiveness of our values abroad depend in large part on the strength of our economy. Over the long term, prosperity requires development abroad be sustainable and not generate environmental problems that undermine the economic benefits of development.

Strengthening Financial Coordination

As national economies become more integrated internationally, U.S. prosperity depends more than ever on economic developments abroad. Our economic health is vulnerable to disturbances that originate outside our borders. As such, cooperation with other states and international organizations is vital to protecting the health of the global economic system and responding to financial crises.

Global financial markets dominated by private capital flows provide both immense opportunities and great challenges. The ultimate objective of our reform efforts is a stable, resilient global financial system that promotes strong global economic growth providing benefits broadly to workers and investors in all countries. Implementing recent G-7 recommendations on ways to strengthen the international financial architecture is essential to the success of our reform efforts. International financial institutions, particularly the International Monetary Fund (IMF), have a critical role to play in this effort by promoting greater openness and transparency, by building strong national

financial systems,
and by creating mechanisms so that the private sector shares more fully in the
responsibility for preventing and resolving crises. The United States and the
other leading industrialized nations are also promoting a range of World Bank and
regional development bank reforms: substantially increasing the share of
resources devoted to basic social programs that reduce poverty; safeguarding the
environment; supporting development of the private sector and open markets;
promotion of good governance, including measures to fight corruption, improve the
administration of justice and protect human rights; and internal reforms of the
multilateral development banks (MDBs) to increase their impact on development and
the transparency of their operations.

Enhancing American Competitiveness

We seek to ensure a global business environment in which the innovative and
competitive efforts of the private sector can flourish. To this end, we will
continue to encourage the development, commercialization and use of civilian
technology, and will seek legislative and regulatory changes that promote
civil-military industrial integration. We will invest in a world-class
infrastructure for the twenty-first century, including intermodal transportation
improvements integrating all forms of land, sea and air transportation, and the
national information and space infrastructure essential for our knowledge-based
economy. We will support a vigorous science and technology base that promotes
economic growth, creates high wage jobs, sustains a healthy, educated citizenry,
and provides the basis for our future military systems. We will invest in
education and training to develop a workforce capable of participating in our
rapidly changing economy. And we will continue our efforts to open foreign
markets to U.S. trade and investment. In many important respects, UN agencies

and other international organizations serve as the main fora in which the United States works with other nations to set standards - in areas such as telecommunications, aviation safety, and the protection of intellectual property rights - that serve as a foundation for global commerce.

Enhancing Access to Foreign Markets

In a world where over 96 percent of the world's consumers live outside the United States, we must continue to expand our international trade to sustain economic growth at home. Our prosperity as a nation in the twenty-first century will depend upon our ability to compete effectively in international markets. The rapidly expanding global economy presents enormous opportunities for American companies and workers. Over the next decade, healthy growth can be expected to return to the global economy, with growth particularly strong in a number of emerging markets. If we do not continue to seize these opportunities, our competitors surely will. We must continue working hard to secure and enforce agreements that protect intellectual property rights and enable Americans to compete fairly in foreign markets. Trade agreement implementing authority is essential for advancing our nation's economic interests. Congress has consistently recognized that the President must have the authority to break down foreign trade barriers and create good jobs. Accordingly, the Administration will work with Congress to fashion an appropriate grant of fast track authority.

The Administration will continue to press our trading partners-multilaterally, regionally and bilaterally-to expand trade and investment opportunities for U.S. workers, farmers and companies. We will position ourselves at the center of a constellation of trade relationships-such as the World Trade Organization, APEC, the Transatlantic Economic Partnership, the President's new economic partnership with Sub-Saharan Africa, and the Free Trade Area of the Americas

(FTAA). We will
seek to negotiate agreements, especially in sectors where the U.S. has the most
to gain -as we did in the Information Technology Agreement and the World Trade
Organization (WTO) Financial Services and Telecommunications Services Agreements.
As we look ahead to the next WTO Ministerial meeting, to be held in Seattle in
late 1999, we will aggressively pursue an agenda that fosters expanding WTO
coverage to new areas of trade liberalization and addresses U.S. trade objectives. We will also remain vigilant in enforcing the trade agreements
reached with our trading partners.

Promoting an Open Trading System

The Administration remains committed to carrying forward the success of the
Uruguay Round under the General Agreement on Tariffs and Trade, and to the
success of the WTO as a forum for openly resolving disputes. We have completed
the Information Technology Agreement (ITA) which goes far toward eliminating
tariffs on high technology products and concluded a landmark WTO agreement that
will dramatically liberalize world trade in telecommunications services. The WTO
agenda includes further negotiations to reform agricultural trade, liberalize
service sector markets, encourage unfettered development of electronic commerce,
and strengthen protection for intellectual property rights. We also have a full
agenda of accession negotiations with economies seeking to join the WTO. As
always, the United States is setting high standards for accession in terms of
adherence to the rules and market access. Accessions offer an opportunity to
help ground new economies in the rules-based trading system and reinforce their
own reform programs.

Through the Organization for Economic Cooperation and Development (OECD) we are
seeking to have OECD members outlaw bribery of foreign officials, eliminate the

tax deductibility of foreign bribes, and promote greater transparency in
government procurement. The convention also provides for obligatory monitoring
and mutual evaluation by parties. We have also made important strides on labor
issues. WTO members have affirmed their commitment to observing core labor
standards-the right to organize and bargain collectively, and prohibitions
against employment discrimination, child labor and forced labor. This has been
an important U.S. objective since the Eisenhower Administration. We will
continue pressing for better integration of the international core labor
standards into the WTO's work, including through closer WTO interaction with the
International Labor Organization (ILO).

We will continue to ensure that liberalization of trade does not come at the
expense of national security or environmental protection. For example, the
national security, law enforcement and trade policy communities worked together
to make sure that the WTO agreement liberalizing global investment in
telecommunications was consistent with U.S. national security interests.
Moreover, our leadership in the Uruguay Round negotiations led to the
incorporation of environmental provisions into the WTO agreements and creation of
the Committee on Trade and Environment, where governments continue to pursue the
goal of ensuring that trade and environment policies are mutually supportive.

Export Strategy and Advocacy Program

The Administration created America's first national export strategy, reforming
the way government works with the private sector to expand exports. The new
Trade Promotion Coordination Committee (TPCC) has been instrumental in improving
export promotion efforts, coordinating our export financing, implementing a
government-wide advocacy initiative and updating market information systems and

product standards education.

The export strategy is working, with the United States regaining its position as the world's largest exporter. While our strong export performance has supported millions of new, export-related jobs, we must export more in the years ahead if we are to further strengthen our trade balance position and raise living standards with high-wage jobs.

Enhanced Export Control

The United States is a world leader in high technology exports, including satellites, cellular phones, computers and commercial aircraft. Some of this technology has direct or indirect military applications, or may otherwise be used by states or transnational organizations to threaten our national security. For that reason, the United States government carefully controls high technology exports by placing appropriate restrictions on the sale of goods and technologies that could be used for military purposes or otherwise impair our security. These controls recognize that in an increasingly competitive global economy where there are many non-U.S. suppliers, excessive restrictions will not limit the availability of high technology goods. Rather, they would serve only to make U.S. high technology companies less competitive globally, thus losing market share and becoming less able to produce cutting-edge products for the U.S. military and our allies.

Our current policy recognizes that we must balance a variety of factors. While acting to promote high technology exports by making license decisions more predictable and timely, we also expanded review of dual-use applications by the Departments of Defense, State and Energy, as well as ensuring rigorous processing by the Commerce Department. If any of these agencies disagree with a proposed export, it can put the issue into a dispute resolution process that can

ultimately rise to the President. As a result, reviews of dual-use licenses are
today more thorough than ever before. In the case of munitions exports, we are
committed to a policy of responsible restraint in the transfer of conventional
arms and technologies that could contribute to WMD. A key goal in the years
ahead is to strengthen worldwide controls in those areas.

U.S. efforts to stem proliferation cannot be effective without the cooperation of
other countries. We have strengthened multilateral cooperation through the
Nuclear Suppliers Group, the Missile Technology Control Regime, the Zangger
Committee, the Australia Group (for the control of chemical and biological
weapons-related related items), and the Wassenaar Arrangement. These
multilateral efforts enlist the world community in the battle against the

proliferation of weapons of mass destruction, advanced conventional weapons and
sensitive technologies, while at the same time producing a level playing field
for U.S. business by ensuring that our competitors face corresponding export
controls.

Providing for Energy Security

The United States depends on oil for about 40 percent of its primary energy needs
and roughly half of our oil needs are met with imports. Although we import less
than 10% of the oil exported from the Persian Gulf, our allies in Europe and
Japan account for about 85% of those exports, thus underscoring the continued
strategic importance of the region. The Gulf will remain a region of vital
strategic importance to U.S. national security due to the global nature of the
international oil market. Any blockage of Gulf supplies or a substantial
increase in price would immediately affect the international market, driving up
energy costs everywhere -- ultimately harming the U.S. economy as well as the

economies of our key economic partners in Europe and Japan. The United States is
undergoing a fundamental shift away from reliance on Middle East oil. Venezuela
is our number one foreign supplier and Africa supplies 15% of our imported oil.
Canada, Mexico and Venezuela combined supply more than twice as much oil to the
United States as the Arab OPEC countries. The Caspian Basin, with potential oil
reserves of 160 billion barrels, promises to play an increasingly important role
in meeting rising world energy demand in coming decades. We have made it a
priority to work with the countries of the region to develop multiple pipeline
ventures that will ensure access to their oil.

Conservation measures and research leading to greater energy efficiency and
alternative fuels are a critical element of the U.S. strategy for energy
security. Our research must continue to focus on developing highly
energy-efficient buildings, appliances, and transportation and industrial
systems, shifting them where possible to alternative or renewable fuels, such as
hydrogen, ethanol, or methanol from biomass. Conservation and energy research
notwithstanding, the United States will continue to have a vital interest in
ensuring access to foreign oil sources. We must continue to be mindful of the
need for regional stability and security in key producing areas to ensure our
access to, and the free flow of, these resources.

Promoting Sustainable Development Abroad

U.S. trade and investment have expanded most rapidly with developing countries
that have achieved and sustained success in economic and social development.
Successful development has been primarily the result of efforts to implement
sound policies, strengthen institutions, and improve public investment in
physical and social infrastructure. U.S. assistance programs have often supported
these efforts. A large number of developing countries have achieved advanced

status and no longer depend on U.S. assistance. A significant number of others,
including some of the largest and poorest, are making clear progress toward that
goal.

Developing countries face an array of challenges in their efforts to achieve
broad-based economic and social progress and participate more fully in the
opportunities presented by globalization. Poor environmental and natural
resource management can impede sustainable development efforts and promote
regional instability. Many nations are struggling to provide jobs, education and
other services to their citizens. Three billion people, half the world's
population, subsist on less than two dollars a day. Their continued poverty leads
to hunger, malnutrition, economic migration and political unrest. Malaria, AIDS
and other epidemics, including some that can spread through environmental damage,
threaten to overwhelm the health facilities of developing countries, disrupt
societies and stop economic growth.

