

the Federal Reserve and as Director of the Office of Management and Budget. For many years, Alice has been a steady and strong voice for fiscal discipline, and she deserves much credit for helping usher in a new era of budget surpluses.

Alice has a deep and abiding commitment to the city of Washington, DC. Her work and

advice have played a critical role in helping turn around the finances of our Capital City and putting the District in a better position to reshape its future. I am glad that she will continue her work as Chair of the DC Financial Assistance Authority. I thank Alice for her dedication and hard work and wish her well in the future.

Statement on the Decision To Extend Normal Trade Relations Status With China

June 3, 1999

I have decided to renew Normal Trade Relations (NTR) status with China, so that we will continue to extend to China the same trade treatment we provide to virtually every other country on Earth. Maintaining NTR with China, as every U.S. President has done since 1980, will promote America's economic and security interests, and I urge Congress to support this decision.

NTR with China is good for Americans. Our exports to China have quadrupled over the past decade. Exports to China and Hong Kong support some 400,000 American jobs. Revoking NTR would derail ongoing negotiations to increase our access to China's market and to promote economic reforms there.

Trade also remains a force for social change in China, spreading the tools, contacts, and ideas that promote freedom. A decade ago at Tiananmen, when Chinese citizens courageously demonstrated for democracy, they were met by violence from a regime fearful of change. We continue to speak and work strongly for human rights in China. A continued policy of principled, purposeful engagement reinforces these efforts to move China toward greater openness and broader freedom. This is the path to lasting stability and prosperity for China, to a future that will benefit the Chinese people—and the American people.

We pursue engagement with our eyes wide open, without illusions. We continue to speak frankly about our differences and to firmly protect our national interests. A policy of disengagement and confrontation would only strengthen those in China who oppose greater openness and freedom.

Therefore, I am committed to bringing China into global structures, to promote China's adherence to global norms on human rights, weapons of mass destruction, crime and drugs, immigration, the environment, and on trade. I am determined to pursue an agreement for China to join the World Trade Organization on viable commercial terms. This is not a favor to China but a means of opening and reforming China's markets and holding China to the rules of the global trading system—developments that will benefit America. Accordingly, I am prepared to work closely with Congress to secure permanent NTR status for China in the context of a commercially strong WTO agreement.

NOTE: The related memorandum is listed in Appendix D at the end of this volume. The Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105–206, section 5003, changed the term “most-favored-nation” status to “normal trade relations” status.