Sustainable development brings higher incomes and more open markets that create
steadily expanding opportunities for U.S. trade and investment. It improves the
prospects for democracy and social stability in developing countries and
increases global economic growth, on which the demand for U.S. exports depends.
It alleviates pressure on the global environment, reduces the attraction of the
illegal drug trade and other illicit commerce, and improves health and economic
productivity. U.S. foreign assistance focuses on five key elements of
sustainable development: broad-based economic growth, human capacity development,
environmental security, population and health, and democracy. We will continue
to advocate environmentally sound private investment and responsible approaches
by international lenders.

Promoting Democracy and Human Rights

The third core objective of our national security strategy is to promote

democracy, human rights, and respect for the rule of law. The number of states
moving away from repressive governance toward democratic and publicly accountable
institutions is impressive. Since the success of many of those changes is by no
means assured, our strategy must focus on strengthening their commitment and
institutional capacity to implement democratic reforms, protect human rights,
fight corruption and increase transparency in government.

Emerging Democracies

We seek international support in helping strengthen democratic and free market
institutions and norms in all countries, particularly those making the transition
from closed to open societies. This commitment to see freedom and respect for
human rights take hold is not only just, but pragmatic, for strengthened
democratic institutions enhance the stability and security of the United States
and the world.

Democracy must be more than just elections. The slow development of democracy in
some newly independent states demonstrates that elections should be regarded not
as an end in themselves, but as the means to establish a political system that
fosters the growth and self-fulfillment of its citizens by promoting and

protecting their political and civil rights. Genuine democracy requires not just
elections, but respect for human rights, including the right to political
dissent; a robust civil society; the rule of law, characterized by vibrant

political institutions, constitutionalism, and an independent judiciary; open and
competitive economic structures; an independent media capable of engaging an
informed citizenry; freedom of religion and belief; mechanisms to safeguard
minorities from oppressive rule by the majority; and full respect for women's and
workers' rights. These principles - combined with free and fair

elections - form
the basis for true democracy.

The United States supports democracy for the long haul. We focus particularly on
providing support to countries in transition, defending democracies under attack,
and strengthening the network of established democracies. Each year, we invest
hundreds of millions of dollars in these efforts. We do so not only because it is
right, but also because it is necessary. Our own security as a nation depends
upon the expansion of democracy worldwide, without which repression, corruption,
and instability would almost inevitably engulf a number countries and perhaps
even entire regions.

The United States is helping consolidate democratic and market reforms in Central
and Eastern Europe and the NIS. Integrating the Central and Eastern European
nations into European political, economic and security organizations, such as
NATO, OSCE, the EU and the Council of Europe, will help lock in and preserve the
impressive progress these nations have made in instituting democratic and
market-economic reforms. It will also help prevent backsliding by emerging
democracies. Continuing advances in democracy and free markets in our own
hemisphere remain a priority. In the Asia Pacific region, economic dynamism is
increasingly associated with political modernization, democratic evolution and
the widening of the rule of law-and it has global impacts. We are particularly
attentive to states, such as South Africa and Nigeria, whose entry into the camp
of market democracies may influence the future direction of an entire region.

The methods for assisting emerging democracies are as varied as the nations
involved. Our public diplomacy programs are designed to share our democratic
experience in both government and civil society with the publics in emerging

democracies. We must continue leading efforts to mobilize international economic and political resources, as we have with Russia, Ukraine and other countries in Eastern Europe and Eurasia. We must take firm action to help counter attempts to reverse democracy, as we have in Guatemala, Haiti and Paraguay. We must give democratic nations the fullest benefits of integration into foreign markets, which is part of the reason NAFTA and the Uruguay Round of GATT ranked so high on our agenda and why we are now working to forge the FTAA. We must help these nations strengthen the pillars of civil society, supporting administration of justice and rule of law programs, promoting the principle of civilian control of the military, and training foreign police and security forces to solve crimes and maintain order without violating the basic rights of their citizens. And we must seek to improve their market institutions and fight corruption and political discontent by encouraging good governance practices, and a free and independent local media that promotes these principles.

Adherence to Universal Human Rights and Democratic Principles

We must sustain our efforts to press for adherence to democratic principles, and respect for basic human rights and the rule of law worldwide, including in countries that continue to defy democratic advances. Working bilaterally and through multilateral institutions, the United States promotes universal adherence to democratic principles and international standards of human rights. Our efforts in the United Nations and other organizations are helping to make these principles the governing standards for acceptable international behavior.

Ethnic conflict is one of the greatest challenges to the U.S. objective of promoting universal adherence to international principles of human rights. When it erupts in ethnic cleansing or genocide, ethnic conflict is a grave

violation
of universal human rights. In addition to being a cause for concern on humanitarian grounds, ethnic conflict often threatens regional stability, giving
rise to potentially serious national security concerns. Innocent civilians
should not be subject to forcible relocation or slaughter because of their
religious or ethnic or racial or tribal heritage. When we are faced with deliberate, organized campaigns to murder whole peoples, or expel them from their
land, the care of victims is important, but not enough. If the world community
has the power to stop it, we should work to stop genocide and ethnic cleansing.

The United States and other countries cannot respond to every humanitarian
catastrophe in the world. We cannot do everything everywhere. But simply
because we have different interests in different parts of the world does not mean
we can be indifferent to the destruction of innocents in any part of the world.
Efforts by the United Nations and NATO in Bosnia and Kosovo are a warning to
those tempted to engage in ethnic cleansing that they can find no refuge in the
United Nations, no protection or justification in its charter.

We will work to strengthen the capacity of the international community to prevent
and, whenever possible, stop outbreaks of mass killing and displacement. Our
response will not be the same in every case. Sometimes collective military
action is both appropriate and feasible. Sometimes concerted economic and
political pressure, combined with diplomacy, is a better answer. The way the
international community responds will depend upon the capacity of countries to
act, and on their perception of their national interests.

Events in the Bosnia conflict and preceding the 1994 genocide in Rwanda
demonstrate the unfortunate power of inaccurate and malicious information in
conflict-prone situations. We must enhance our ability to make effective use of

our nation's highly-developed communications and information capabilities to
counter misinformation and incitement, mitigate ethnic conflict, promote
independent media organizations and the free flow of information, and support
democratic participation.

We will also continue to work-bilaterally and with multilateral institutions-to
ensure that international human rights principles protect the most vulnerable or
traditionally oppressed groups in the world-women, children, workers, refugees
and persons persecuted on the basis of their religious beliefs or ethnic descent.
To this end, we will seek to strengthen and improve the UN Human Rights
Commission and other international mechanisms that promote human rights and
address violations of international humanitarian law, such as the international
war crimes tribunals for the former Yugoslavia and Rwanda. We also strongly
support wide ratification of the International Labor Organization Convention on
the Worst Forms of Child Labor.
To focus additional attention on the more vulnerable or traditionally oppressed
people, we seek to spearhead new international initiatives to combat the sexual
exploitation of minors, child labor, homelessness among children, violence
against women and children, and female genital mutilation. We are encouraging
governments to not return people to countries where they face persecution. We
ask that they provide asylum or offer temporary protection to persons fleeing
situations of conflict or generalized human rights abuses. We seek to ensure
that such persons are not returned without due consideration of their need for
permanent protection.

Promotion of religious freedom is one of the highest concerns in our foreign
policy. Freedom of thought, conscience and religion is a bedrock issue for the
American people. To that end, the President signed the International

Religious
Freedom Act of 1998, which provides the flexibility needed to advance religious
freedom and to counter religious persecution. The United States is active
throughout the world assisting those who are persecuted because of their religion
and promoting freedom of religious belief and practice. We will continue to work
with individual nations and with international institutions to combat religious
persecution and promote religious freedom.

Violence against women and trafficking in women and children are international
problems with national implications. We have seen cases of trafficking in the
United States for purposes of forced prostitution, sweatshop labor and domestic
servitude. The United States is committed to combating trafficking in women and
children with a focus on the areas of prevention, victim assistance and

protection, and enforcement. We have expanded efforts to combat violence against
women in the United States and around the world, including efforts to increase
national and international awareness of trafficking in women and girls. To that
end, the President has called upon the Senate to give its advice and consent to
ratification to the Convention on the Elimination of all Forms of Discrimination
Against Women, which will enhance our efforts to combat violence against women,
reform unfair inheritance and property rights, and strengthen women's access to
fair employment and economic opportunity.

The United States will continue to speak out against human rights abuses and
carry on human rights dialogues with countries willing to engage with us
constructively. Because police and internal security services can be a source of
human rights violations, we use training and contacts between U.S. law
enforcement and their foreign counterparts to help address these problems, and we
do not provide training to police or military units implicated in human

rights
abuses. In appropriate circumstances, we must be prepared to take strong
measures against human rights violators. These include economic sanctions, visa
restrictions and restricting sales of arms and police equipment that may be used
to commit human rights abuses.

Humanitarian Activities

Our efforts to promote democracy and human rights are complemented by our
humanitarian programs, which are designed to alleviate human suffering, help lay
the foundations for democratic regimes that respect human rights and the rule of
law, and pursue appropriate strategies for economic development. These efforts
also enable the United States to help prevent humanitarian disasters with far
more significant resource implications.

We also must seek to promote reconciliation in states experiencing civil conflict
and to address migration and refugee crises. To this end, the United States will
provide appropriate financial support and work with other nations and
international bodies, such as the International Committee of the Red Cross and
the UN High Commissioner for Refugees. We also will assist efforts to protect
the rights of refugees and displaced persons and to address the economic and
social root causes of internal displacement and international flight.

Private firms and non-governmental organizations are natural allies in activities
and efforts intended to bolster democracy and market economies. We have natural
partners in labor unions, human rights groups, environmental advocates, chambers
of commerce and election monitors in promoting democracy and respect for human
rights and in providing international humanitarian assistance; thus, we should
promote democratization efforts through private and non-governmental groups as
well as foreign governments.

Supporting the global movement toward democracy requires a pragmatic, long-term effort focused on both values and institutions. Our goal is a broadening of the community of free-market democracies, and stronger institutions and international non-governmental movements committed to human rights and democratization.

III. Integrated Regional Approaches

Our policies toward different regions reflect our overall strategy tailored to their unique challenges and opportunities.

Europe and Eurasia

European stability is vital to our own security. The United States has two strategic goals in Europe. The first is to build a Europe that is truly integrated, democratic, prosperous and at peace. This would be a natural continuation of the mission the United States launched 50 years ago with the Marshall Plan and the North Atlantic Treaty Organization (NATO). Our second goal is to work with our allies and partners across the Atlantic to meet the global challenges no nation can meet alone. This means working together to consolidate this region's historic transition in favor of democracy and free markets, to support peace efforts in troubled regions, to counter the growth of aggressive nationalism, to tackle global threats such as environmental and health problems, terrorism, narcotrafficking, the spread of weapons of mass destruction and other potentially dangerous technologies, and to build a more open world economy without barriers to transatlantic trade and investment.

Enhancing Security

NATO remains the anchor of American engagement in Europe and the linchpin of transatlantic security. It remains the institution of choice when Europe and North America decide to act together militarily. As the leading

guarantor of
European security and a force for European stability, NATO must play a leading
role in promoting a more integrated and secure Europe, prepared to respond to new
challenges. We will maintain approximately 100,000 military personnel in Europe
to fulfill our commitments to NATO, provide a visible deterrent against
aggression and coercion, contribute to regional stability, respond to crises,
sustain our vital transatlantic ties and preserve U.S. leadership in NATO.

NATO is pursuing several initiatives to enhance its ability to respond to the new
challenges it will face in the 21st century. At NATO's Fiftieth Anniversary
Summit in April 1999, Alliance leaders adopted an expansive agenda to adapt and
prepare NATO for current and future challenges, including a new Strategic
Concept, a Defense Capabilities Initiative, an enhanced European Security and
Defense Identity within the Alliance, a Weapons of Mass Destruction Initiative, a
Membership Action Plan as part of NATO's open door policy, and several measures
that will strengthen NATO's relationship Partnership for Peace nations. The
objective of the Defense Capabilities Initiative is to improve defense
capabilities and interoperability among NATO military forces, thus bolstering the
effectiveness of multinational operations across the full spectrum of Alliance
missions, to include Partner forces where appropriate.

NATO enlargement is a crucial element of the U.S. and Allied strategy to build an
undivided, peaceful Europe. At the April 1999 NATO Summit, the alliance welcomed
the entry of Poland, Hungary and the Czech Republic as new members. These three
nations will make the Alliance stronger while helping to enlarge Europe's zone of
democratic stability. Looking to the future, the summit advanced the common work
of NATO allies and partners to build an undivided Europe that is peaceful,
prosperous and democratic.

Together with our Allies, we are vigorously pursuing efforts to help other
countries that aspire to membership become the best possible candidates, such as
the NATO Membership Action Plan, enhancing the Partnership for Peace, and
continuing political contacts with aspiring states. We are also continuing
bilateral programs to advance this agenda, such as the President's Warsaw
Initiative, which is playing a critical role in promoting Western-style reform of
the armed forces of Central and Eastern Europe and Eurasia and helping them
become more interoperable with NATO. Some European nations do not desire NATO
membership, but do desire strengthened ties with the Alliance. The Partnership
for Peace provides an ideal venue for such relationships. It formalizes
relations, provides a mechanism for mutual beneficial interaction and establishes
a sound basis for combined action should that be desired. For all these reasons,
the Partnership for Peace will remain a central and permanent part of the
European security architecture.

NATO also is pursuing several other initiatives to enhance its ability to respond
to new challenges and deepen ties between the Alliance and Partner countries.
NATO has launched the Euro-Atlantic Partnership Council to strengthen political
dialogue and practical cooperation with all Partners, and established a
distinctive partnership with Ukraine, which provides a framework for enhanced
relations and practical cooperation. As a result of the 1997 NATO-Russia
Founding Act, NATO and Russia launched the Permanent Joint Council to enhance
political consultation and practical cooperation, while retaining NATO's
decision-making authority. Our shared goal remains to deepen and expand
constructive Russian participation in the European security system.

The OSCE has a key role to play in fostering security and stability in Europe.
It provides the United States with a venue for developing Europe's

security
architecture in a manner that complements our NATO strategy and preserves the
flexibility of all European transatlantic institutions. In many instances,

cooperating multilaterally through the OSCE to secure peace, deter aggression,
and prevent, defuse and manage crises offers a comparative advantage because it
is more cost effective than unilateral action. The United States will continue
to give strong support to the OSCE as our best choice to engage all the countries
of Europe, the Caucasus, and Central Asia multilaterally in an effort to advance
democracy, human rights and the rule of law, and to encourage them to support one
another when instability, insecurity and human rights violations threaten peace
in the region.

The Balkans and Southeastern Europe: There are significant security challenges
in the Balkans and Southeastern Europe. The United States has an abiding
interest in peace and stability in this region because continued war in there
threatens Europe's stability and security. We are redoubling our efforts to
advance the integration of several new democracies in Southeastern Europe
(Bulgaria, Romania, Albania, Croatia and the Former Yugoslav Republic of
Macedonia) into the European mainstream. More specifically, the President's
Action Plan for Southeast Europe seeks to promote further democratic, economic
and military reforms in these countries, to encourage greater regional
cooperation, and to advance common interests, such as closer contact with NATO,
and increased law enforcement training and exchanges to assist in the fight
against organized crime.

Kosovo: NATO military operations against Serbia had three clear goals:
withdrawal of all Serb military, paramilitary, and police forces from Kosovo, the
unconditional and safe return of all refugees and displaced persons to Kosovo,

and deployment of an international security force, with NATO at its core, to
protect all the people of Kosovo -- Serbs and Albanians, alike. Those goals are
being achieved, and the result will be security and dignity for the people of
Kosovo.

Several challenges must be met as we implement the agreement that ended the NATO
air campaign. First, the Serbian authorities must meet all their commitments to
the international community. Second, the people of Kosovo must have a safe and
secure environment to begin rebuilding their lives. Toward that end, mine fields
are being cleared, homes destroyed by Serb forces are being rebuilt, homeless
people are being provided food, shelter and medicine, the fate of the missing is
being determined, and the Kosovar Liberation Army is demilitarizing, as it agreed
to do.

For these things to happen, security must be established. Some 43,000 troops
from almost 30 countries have joined the Kosovo Force (KFOR). Our European
allies will provide the vast majority of them; America will contribute about
7,000. Russian participation in KFOR remains an important step for resuming
practical NATO-Russian cooperation and providing reassurance to all the people of
Kosovo that they will live in peace and security. KFOR has NATO command and
control and rules of engagement set by NATO. It has the means and the mandate to
protect itself while doing its job. Under KFOR security, the United Nations is
organizing a civilian administration, backed by a 3,100-person international
police force, that will prepare the Kosovars to govern and police themselves. As
local institutions take hold, NATO will be able to turn over increasing

responsibility to them.

The third challenge is to put in place a plan for lasting peace and stability in

Kosovo and through all the Balkans. For that to happen, the European Union and
the United States must help to give the democracies of Southeastern Europe a path
to a prosperous, shared future. Our European partners are providing most of the
resources for this effort, and America is providing key staff and expertise to
the international effort to establish democracies and market economies.

A final challenge will be to encourage Serbia to join its neighbors in this
historic journey to a peaceful, democratic, united Europe. But as long as
Milosevic remains in power we will not provide support for the reconstruction of
Serbia. We are ready to provide humanitarian aid now, and will be willing to
help build a better future for Serbia when its government represents tolerance
and freedom, not repression and terror. We will also provide support for
democratic forces in Serbia to build and strengthen independent political parties
and a free media. The objective of this assistance is to hasten Milosevic's
departure from power and to accelerate Serbia's transition to democracy.

Bosnia: Full implementation of the Dayton Accords is the best hope for creating
a self-sustaining peace in Bosnia. NATO-led forces are contributing to a secure
environment in Bosnia and providing essential support for broader progress in
implementing the Dayton Accords. However, further progress is necessary to
create conditions that will allow implementation to continue without a large
military presence. We are committed to full implementation of the Dayton Accords
and success in Bosnia. We support the efforts of the International Criminal
Tribunal for the former Yugoslavia and broader efforts to promote justice and
reconciliation in Bosnia. We are working to accelerate market. economic reforms in
Bosnia and Croatia and support a transition to democracy in Croatia.

Cyprus and the Aegean: Tensions on Cyprus, Greek-Turkish disagreements in the
Aegean and Turkey's relationship with the EU have serious implications for
regional stability and the evolution of European political and security
structures. Our goals are to stabilize the region by reducing long-standing
Greek-Turkish tensions and pursuing a comprehensive settlement on Cyprus. A
democratic, secular, stable and Western-oriented Turkey is critical to these
efforts and has supported broader U.S. efforts to enhance stability in Bosnia,
the NIS and the Middle East, as well as to contain Iran and Iraq.

The Baltic States: The special nature of our relationship with Estonia, Latvia
and Lithuania is recognized in the 1998 Charter of Partnership, which clarifies
the principles upon which U.S. relations with the Baltic states are based and
provides a framework for strengthening ties and pursuing common goals. These
goals include integration of Latvia, Lithuania and Estonia into the transatlantic
community and development of close, cooperative relationships among all the
states in Northeastern Europe. Through the Northern European Initiative we seek
to strengthen regional cooperation, enhance regional security and stability, and
promote the growth of Western institutions, trade and investment by bringing
together the governments and private sector interests in the Baltic and Nordic
countries, Poland, Germany and Russia.

Northern Ireland: In 1998 the people of Ireland and Northern Ireland seized the
opportunity to turn the tragedy of Northern Ireland's past into a shared triumph
for the future by strongly endorsing the peace accord that had been reached in
April that year. This remains a daunting challenge, but we will continue to work
with the United Kingdom, the Irish Republic and Northern Ireland's leaders as
they seek to transform the promise of the Accord into a reality-with new
democratic institutions and new economic opportunities for all of

Northern
Ireland's people. Working through the International Fund for Ireland and the
private sector, we will help the people seize the opportunities that peace will
bring to attract new investment to create new factories, workplaces and jobs, and
establish new centers of learning to prepare for the 21st Century.

Russia and the Newly Independent States (NIS): The United States has vital
security interests in the evolution of Russia, Ukraine and the other NIS into
democratic market economies, peacefully and prosperously integrated into the
world community. We are pursuing a wide range of security objectives and
practical cooperation in Eastern Europe and Eurasia. We seek to bring Russia,
Ukraine and the other newly independent states of Eastern Europe and Eurasia into
a new, cooperative European security order, which includes strengthening their
cooperation with NATO, such as through Partnership for Peace activities, as well
as building effective NATO-Russia and NATO-Ukraine partnerships. We are working
with several of these countries, Russia in particular, to reduce Cold War-era
arsenals and counter the threat posed by the spread of nuclear weapons and
materials, other weapons of mass destruction, their delivery systems and
associated weapons expertise, especially to rogue states.

Promoting Prosperity

Europe is a key element in America's global commercial engagement. Europe and
the United States produce almost half of all global goods and services, more than
60% of total U.S. investment abroad is in Europe and fourteen million workers on
both sides of the Atlantic earn their livelihoods from transatlantic commerce.
As part of the New Transatlantic Agenda launched in 1995, the United States and
the EU agreed to take concrete steps to reduce barriers to trade and investment
through creation of an open New Transatlantic Marketplace and

through Mutual
Recognition Agreements in goods that eliminate redundant testing and

certification requirements. Our governments are also cooperating closely with
the civil society dialogues established under the New Transatlantic Agenda: the
Transatlantic Business Dialogue, Transatlantic Consumer Dialogue, Transatlantic
Environment Dialogue, and Transatlantic Labor Dialogue. These people-to-people
dialogues create opportunities for increased communication focusing on best
practices, and can help their governments identify and reduce barriers to greater
transatlantic interaction. In return, our governments should be committed to
listen, learn, and facilitate.

Building on the New Transatlantic Agenda, the United States and the EU launched
the Transatlantic Economic Partnership in 1998 to deepen our economic relations,
reinforce our political ties and reduce trade frictions. The first element of
the initiative is reducing barriers that affect manufacturing, agriculture and
services. In the manufacturing area we are focusing on standards and technical
barriers that American businesses have identified as the most significant
obstacle to expanding trade. In the agricultural area we are focusing on
regulatory barriers that have inhibited the expansion of agriculture trade,
particularly in the biotechnology area. In the area of services we seek to
facilitate trade in specific service sectors, thereby creating new opportunities
for the service industries that are already so active in the European market.

The second element of the Transatlantic Economic Partnership is a broader,
cooperative approach to addressing a wide range of trade issues. We will
continue not imposing duties on electronic transmissions and develop a work
program in the WTO for electronic commerce. We will seek to adopt common

positions and effective strategies for accelerating compliance with WTO
commitments on intellectual property. We will seek to promote government
procurement opportunities, including promoting compatibility of electronic
procurement information and government contracting systems. To promote fair
competition, we will seek to enhance the compatibility of our procedures with
potentially significant reductions in cost for American companies.

The United States strongly supports the process of European integration embodied
in the EU. We are also encouraging bilateral trade and investment in non-EU
countries and supporting enlargement of the EU. We recognize that EU nations
face significant economic challenges and that economic stagnation has eroded
public support for funding outward-looking foreign policies and greater
integration. We are working closely with our European partners to expand
employment, promote long-term growth and support the New Transatlantic Agenda.

By supporting historic market reforms in Central and Eastern Europe and in the
NIS, we strengthen our own economy and help new democracies take root. The
United States will continue helping the NIS economies integrate into
international economic and other institutions and develop healthy business
climates. We are working with many of these countries to promote their accession
to the TWO on commercially meaningful terms. Building on successful accession of
Kyrgyzstan, Latvia and Estonia, we have made significant progress on the
accession of Georgia, Albania, Armenia, Croatia, Lithuania and Moldova. We also
have held fruitful discussions with Russia and Ukraine. We will continue to
mobilize the international community to provide assistance to support reform and
to help the Central and Eastern European and NIS countries stimulate foreign and
domestic private investment. We are also encouraging investment in these

countries, especially by U.S. companies. We are focusing particular attention on investment in NIS energy resources and their export to world markets, thereby expanding and diversifying world energy supplies and promoting prosperity in the region. A stable and prosperous Caucasus and Central Asia will facilitate rapid development and transport to international markets of the large Caspian oil and gas resources, with substantial U.S. commercial participation. Resolution of regional conflicts such as Nagorno-Karabakh and Abkhazia is important for creating the stability necessary for development and transport of Caspian resources.

Promoting Democracy

Thoroughgoing democratic and economic reforms in Central and Eastern Europe and Eurasia are the best measures to avert conditions which could foster aggressive nationalism and ethnic hatreds. Already, the prospect of joining or rejoining the Western democratic family has dampened the forces of nationalism and strengthened the forces of democracy and reform in many countries of the region. Together with our West European partners we are helping these nations build a civil society. For example, the CIVITAS organization has carried out a joint civic education program in Bosnia-Herzegovina, and a similar project is planned for Ukraine. Throughout the region, targeted exchange programs have familiarized key decision-makers and opinion-molders with the workings of American democracy on a first-hand basis.

The independence, sovereignty, territorial integrity, and democratic and economic reform of the NIS are important to American interests. To advance these goals, we are utilizing our bilateral relationships, our leadership of international institutions, and billions of dollars in private and multilateral resources. But

the circumstances affecting the smaller countries depend in significant measure
on the fate of reform in the largest and most powerful-Russia. The United States
will continue vigorously to promote Russian reform and international integration,
and to build on the progress that already has been made. Our economic and
political support for the Russian government depends on its commitment to
internal reform and a responsible foreign policy.

East Asia and the Pacific

President Clinton's vision of a new Pacific community links security interests
with economic growth and our commitment to democracy and human rights. We
continue to build on that vision, cementing America's role as a stabilizing force
in a more integrated Asia Pacific region.

Enhancing Security

Our military presence has been essential to maintaining the stability that has
enabled most nations in the Asia Pacific region to build thriving economies for
the benefit of all. To deter aggression and secure our own interests, we will
maintain approximately 100,000 military personnel in the region. Our treaty
alliances with Japan, South Korea, Australia, Thailand and the Philippines serve
as the foundation for America's continuing security role. We are maintaining
healthy relations with the Association of Southeast Asian Nations (ASEAN) and
supporting regional dialogue-such as in the ASEAN Regional Forum (ARF)-on the
full range of common security challenges.

Japan: The United States and Japan reaffirmed our bilateral security relationship in the April 1996 Joint Security Declaration. The alliance continues to be the cornerstone for achieving common security objectives and for
maintaining a stable and prosperous environment for the Asia Pacific region as we
enter the twenty-first century. The 1997 revised Guidelines for U.S.-Japan

Defense Cooperation will result in greater bilateral cooperation in peacekeeping
and humanitarian relief operations in situations in areas surrounding Japan and
in the defense of Japan itself. The revised Guidelines, like the U.S.-Japan
security relationship itself, are not directed against any other country. In
April 1998, in order to support the new Guidelines, both governments agreed to a
revised Acquisition and Cross-Servicing Agreement (ACSA) which expands the
exchange of provision of supplies and services to include reciprocal provision of
logistics support during situations surrounding Japan that have an important
influence on Japan's peace and security. Japan approved implementing legislation
for the Guidelines in the spring of 1999. Japan's generous host nation support
for the U.S. overseas presence also serves as a critical strategic contribution
to the alliance and to regional security. U.S.-Japan security cooperation
extends to research and development on ballistic missile defense, promoting
regional peace and stability, seeking universal adherence to the Nuclear
Non-Proliferation Treaty, and addressing the dangers posed by transfers of
destabilizing conventional arms and sensitive dual-use goods and technologies.
Japan is providing $1 billion toward KEDO, and consults closely with the U.S. and
ROK on issues relating to North Korea.

Korean Peninsula: Tensions on the Korean Peninsula remain the principal threat
to peace and stability in East Asia. The Democratic People's Republic of Korea
(DPRK) has publicly stated a preference for peaceful reunification, but continues
to dedicate a large portion of dwindling resources to maintain the combat
capability of its huge military forces. Renewed conflict has been prevented
since 1953 by a combination of the Armistice Agreement, which brought an end to
open hostilities; the United Nations Command, which has visibly represented the

will of the UN Security Council to secure peace; and the physical presence of
U.S. and ROK troops in the Combined Forces Command, which has demonstrated the
alliance's resolve.

Peaceful resolution of the Korean conflict with a democratic, non-nuclear,
reunified peninsula will enhance stability in the East Asian region and is
clearly in our strategic interest. We are willing to improve bilateral political
and economic ties with North Korea-consistent with the objectives of our alliance
with the ROK-to draw the North into more normal relations with the region and the
rest of the world. Our willingness to improve bilateral relations will continue
to be commensurate with the North's cooperation in efforts to reduce tensions on
the peninsula. South Korea has set a shining example for nonproliferation by
forswearing nuclear weapons, accepting IAEA safeguards, and developing a peaceful
nuclear program that brings benefits to the region. We are firm that North Korea
must maintain the freeze and dismantle its graphite-moderated reactors and
related facilities and fully comply with its NPT obligations under the Agreed
Framework. We also seek to halt North Korea's chemical and biological weapon
programs and its ballistic missile program and proliferation activities. The
United States, too, must fulfill its obligations under the Agreed Framework and
the Administration will work with the Congress to ensure the success of our
efforts to address the North Korean nuclear threat. The North must also engage
in a productive dialogue with South Korea; continue the recently revived United
Nations Command-Korean People's Army General Officer Dialogue at Panmunjom;
participate constructively in the Four Party Talks among the United States,
China, and North and South Korea to reduce tensions and negotiate a peace
agreement; and support our efforts to recover the remains of American servicemen

missing since the Korean War.

China: A stable, open, prosperous People's Republic of China (PRC) that respects international norms and assumes its responsibilities for building a more peaceful world is clearly and profoundly in our interests. The prospects for peace and prosperity in Asia depend heavily on China's role as a responsible member of the international community. Our policy toward China is both principled and pragmatic: expanding our areas of cooperation while dealing forthrightly with our differences. Despite strains in the relationship resulting from the tragic accidental bombing of the PRC embassy in Belgrade, we continue to engage China on these issues.

The United States and China have taken a number of steps to strengthen cooperation in international affairs: establishing a Washington-Beijing presidential communications link to facilitate direct contact, regular presidential visits to each other's capitals; establishing the Vice President-Premier Forum on environment and development; regular exchanges of visits by cabinet and sub-cabinet officials to consult on political, military, security, arms control and human rights issues; establishing a consultation mechanism to strengthen military maritime safety; holding discussions on humanitarian assistance and disaster relief; and establishing working groups on law enforcement cooperation. China is also a major partner in science technology and health research.

U.S. interests have been advanced in discussions with China on arms control and nonproliferation issues, and areas of common concern have been addressed. In 1998, the United States and China announced that they will not target their strategic nuclear weapons at each other and confirmed their common goal of halting the spread of WMD. Our two nations have agreed to consultations on the Missile Technology Control Regime (MTCR) and missile

nonproliferation, and we
continue to press China to avoid destabilizing missile technology sales to other
countries. Both our nations have signed the Chemical Weapons Convention and we
have agreed to further strengthen controls on the export of dual-use chemicals
and related production equipment and technology to assure they are not used for
production of chemical weapons. China also has expanded the list of chemical
precursors that it controls. Both nations have called for strengthening of the
Biological Weapons Convention and early conclusion of a protocol establishing a
practical and effective mechanism to enhance compliance and improve transparency.
We also reached agreement with China on practices for end-use visits on U.S.
high technology exports to China.

China is working with the United States on important regional security issues.
In June 1998, China chaired a meeting of the permanent members of the UN Security
Council to forge a common strategy for moving India and Pakistan away from a
nuclear arms race. China condemned both countries for conducting nuclear tests
and joined us in urging them to conduct no more tests, to sign the Comprehensive
Test Ban Treaty, to avoid deploying or testing missiles, and to work to resolve
their differences through dialogue. On the Korean Peninsula, the United States
and China share an interest in peace and stability. We have both worked to
convince North Korea to freeze its dangerous nuclear program, and believe the
four-party peace talks are an important tool in moving forward.

Our key security objectives for the future include sustaining the strategic
dialogue begun by the recent summits and other high-level exchanges; enhancing
stability in the Taiwan Strait through peaceful approaches to cross-Strait issues
and encouraging dialogue between Beijing and Taipei; strengthening China's
adherence to international nonproliferation norms, particularly in

export
controls on ballistic missile and dual use technologies; achieving greater
openness and transparency in China's military; encouraging a constructive PRC
role in international affairs through active cooperation in ARF, the Asia Pacific
Economic Cooperation Forum (APEC) and the Northeast Asia Cooperation Dialogue;
and improving law enforcement cooperation.

Southeast Asia: Our strategic interest in Southeast Asia centers on developing
regional and bilateral security and economic relationships that assist in
conflict prevention and resolution and expand U.S. participation in the region's
economies. U.S. security objectives in the region are to maintain our security
alliances with Australia, Thailand and the Philippines, to sustain security
access arrangements with Singapore and other ASEAN countries, and to encourage
the emergence of a strong, cohesive ASEAN capable of enhancing regional stability
and prosperity. The Philippine Senate's ratification of the Visiting Forces
Agreement (VFA) in May 1999 is one example of how our continuing engagement
enhances both bilateral defense cooperation as well as regional security
interests.

Our policy combines two approaches: First, maintaining our increasingly
productive relationship with ASEAN and enhancing our security dialogue under the
ARF. Second, pursuing bilateral initiatives with individual Southeast Asian
nations to promote democracy, human rights and political stability, foster
market-oriented economic reforms, and reduce or contain the effects of Asian
organized crime, particularly the flow of heroin from Burma and other countries
in the region.

In 1999, the United States, working in partnership with the member nations of
ASEAN, opened the International Law Enforcement Academy in

Bangkok, Thailand.
Officials of the U.S. Drug Enforcement Administration, the FBI and other U.S.
agencies provide high caliber training in areas such as drug trafficking, alien
smuggling, cyber crime, and other transnational threats. The International Law
Enforcement Academy also promotes cooperation and information sharing, as well as
significantly improving regional counterdrug capabilities.

Promoting Prosperity

A prosperous and open Asia Pacific is key to the economic health of the United
States. On the eve of the recent financial problems in Asia, the 21 members of
APEC contributed about one-half of total global gross domestic product and
exports. Thirty percent of U.S. exports go to Asia, supporting millions of U.S.
jobs, and we export more to Asia than Europe. Our economic objectives in East
Asia include recovery from the recent financial crisis, continued progress within
APEC toward liberalizing trade and investment, increased U.S. exports to Asian
countries through market-opening measures and leveling the playing field for U.S.
business, and WTO accession for the PRC and Taiwan on satisfactory commercial
terms. Opportunities for economic growth abound in Asia and underlie our strong
commitment to multilateral economic cooperation, such as via the annual APEC
leaders meetings.

Our economic strategy in Asia has four key elements: support for economic reforms
and market opening; working with international financial institutions to provide
well-targeted economic and technical assistance in support of economic reforms;
providing bilateral humanitarian aid and contingency bilateral financial
assistance if needed; and urging strong policy actions by Japan and the other
major economic powers to promote global growth. The United States will continue
to work with the IMF, the World Bank, other international financial

institutions,
the governments in East Asia and the private sector to help stabilize financial
markets, restore investor confidence and deepen on-going reforms in the troubled
East Asian economies. In doing so, we will remain mindful of the need to promote
protection of worker rights. We will continue to support South Korea, Thailand
and Indonesia as they implement economic reforms designed to foster financial
stability and investor confidence in order to attract the capital flows required
to restore economic growth. U.S. initiatives in APEC will open new opportunities
for economic cooperation and permit U.S. companies to expand their involvement in
substantial infrastructure planning and construction throughout the region.
While our progress in APEC has been gratifying, we will explore options to
encourage all Asia Pacific nations to pursue open markets.

China: Bringing the PRC more fully into the global trading system is manifestly
in our national interest. China is a major potential market for our goods and
services. As we look into the next century, our exports to China will support
hundreds of thousands of jobs across our country. For this reason, we must
continue our normal trade treatment for China, as every President has done since
1980, strengthening our economic relationship.

An important part of integrating China into the market-based world economic
system is opening China's highly protected market through l eliminating trade
barriers and removal of distorting restraints on economic activity. We have
negotiated and vigorously enforced landmark agreements to combat piracy of
intellectual property and advance the interests of our creative industries. We
have also negotiated-and vigorously enforced-agreements on textile trade. We
will continue to press China to open its markets (in goods, services and
agriculture) as it engages in sweeping economic reform and to respect

and adhere
to core labor standards as codified by the ILO. It is in our interest that China
become a member of the WTO; however, we have been steadfast in leading the effort
to ensure that China's accession to the WTO occurs on a commercial basis. China
maintains many barriers that must be eliminated, and we need to ensure that
necessary reforms are agreed to before accession occurs.

Japan: The Administration continues to make progress on increasing market access
in Asia's largest economy. Since the beginning of the first Clinton Administration, the United States and Japan have reached 38 trade agreements
designed to open Japanese markets in key sectors, including autos and auto parts,
telecommunications, civil aviation, insurance and glass. The Administration also
has intensified efforts to monitor and enforce trade agreements with Japan to
ensure that they are fully implemented. The United States also uses multilateral
venues, such as WTO dispute settlement and negotiation of new multilateral
agreements, to further open markets and accomplish our trade objectives with
Japan. The US-Japan Common Agenda advances our bilateral cooperation with a
major donor ally on global and regional environmental, scientific, and health
issues.

Japan has a crucial role to play in Asia's economic recovery: generating
substantial growth to help maintain a growing world economy and absorb a growing
share of imports from emerging markets. To do this Japan must reform its
financial sector, stimulate domestic demand, deregulate its economy, and further
open its markets to foreign goods and services. We look forward to substantial
and effective actions to achieve a domestic demand-led recovery, to restore
health to the financial sector, and to make progress on deregulation and opening
markets.

South Korea: The United States will continue its strong support for South Korean efforts to reform its economy, liberalize trade and investment, strengthen the banking system and implement the IMF program. We have committed to providing bilateral finance under appropriate conditions and will continue to explore concrete steps to promote growth in both our countries, to more fully open our markets, and to further integrate the Republic of Korea into the global economy.

ASEAN: The United States strongly supports efforts to sustain and strengthen economic recovery in the ten nations of ASEAN through maintaining our open market for Southeast Asian goods and services, as well as our support for IMF-led recovery programs for several ASEAN nations. WE applaud ASEAN's 1998 Hanoi Action Plan, which calls for accelerated, WTO-consistent, regional economic integration. We are working toward completion of a broad commercial agreement with Vietnam, which will open markets and promote economic reform while allowing us to endorse Normal Trade Relations for Vietnam as well as Laos. Working with ASEAN members to address environmental degradation in Southeast Asia is a major priority, from forest fires and haze, to fisheries depletion, deforestation, and sustainable growth during the recovery from the Asian financial crisis.

Australia and New Zealand: We are building on our already close working relationship with Australia and New Zealand to strengthen our bilateral trade and economic relationships, build consensus for regional liberalization, and cooperate in the opening of the new round of international trade negotiations at the WTO.

Promoting Democracy

Some have argued that democracy is unsuited for some Asian nations-

that Western
support for international human rights standards simply mask a form of cultural
imperialism. The democratic aspirations and achievements of the Asian peoples
prove such arguments wrong. There is no cultural justification for tyranny,
torture or denial of fundamental freedoms. We will continue to support those
aspirations and to promote respect for human rights. Each nation must find its
own form of democracy, and we respect the variety of democratic institutions that
have emerged in Asia.

Our strategy includes a constructive, goal-oriented approach to achieving
progress on human rights, religious freedom and rule of law issues with China;
fostering meaningful political dialogue between the ruling authorities in Burma
and the democratic opposition; working with the government of Indonesia to
promote respect for human rights, promoting democracy and encouraging greater
respect for human rights in Cambodia; and, in Vietnam, achieving the fullest
possible accounting of missing U.S. service members, promoting greater respect
for human rights, and pressing for full implementation of the Resettlement
Opportunity for Vietnamese Returnees program.

Indonesia: The election in East Timor on August 30, 1999 was conducted fairly,
with the agreement of the Indonesian Government. It produced a clear mandate for
independence. The violence that has erupted since then is abhorrent to all
people who care about democracy and human dignity. To stop the post-election
violence, restore order and recognize the legitimate steps the people there have
taken to secure their independence, the UN Security Council unanimously approved
creation of a Multi-National Force (INTERFET) led by Australia. The U.S.
contribution to INTERFET is relatively small, but performs highly important
functions, drawing on the unique capabilities of the U.S. military.

These
include communications and logistical aid, intelligence, airlifts of personnel
and materiel, and coordination of the humanitarian response to the tragedy.
Additionally, elements of the U.S. Pacific Fleet have been providing support for
the operation. This mission is in America's interest for several compelling
reasons: Indonesia holds enormous strategic importance, not only for its
resources and waterways, but also for its size and limitless potential. More
than two hundred million people are struggling through a difficult but extremely
hopeful transition to democracy. All Asians and Americans have an interest in a
stable, prosperous, democratic Indonesia.

The October 1999 election in which the people of Indonesia selected Abdurrahman
Wahid as their new President was a triumph for democracy in that country. The
election was conducted fairly and transparently, and resulted in a peaceful
change of government. It was an historic moment for Indonesia, the world's
largest Muslim country and now the world's third largest democracy. The U.S.
strongly supports a united, prosperous and democratic Indonesia. We will do our
part to help Indonesia consolidate democracy and restore its economy. We look
forward to working with Indonesia's new leaders to meet challenges of national
reconciliation and economic recovery that lie ahead.

The Western Hemisphere

Our hemisphere enters the twenty-first century with an unprecedented opportunity
to secure a future of stability and prosperity-building on the fact that every
nation in the hemisphere except Cuba is democratic and committed to free market
economies. The end of armed conflict in Central America and other improvements
in regional security have coincided with remarkable political and economic
progress throughout the Americas. The people of the Americas are

already taking
advantage of the vast opportunities being created as emerging markets are
connected through electronic commerce and as robust democracies allow individuals
to more fully express their preferences. Sub-regional political, economic and
security cooperation in North America, the Caribbean, Central America, the Andean
region and the Southern Cone have contributed positively to peace and prosperity
throughout the hemisphere. Equally important, the people of the Americas have
reaffirmed their commitment to combat together the difficult new threats of drug
trafficking and corruption. U.S. strategy is to secure the benefits of the new
climate in the hemisphere while safeguarding the United States and our friends
against these threats.

Enhancing Security

The principal security concerns in the hemisphere are transnational in nature,
such as drug trafficking, organized crime, money laundering, illegal immigration,
firearms trafficking, and terrorism. In addition, our hemisphere is leading the
way in recognizing the dangers to democracy produced by corruption and rule of
law issues. These threats, especially narcotics, produce adverse social effects
that undermine the sovereignty, democracy and national security of nations in the
hemisphere.

Working bilaterally and multilaterally through the Organization of American
States (OAS) and other organizations, we are striving to eliminate the scourge of
drug trafficking in our hemisphere. The Multilateral Counterdrug Alliance is
striving to better organize and coordinate efforts in the hemisphere to stem the
production and distribution of drugs. Efforts include improved cooperation on
extraditing and prosecuting individuals charged with narcotics trafficking and
related crimes; strengthened efforts against money laundering and

forfeiture of
assets used in criminal activity; reinforced international and national mechanisms to halt illicit traffic and diversion of chemical precursors; striking
at the financial support networks of international drug traffickers; enhanced
national programs for fostering greater awareness of the dangers of drug abuse,
preventing illicit drug consumption and providing treatment, rehabilitation and
reintegration; and elimination of illicit crops through national alternative
development programs, eradication and interdiction. We are also pursuing a
number of bilateral and regional counterdrug initiatives. As part of our

partnerships with Mexico and Colombia, we are striving to increase counterdrug
and law enforcement cooperation, while in the Caribbean we are intensifying a
coordinated effort on counterdrug and law enforcement.

We are advancing regional security cooperation through bilateral security
dialogues, multilateral efforts in the OAS and Summit of the Americas on
transparency and regional confidence and security building measures, exercises
and exchanges with key militaries (principally focused on peacekeeping), and
regular Defense Ministerials. Last year, the guarantor nations of the
Peru-Ecuador peace process - Argentina, Brazil, Chile and the United States -
brought the parties to a permanent solution to this decades-old border dispute,
the resolution of which was important to regional stability. The Military
Observer Mission, Ecuador-Peru (MOMEP), composed of the four guarantor nations,
successfully separated the warring factions, creating the mutual confidence and
security necessary to resolve the dispute. Our efforts to encourage multilateral
cooperation are enhancing confidence and security within the region and will help
expand our cooperative efforts to combat the transnational threats to the Western
Hemisphere.

Colombia is of particular importance because its problems extend

beyond its
borders and have implications for regional peace and security. Insurgency,
narcotrafficking and a growing paramilitary movement are testing democracy in
Colombia. To turn the tide, President Pastrana needs U.S. assistance to wage a
comprehensive effort to promote the mutually reinforcing goals of peace, drug
eradication, economic development, and respect for human rights. The Government
of Colombia has developed an aggressive, three-year strategy, Plan Colombia, to
revive their economy, strengthen the democratic pillars of society, promote the
peace process and eliminate sanctuaries for narcotics producers and traffickers.
We are reviewing Plan Colombia to determine how best to provide support that
would concurrently promote U.S. and Colombian interests.

Promoting Prosperity

Economic growth and integration in the Americas will profoundly affect the
prosperity of the United States in the 21st century. This begins with our
immediate neighbors, Canada and Mexico. Canada is our largest merchandise export
market and trade partner in the world, and our exports to Canada have grown
rapidly as the U.S.-Canada Free Trade Agreement phased in. U.S. merchandise
exports to Mexico have nearly doubled since the conclusion of NAFTA, making
Mexico our second largest goods export market and trading partner. In the
hemisphere as a whole, our trade initiatives offer an historic opportunity to
capitalize on and strengthen the unprecedented trend toward democracy and free
market economics.

We seek to advance the goal of an integrated hemisphere of free market
democracies by building on NAFTA and obtaining Congressional Fast Track trade
agreement approval procedures. Formal negotiations are in progress to initiate
the FTAA by 2005. The negotiations cover a broad range of important

issues,
including market access, investment, services, government procurement, dispute
settlement, workers rights, agriculture, environmental degradation, intellectual
property rights, competition policy, subsidies, anti-dumping and countervailing
duties. We will seek to ensure that the agreement also supports environmental
protection and sustainable development. We are also committed to delivering on
the President's promise to pursue a comprehensive free trade agreement with
Chile, if it remains interested, because of its economic performance and its
active role in promoting hemispheric economic integration. To address the
concerns of smaller economies during the period of transition to the global
economy of the 21st century, and in light of the increased competition NAFTA
presents to Caribbean trade, we are seeking Congressional approval to provide
enhanced trade benefits under the Caribbean Basin Initiative (CBI) to help
prepare that region for participation in the FTAA.

We also view it as essential that economic prosperity in our hemisphere be
pursued in an environmentally sustainable manner. From our shared seas and
freshwater resources to migratory bird species and transboundary air pollution,
the environmental policies of our neighbors can have a direct impact on quality
of life at home. U.S. Government assistance to the region recognizes the vital
link between sustainable use of natural resources and long-term prosperity, a key
to developing prosperous trading partners in this hemisphere.

Promoting Democracy

Many Latin American nations have made tremendous advances in democracy and
economic progress over the last several years. But our ability to sustain the
hemispheric agenda depends in part on meeting the challenges posed by weak
democratic institutions, persistently high unemployment and crime

rates, and
serious income disparities. In some Latin American countries, citizens will not
fully realize the benefits of political liberalization and economic growth
without regulatory, judicial, law enforcement and educational reforms, as well as
increased efforts to integrate all members of society into the formal economy.

The hemisphere's leaders are committed to strengthening democracy, justice and
human rights. They have pledged to intensify efforts to promote democratic
reforms at the regional and local level, protect the rights of migrant workers
and their families, improve the capabilities and competence of civil and criminal
justice systems, and encourage a strong and active civil society. Specific
initiatives include ratification of the Inter-American Convention Against
Corruption to strengthen the integrity of governmental institutions, creation of
a Special Rapporteur for Freedom of Expression as part of the Inter-American
Commission for Human Rights, establishing an Inter-American Justice Studies
Center to facilitate training of personnel, to exchange of information and other
forms of technical cooperation to improve judicial systems. Education is the
centerpiece of reforms aimed at making democracy work for all the people of the
Americas. The Summit Action Plan adopted at Santiago in 1998 seeks to ensure by
the year 2010 primary education for 100% of children and access to quality
secondary education for at least 75% of young people. We are also seeking to
strengthen norms for defense establishments that are supportive of democracy,
transparency, respect for human rights and civilian control in defense matters.
Through continued engagement with regional armed forces, facilitated by our own
modest military activities and presence in the region, we are helping to increase
civilian expertise in defense affairs and reinforce the positive trend in civilian control.

Haiti and Cuba are of special concern to the United States. In Haiti we continue
to support the consolidation of democratic institutions, respect for human rights
and economic growth by a Haitian government capable of managing its own security
and paving the way for a fair presidential election in 2000. We are committed to
working with our partners in the region and in the international community to
meet the challenge of institutionalizing Haiti's economic and political
development. The United States remains committed to promoting a peaceful
transition to democracy in Cuba and forestalling a mass exodus that would
endanger the lives of migrants and the security of our borders. While
maintaining pressure on the regime to make political and economic reforms, we
continue to encourage the emergence of a civil society to assist the transition
to democracy when the change comes. As the Cuban people feel greater incentive
to take charge of their own future, they are more likely to stay at home and
build the informal and formal structures that will make transition easier.
Meanwhile, we remain firmly committed to bilateral migration accords that ensure
migration in safe, legal and orderly channels.

The Middle East, North Africa, Southwest and South Asia

Choices made in the Middle East, Southwest and South Asia will determine whether
terrorists and narcotraffickers operating in and from the region are denied the
support they need to perpetrate their crimes, whether weapons of mass destruction
will imperil the region and the world, whether the oil and gas fields of the
Caucasus and Central Asia become reliable energy sources, whether the opium
harvest in Afghanistan is eliminated, whether respect for basic human rights can
be institutionalized, and whether a just and lasting peace can be established
between Israel and the Arab countries.

Enhancing Security

The United States has enduring interests in pursuing a just, lasting and

comprehensive Middle East peace, ensuring the security and well-being of Israel,
helping our Arab friends provide for their security, and maintaining the free
flow of oil at reasonable prices. Our strategy reflects those interests and the
unique characteristics of the region as we work to strengthen peace and
stability.

The Middle East Peace Process

An historic transformation has taken place in the political landscape of the
Middle East: peace agreements are taking hold, requiring concerted implementation
efforts. The United States-as an architect and sponsor of the peace process-has
a clear national interest in seeing the process deepen and widen to include all
Israel's neighbors. We will continue our steady, determined leadership-standing
with those who take risks for peace, standing against those who would destroy it,
lending our good offices where we can make a difference and helping bring the
concrete benefits of peace to people's daily lives. Future progress will require
continued Israeli-Palestinian engagement on remaining issues in the Interim
Agreement, implementation of the Wye River Memorandum and negotiation of
permanent status issues, resuming Israeli-Syrian and Israeli-Lebanese
negotiations with the objective of achieving peace treaties, and normalization of
relations between Arab states and Israel. Through the Middle East Peace Process
working groups on water and environment, we are seeking to promote regional
cooperation to address transboundary environmental issues that impact all
parties.

North Africa

Libya continues to pose a threat to regional stability and the national security

and foreign policy interests of the United States. Although the government of
Libya has taken an important positive step away from its support of terrorism by
surrendering the Lockerbie suspects, our policy toward Libya is designed to
compel Libya to completely cease its support of terrorism and block its efforts
to obtain weapons of mass destruction.

Southwest Asia

In Southwest Asia, the United States remains focused on deterring threats to
regional stability, countering threats posed by WMD and protecting the security
of our regional partners, particularly from Iraq and Iran. We will continue to
encourage members of the Gulf Cooperation Council (GCC) to work closely on
collective defense and security arrangements, help individual GCC states meet
their defense requirements and maintain our bilateral defense relationships.

We will maintain an appropriate military presence in Southwest Asia using a
combination of ground, air and naval forces. We are maintaining a continuous
military presence in the Gulf enhance regional stability and support our on-going
efforts to bring Iraq into compliance with UN Security Council resolutions. Our
forces in the Gulf are backed by our ability to rapidly reinforce the region in
time of crisis, which we have demonstrated convincingly. We remain committed to
enforcing the no-fly zones over northern and southern Iraq, which are essential
for implementing the UN resolutions and preventing Saddam from taking large-scale
military action against Kuwait or the Kurd and Shia minorities in Iraq.

Our policy toward Iraq is comprised of three central elements: containment and
economic sanctions, to prevent Saddam Hussein from again threatening the
stability of the vital Gulf region; relief for the Iraqi people from humanitarian
suffering via the UN oil-for-food program; and support to those Iraqis

seeking to
replace Saddam's regime with a government that can live at peace with its
neighbors and its people. Operation Desert Fox in December 1998 successfully
degraded the threat posed by Iraqi WMD in the wake of Baghdad's decision to cease
cooperation with UN weapons inspectors. We have adamantly maintained that the
Iraqi regime can only have sanctions lifted when it has met its obligations to
the international community. Saddam's actions over the past decade make clear
that his regime will never comply with its obligations under the UN Security
Council resolutions designed to rid Iraq of WMD and their delivery systems.
Because of that and because the Iraqi people will never be free under the brutal
dictatorship of Saddam Hussein, we actively support those who seek to bring a new
democratic government to power in Baghdad. We recognize that this may be a slow
and difficult process, but we believe it is the only solution to the problem of
Saddam's regime.

Our policy toward Iran is aimed at changing the practices of the Iranian
government in several key areas, including its efforts to obtain WMD and
long-range missiles, its support for terrorism and groups that violently oppose
the peace process, its attempts to undermine friendly governments in the region,
and its development of offensive military capabilities that threaten our GCC
partners and the flow of oil. We view signs of change in Iranian policies with
interest, both with regard to the possibility of Iran assuming its rightful place
in the world community and the chance for better bilateral ties, and welcome
statements by President Khatemi that advocate a people-to-people dialogue with
the United States. However, these positive signs must be balanced against the
reality that Iran's support for terrorism has not yet ceased, serious violations
of human rights persist, its efforts to develop long range missiles,

including
the 1,300 kilometer-range Shahab-3 it flight tested in July 1998, and its efforts
to acquire WMD continue. The United States will continue to oppose Iranian
efforts to sponsor terror and transfers from any country to Iran of materials and
technologies that could be used to develop long-range missiles or WMD.

We are ready to explore further ways to build mutual confidence and avoid
misunderstandings with Iran. We will strengthen our cooperation with allies and
friends to encourage positive changes in Iranian practices that threaten our
shared interests. If a government-to-government dialogue can be initiated and
sustained in a way that addresses the concerns of both sides, then the United
States would be willing to develop with the Islamic Republic a road map leading
to normal relations.

South Asia

Our strategy for South Asia is designed to help the peoples of that region enjoy
the fruits of democracy and greater stability by helping resolve long-standing
conflict, implementing confidence-building measures, and promoting
nonproliferation. Regional stability and improved bilateral ties are also
important for U.S. economic interests in a region that contains a fifth of the
world's population and one of its most important emerging markets. We seek to
establish relationships with India and Pakistan that are defined in terms of
their own individual merits and reflect the full weight and range of U.S.
strategic, political and economic interests in each country. In addition, we
seek to work closely with regional countries to stem the flow of illegal drugs
from South Asia, most notably from Afghanistan.

A key to our improving ties with India and Pakistan will be the extent to which
both countries adopt responsible nonproliferation behavior. The

United States
has long urged both countries to take steps to reduce the risk of conflict and to
exercise restraint in their nuclear and missile programs. The Indian and
Pakistani nuclear and long-range missile tests were dangerously destabilizing and
threaten to spark a dangerous arms race in South Asia. The recent fighting along
the Line of Control is a reminder of the tensions in that part of the world and
of the risk that relatively minor conventional confrontations could spin out of
control, with the most serious consequences.

In concert with the other permanent members of the UN Security Council, the G-8
nations, and many others in the international community, the United States has
called on both nations to renounce further nuclear tests, to sign and ratify the
Comprehensive Nuclear Test Ban Treaty immediately and without conditions, to take
steps to prevent an arms race in nuclear weapons and long-range missiles, to
resume their direct dialogue through the Lahore process, and take decisive steps
to reduce tensions in South Asia. We also strongly urge these states to refrain
from any actions that would further undermine regional and global stability, and
urge them to join the clear international consensus in support of nonproliferation and a cut off of fissile material production.

Promoting Prosperity

The United States has two principal economic objectives in the region: to promote
regional economic cooperation and development, and to ensure unrestricted flow of
oil from the region. We seek to promote regional trade and cooperation on
infrastructure through the peace process, revitalization of the Middle East and
North Africa (MENA) economic summits, and our Qualifying Industrial Zone program,
which provides economic benefits for certain countries that enter into business
arrangements with Israel. In South Asia, we will continue to work with the

region's democracies in their efforts to implement market reforms, strengthen
educational systems, and end the use of child and sweatshop labor.

The United States depends on oil for about 40 percent of its primary energy needs
and roughly half of our oil needs are met with imports. Although we import less
than 10% of Persian Gulf exports, our principal economic partners in Europe and
Japan account for about 85% of these exports. Previous oil shocks and the Gulf
War underscore the strategic importance of the region and show the impact that an
interruption of oil supplies can have on the world's economy. Appropriate
responses to events such as Iraq's invasion of Kuwait can limit the magnitude of
the crisis. Over the longer term, U.S. dependence on access to these and other
foreign oil sources will remain important as our reserves are depleted. Thus, the
United States must continue to demonstrate U.S. commitment and resolve in the
Persian Gulf.

Promoting Democracy

We encourage the spread of democratic values throughout the Middle East, North
Africa and Southwest and South Asia and will pursue this objective by a
constructive dialogue with countries in the region. In Iran, for example, we
hope the nation's leaders will carry out the people's mandate for a government
that respects and protects the rule of law, both in its internal and external
affairs. We will promote responsible indigenous moves toward increasing
political participation and enhancing the quality of governance and will continue
to vigorously challenge many governments in the region to improve their human
rights records. Respect for human rights also requires rejection of terrorism.
If the nations in the region are to safeguard their own citizens from the threat
of terror, they cannot tolerate acts of indiscriminate violence against
civilians, nor can they offer refuge to those who commit such acts.

U.S. policies in the Middle East, North Africa and Southwest Asia are not
anti-Islamic-an allegation made by some opponents of our efforts to help bring
lasting peace and stability to the region. Islam is the fastest-growing
religious faith in the United States. We respect deeply its moral teachings and
its role as a source of inspiration and instruction for hundreds of millions of
people around the world. U.S. policy in the region is directed at the actions of
governments and terrorist groups, not peoples or faiths. The standards we would
like all the nations in the region to observe are not merely Western, but
universal.

Africa

In recent years, the United States has engaged in a concerted effort to change
its relationship with Africa and has supported efforts by many African nations to
move toward multi-party democracy, hold free and fair elections, allow freedom of
the press and association, reform their economies, and encourage respect for
human rights. U.S.-Africa trade is expanding, and a pragmatic consensus on the
need for economic reform is emerging across the continent. A new, post-colonial
political order is emerging in Africa, with emphasis on democratic and pragmatic
approaches to solving political economic and environmental problems and
developing human and natural resources. Sustaining these recent successes will
require that we identify those issues that most directly affect our interests and
where we can make a difference through efficient and effective targeting of our
resources. A key goal is to promote regional stability through engagement with
sub-regional organizations and key African states using carefully harmonized U.S.
programs and initiatives. Our immediate objective is to increase the number of
capable states in Africa, i.e. nations that are able to define the challenges

they face, manage their resources to effectively address those challenges, and
build stability and peace within their borders and their sub-regions.

Enhancing Security

Serious transnational security threats emanate from pockets of Africa, including
state-sponsored terrorism, narcotics trafficking, international crime, environmental degradation and infectious diseases, especially HIV/AIDS. Since
these transnational threats transcend state borders, they are best addressed
through effective, sustained sub-regional engagement in Africa. We have already
made significant progress in countering some of these threats- investing in
efforts to combat environmental degradation and infectious disease, leading
international efforts to remove mines planted in previous conflict areas and halt
the proliferation of land mines. We continue efforts to reduce the flow of
narcotics through Africa and to curtail international organized criminal activity
based in Africa. We seek to keep Africa free of weapons of mass destruction by
supporting South Africa's nuclear disarmament and accession to the NPT as a
non-nuclear weapon state, supporting the African Nuclear Weapons Free Zone, and
encouraging African nations to join the BWC and CWC. We must improve
international intelligence sharing, and train and assist African law enforcement,
intelligence and border control agencies to detect and prevent planned terrorist
attacks against US targets in Africa. Growing multi-national terrorist organizations and networks directly threaten U.S. and African interests as
demonstrated by the brutal August 1998 embassy bombings in East Africa.

Nigeria's rapid change from an autocratic, military regime to a civilian,
democratically elected government affords us an opportunity to build productive
security, political and economic relations with the most populous country in
Africa. With nearly one in six Africans living in Nigeria, the impact of

serious
cooperative efforts to tackle mushrooming crime, narcotics trafficking and
corruption problems could be enormously beneficial to the United States and a
large proportion of Africans. The Sierra Leone peace accord signed in July 1999
illustrates the cooperative effort needed to settle Africa's conflicts. Nigeria
played a leadership role as a West African anchor state working in concert with
the Economic Community of West African States (ECOWAS) sub-regional organization
and supported by the international community. The July 1999 Organization for
African Unity (OAU) initiative, under Algeria's energetic leadership, for peace
between Eritrea and Ethiopia is another such example of cooperative peace
efforts.

Sudan continues to pose a threat to regional stability and the national security
and foreign policy interests of the United States. We have moved to counter
Sudan's support for international terrorism and regional destabilization by
imposing comprehensive sanctions on the Khartoum regime, continuing to press for
the regime's isolation through the UN Security Council, and enhancing the ability
of Sudan's neighbors to resist Khartoum-backed insurgencies in their countries
through our Frontline States initiative. We support regional efforts for a "just
and fair peace" and national reconciliation in Sudan based on the
Inter-Governmental Authority on Development's (IGAD) Declaration of Principles.

Persistent conflict and continuing political instability in some African
countries remain chronic obstacles to Africa's development and to our national
security, political and economic interests there, including unhampered access to
critical oil reserves and other vital natural resources. To foster regional
stability and peace in Africa, the United States in 1996 launched the African
Crisis Response Initiative (ACRI) to work with Africans to enhance their capacity

to conduct effective peacekeeping and humanitarian operations. We are
coordinating with the French, British, other donor countries and African
governments in developing a regional exercise program to promote common
doctrines, command and control capability and build interoperability for
peacekeeping missions. We are consulting closely on ACRI activity with the UN
Department of Peacekeeping Operations, the OAU and its Crisis Management Center,
and African sub-regional organizations already pursuing similar capability
enhancements.

The United States also will be establishing the African Center for Strategic
Studies (ACSS) to promote the exchange of ideas and information tailored
specifically for African security concerns. The goal is for ACSS to be a source
of academic yet practical instruction in promoting civil-military relations and
the skills necessary to make effective national security decisions in democratic
governments. The curriculum will engage African military and civilian defense
leaders in a substantive dialogue about defense policy planning, civil-military
relations, and defense resource management in democracies. Our long-term goal is
to support the development of regional security arrangements and institutions to
prevent and manage armed conflicts and curtail transnational threats to our
collective security.

Promoting Prosperity

A stable, democratic, prosperous Africa will be a better economic partner, a
better partner for security and peace, and a better partner in the fights against
drug trafficking, crime, terrorism, infectious diseases and environmental
degradation. An economically dynamic Africa will be possible only when Africa is
fully integrated into the global economy. Further integrating Africa into the

global economy will also directly serve U.S. interests by continuing to expand an
already important new market for U.S. exports. The more than 700 million people
of sub-Saharan Africa represent one of the world's largest basically untapped
markets. Although the United States enjoys only a seven-percent market share in
Africa, already 100,000 American jobs depend on our exports there. Increasing
both the U.S. market share and the size of the African market will bring tangible
benefits to U.S. workers and increase prosperity and economic opportunity in
Africa. Our aim, therefore, is to assist African nations to implement economic
reforms, create favorable climates for trade and investment, and achieve
sustainable development.

To support the economic transformation underway in Africa, the President in June
1997 launched the Partnership for Economic Growth and Opportunity in Africa
Initiative. The Administration has implemented many of the Initiative's
objectives, and continues to work closely with Congress to implement remaining
key elements of this initiative through rapid passage of the African Growth and
Opportunity Act. By significantly broadening market access and spurring growth
in Africa, this bill will better enable us to help African nations undertake
difficult economic reforms and build better lives for their people through
sustainable growth and development. At the same time, we are working with
African governments on shared interests in the world trading system, such as
developing electronic commerce, improving WTO's capacity-building functions, and
eliminating agricultural export subsidies. We also are pursuing complementary
initiatives to encourage U.S. trade with and investment in Africa, including
targeted technical assistance, enhanced bilateral and multilateral debt
forgiveness, and increased bilateral trade ties. To further our trade objectives
in Africa, the Ron Brown Commercial Center was established in

Johannesburg, South
Africa in 1998. The Center provides support for American companies looking to
enter or expand into the sub-Saharan African market, promotes U.S. exports
through a range of support programs, and facilitates business contacts and
partnerships between African and American businesses. The historic trip of the
President to Africa in March 1998, and the unprecedented U.S.-Africa Ministerial
- with participation of nine members of the Cabinet and the President in a three
day conference with over 80 African ministers - have built on this foundation and
further solidified our partnership with African nations across a range of
security, economic and political issues.

Helping Africans generate the food and income necessary to feed themselves is
critical for promoting sustainable growth and development. Despite some recent
progress, the percentage of malnourished people and lack of diversified
sustainable agricultural production in Africa is the highest of any region in the
world and more U.S. help is greatly needed. In 1998 we launched the Africa Food
Security Initiative, a 10-year U.S. Agency for International Development-led
effort to help improve agricultural productivity, research, expand
income-generating projects, and address nutritional needs for the rural poor.

Africa is, however, locked in battle with endemic diseases, such as malaria and
tuberculosis, which sap economic productivity and development. Worse, the
epidemic of HIV/AIDS is ravaging the continent, reversing hard won progress on
development, reducing life expectancy, and decreasing GDPs in the hardest-hit
nations. The Administration has made the battle against AIDS a priority for
international action and investment in Africa.

Promoting Democracy

In Africa as elsewhere, democracies have proved more peaceful,

stable and
reliable partners with which we can work and are more likely to pursue sound
economic policies. We will continue to work to sustain the important progress
Africans have achieved to date and to broaden the growing circle of African
democracies.

The restoration of civilian democratic government in Nigeria can help return that
country to its place as a leader in Africa. Over the past year, the government
and people of Nigeria have succeeded in restoring democratic civilian government,
have freed political prisoners, have lifted onerous restrictions on labor unions,
and have taken steps to restore the authority of the judicial system. Nigeria's
new civilian government has taken sweeping steps to ensure that the military
remains in the barracks and that fighting corruption will be a top priority of
all officials. The peaceful elections in February 1999 and inauguration of the
new civilian government in May 1999 were important steps in this transformation.
But, as in any democratic transition, Nigeria's new government will face enormous
challenges: creating accountable government, building support within the military
for civilian rule, protecting human rights, and rebuilding the economy so it
benefits all citizens. President Clinton met with Nigerian President-elect
Olusegun Obasanjo in March and has spoken with him several times since to
underscore our commitment to continue to work on these and other challenges and
opportunities that face Nigeria. Thirteen agencies are working in concert to
ensure a well-coordinated and robust program of assistance and partnership with
Nigeria on security, economic, political and social issues.

Through the Great Lakes Justice Initiative, the United States is helping to end
the cycle of violence and impunity in the Democratic Republic of Congo, Rwanda
and Burundi, and to support judicial systems that are impartial,

credible,
effective and inclusive. In addition, we will work with our allies to find an
effective formula for promoting stability, democracy and respect for human rights
in the Democratic Republic of Congo so that it and a democratic Nigeria can
become the regional centers for economic growth, and democratic empowerment that
they can and should be. In order to help post-apartheid South Africa achieve its
economic, political, democratic and security goals for all its citizens, we will
continue to provide substantial bilateral assistance, vigorously promote U.S.
trade and investment, and pursue close cooperation and support for our mutual
interests.

Ultimately, the prosperity and security of Africa depends on African leadership,
strong national institutions and sub-regional organizations, and extensive
political and economic reform. It is in the U.S. interest to support and promote
such national reforms and the evolution of regional arrangements that build
transparency and collective capability among African states.

IV. Conclusions

Today, on the brink of the twenty-first century, we are building new frameworks,
partnerships and institutions -- and adapting existing ones -- to strengthen
America's security and prosperity. We are working to construct new cooperative
security arrangements, rid the world of weapons of mass destruction, build a
truly global economy, promote democratic values and economic reform, and rid the
world of ethnic cleansing and genocide. Because diplomatic and military responses
alone may not deter threats to our national security from non-state actors such
as criminals and terrorist groups, we must promote increased cooperation among
law enforcement officials and improved methods for dealing with international

crime and terrorism. Ours is a moment of historic opportunity to create a safer, more democratic, and more prosperous tomorrow -- to make a difference in the lives of our citizens.

This promising state of affairs did not just happen, and there is no guarantee that it will endure. The contemporary era was forged by steadfast American leadership over the last half century -- through efforts such as the Marshall Plan, NATO, the United Nations, the International Monetary Fund and the World Bank. The clear dangers of the past made the need for national security commitments and expenditures obvious to the American people. Today, the task of mobilizing public support for national security priorities is more complicated. The complex array of unique dangers, opportunities and responsibilities outlined in this strategy are not always readily apparent as we go about our daily lives focused on immediate concerns. Yet, in a more integrated and interdependent world, we must remain actively engaged in world affairs to successfully advance our national interests. To be secure and prosperous, America must continue to lead.

Our international leadership focuses on President Clinton's strategic priorities: to foster regional efforts led by the community of democratic nations to promote peace and prosperity in key regions of the world, to create more jobs and opportunities for Americans through a more open and competitive trading system that also benefits others around the world, to increase cooperation in confronting new security threats that defy borders and unilateral solutions, and to strengthen the intelligence, military, diplomatic and law enforcement tools necessary to meet these challenges. Our international leadership is ultimately founded upon the power of our democratic ideals and values. The spread of democracy supports American values and enhances our security and

prosperity. The
United States will continue to support the trend toward democracy and free
markets by remaining actively engaged in the world.

Our engagement abroad requires the active, sustained support of the American
people and the bipartisan support of the U.S. Congress. This Administration
remains committed to explaining our security interests, objectives and priorities
to the nation and seeking the broadest possible public and congressional support
for our security programs and investments. We will continue to exercise our
leadership in the world in a manner that reflects our national values, promotes
prosperity and protects the security of this great nation.

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I. Introduction

Our national security strategy is designed to meet the fundamental purposes set
out in the preamble to the Constitution:

...provide for the common defence, promote the general Welfare, and secure the
Blessings of Liberty to ourselves and our Posterity,...

Since the founding of the nation, certain requirements have remained constant.
We must protect the lives and personal safety of Americans, both at home and
abroad. We must maintain the sovereignty, political freedom and independence of
the United States, with its values, institutions and territory intact. And, we
must promote the well being and prosperity of the nation and its

people.

Opportunities and Challenges

The 21st Century will be an era of great promise. Globalization-the process of
accelerating economic, technological, cultural and political integration-is
bringing citizens from all continents closer together, allowing them to share
ideas, goods and information at the tap of a keyboard. Many nations around the
world have embraced America's core values of representative governance, free
market economics and respect for fundamental human rights and the rule of law,
creating new opportunities to promote peace, prosperity and greater cooperation
among nations. Former adversaries now cooperate with us. The dynamism of the
global economy is transforming commerce, culture, communications and global
relations, creating new jobs and economic opportunity for millions of Americans.

Globalization also means that the United States is increasingly affected by
events beyond our borders. Outlaw states and ethnic conflicts threaten regional
stability and economic progress in many important areas of the world. Weapons of
mass destruction (WMD), terrorism, drug trafficking and organized crime are
global concerns that transcend national borders. Other problems that once seemed
quite distant-such as resource depletion, rapid population growth, environmental
damage, new infectious diseases, child labor, [ST] and uncontrolled refugee
migration-have important implications for American security. Our workers and
businesses will suffer if the global economy is unstable or [ST] foreign markets
collapse or lock us out, and the highest domestic environmental standards will
not protect us if we cannot get others to achieve similar standards. In short,
our citizens have a direct and increasing [ST] stake in the prosperity and

stability of other nations, in their support for international norms and human
rights, in their ability to combat international crime, in their open markets,
and in their efforts to protect the environment.

National Interests

Since there are always many demands for U.S. action, our national interests must
be clear. These interests fall into three categories. The first includes vital
interests-those of broad, overriding importance to the survival, safety and
vitality of our nation. Among these are the physical security of our territory
and that of our allies, the health and [EPA] safety of our citizens, our economic
well being, protection of the global environment from severe, irreparable harm,
[DOJ] and protection of our critical infrastructures. We will do what we must to
defend these interests, including-when necessary and appropriate-using our
military might unilaterally and decisively.

The second category includes situations in which important national interests are
at stake. These interests do not affect our national survival, but they do
affect our national well-being and the character of the world in which we
live-for example, areas where we have a sizable economic stake or commitments to
allies, or areas where there is a potential to generate substantial and highly
destabilizing refugee flows. Our efforts to halt the flow of refugees from Haiti
and restore democracy in that state and our participation in NATO operations in
Bosnia and Kosovo are examples.

The third category is humanitarian and other interests. In some circumstances
our nation may act because our values demand it. Examples include responding to
natural and manmade disasters; promoting human rights and seeking to halt gross
violations of those rights; supporting democratization, adherence to

the rule of
law and civilian control of the military; assisting humanitarian demining; and
promoting sustainable development and environmental protection. Often in such
cases, the force of our example bolsters support for our leadership in the world.
When we are faced with deliberate, organized campaigns to murder whole peoples
or expel them from their land because of their ethnic, racial, religious tribal
heritage, if the international community has the capability to end the violence,
we should work to stop genocide and ethnic cleansing. Whenever possible, we seek
to avert humanitarian disasters and conflict through diplomacy and cooperation
with a wide range of partners, including other governments, international
institutions and non-governmental organizations. This may not only save lives,
but also prevent the drain on resources caused by intervention in crises.

Threats to U.S. Interests

The security environment in which we live is dynamic and uncertain, replete with
a host of threats and challenges that have the potential to grow more deadly.

* Regional or State-Centered Threats: A number of states still have the
capabilities and the desire to threaten our national interests through coercion
or aggression. They continue to threaten the sovereignty of their neighbors,
economic stability, [ST] and international access to resources. In many cases,
these states are also actively improving their offensive capabilities, including
efforts to obtain or retain nuclear, biological or chemical weapons and, in some
cases, long-range delivery systems.

* Transnational threats: Terrorism, international crime, drug trafficking,
illicit arms trafficking, uncontrolled refugee migrations, and trafficking in
human beings, particularly women and children, [ST] threaten U.S.