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to these problems, through improved curricula, after-school youth programs, and similar measures. At the same time, our proposed legislation will help to ensure that when hate crimes do occur, they are prosecuted as effectively as possible. I appreciate your commitment to improving the enforcement of this Nation's laws and to fighting bigotry among young people and others, and I look forward to your continuing leadership in these areas.

William J. Clinton

Remarks to the United States Institute of Peace

April 7, 1999

Thank you, Richard. Max Kampelman, thank you for being with me today. And I thank the U.S. Institute for Peace for arranging this presentation on, as I'm sure all of you know, relatively short notice.

I'd also like to acknowledge the presence here with me today of Secretary Albright and Ambassador Barshefsky, National Security Adviser Berger, and two important former members of my national security team, Tony Lake and Tara Sonenshine, who is a senior adviser here to the Institute for Peace.

I would like to begin just by thanking this body for what you do every day to help our administration and the Congress and the American people think through the most challenging foreign policy issues of our time. And I thank you in particular for your determination to reach out to a younger generation of Americans to talk to them about the importance of these issues and the world they will live in.

In February I gave a speech in San Francisco about America's role in the century to come. We all know it's an extraordinary moment when there is no overriding threat to our security, when no great power need feel that any other is a military threat, when freedom is expanding, and open markets and technology are raising living standards on every continent, bringing the world closer together in countless ways.

But I also argued that globalization is not an unmixed blessing. In fact, the benefits of globalization, openness and opportunity, depend on the very things globalization alone cannot guarantee: peace, democracy, the stability of markets, social justice, the protection of health and the environment.

Globalization can bring repression and human rights violations and suffering into the open, but it cannot prevent them. It can promote integration among nations but also lead to disintegration within them. It can bring prosperity on every continent but still leave many, many people behind. It can give people the modern tools of the 21st century, but it cannot purge their hearts of the primitive hatreds that may lead to the misuse of those tools. Only national governments, working together, can reap the full promise and reduce the problems of the 21st century.

The United States, as the largest and strongest country in the world at this moment—largest in economic terms and military terms—has the unavoidable responsibility to lead in this increasingly interdependent world, to try to help meet the challenges of this new era.

Clearly, our first challenge is to build a more peaceful world, one that will apparently be dominated by ethnic and religious conflicts we once thought of—primitive but which Senator Moynihan, for example, has referred to now as postmodern. We know that we cannot stop all such conflicts. But when the harm is great and when our values and interests are at stake and when we have the means to make a difference, we should try.

That is what we and our NATO allies are doing in Kosovo, trying to end the horrible war there, trying to aid the struggling democracies of southeastern Europe, all of whom are threatened by the violence, the hatred, the human exodus President Milosevic's brutal campaign has unleashed. We are determined to stay united and to persist until we prevail.

It is not enough now for Mr. Milosevic to say that his forces will cease fire in Kosovo, denied its freedom and devoid of its people. He must withdraw his forces, let the refugees return, permit the deployment of an international security force. Nothing less will bring peace with security to the people of Kosovo.

The second challenge I discussed in San Francisco in February is that of bringing our former adversaries Russia and China into the international system as open, prosperous, and stable nations. Today I want to speak especially about our relationship with China, one that is being tested and hotly debated today as China's Premier, Zhu Rongji, travels to Washington.

Of course, we all know that perceptions affect policies. And American perceptions about China have often changed in this century. In the early 1900's, most Americans saw China through the eyes of missionaries seeking open hearts or traders seeking open markets. During World War II, China was our ally, during the Korean war, our adversary. During the cold war, we debated whether China was a solid stone in the monolith of world communism or a country with interests and traditions that could make it a counterweight to Soviet power.

More recently, many Americans have looked to China to see either the world's next great capitalist tiger and an enormous mother lode of economic opportunity for American companies and American workers or the world's largest great Communist dragon and next great threat to freedom and security.

For a long time, it seems to me, we have argued about China with competing caricatures. Is this a country to be engaged or isolated? Is this a country beyond our power to influence or a country that is ours to gain and ours to lose? Now we hear that China is a country to be feared. A growing number of people say that it is the next great threat to our security and our well-being.

What about this argument? Well, those who say it point out, factually, that if China's economy continues to grow on its present trajectory, it will be the world's largest in the next century. They argue, correctly, that the Chinese Government often defines its interests in ways sharply divergent from ours. They are concerned, rightly, by Chinese missiles aimed at Taiwan and at others. From this they conclude that China is or will be our enemy.

They claim it is building up its military machine for aggression and using the profits of our trade to pay for it. They urge us, therefore, to contain China, to deny it access to our markets, our technology, our investment, and to bolster the strength of our allies in Asia to counter the threat a strong China will pose in the 21st century.

What about that scenario? Clearly, if it chooses to do so, China could pursue such a course, pouring much more of its wealth into military might and into traditional great power geopolitics. Of course, this would rob it of much of its future prosperity, and it is far from inevitable that China will choose this path. Therefore, I would argue that we should not make it more likely that China will choose this path by acting as if that decision has already been made.

I say this over and over again, but when I see this China debate in America, with people talking about how we've got to contain China, and they present a terrible threat to us in the future and it's inevitable and how awful it is, I remind people who work with us that the same kind of debate is going on in China, people saying, ''The Americans do not want us to emerge. They do not want us to have our rightful position in the world. Their whole strategy is designed to keep us down on the farm.''

And we have to follow a different course. We cannot afford caricatures. I believe we have to work for the better future that we want, even as we remain prepared for any outcome. This approach will clearly put us at odds with those who believe America must always have a great enemy. How can you be the great force for good in the world and justify all the things you do if you don't have a great enemy?

I don't believe that. I believe we have to work for the best but do it in a way that will never leave us unprepared in the event that our efforts do not succeed.

Among the first decisions I made in 1993 was to preserve the alliances that kept the peace during the cold war. That meant in Asia, we kept 100,000 troops there and maintained robust alliances with Japan, Korea, Thailand, Australia, and the Philippines. We did this and have done it not to contain China or anyone else but to give confidence to all that the potential threats to Asia's security will remain just that, potential, and that America remains committed to being involved with Asia and to Asia's stability.

We've maintained our strong, unofficial ties to a democratic Taiwan while upholding our ''one China'' policy. We've encouraged both sides to resolve their differences peacefully and to have increased contact. We've made it clear that neither can count on our acceptance if it violates these principles.

We know that in the past decade, China has increased its deployment of missiles near Taiwan. When China tested some of those missiles in 1996, tensions grew in the Taiwan Strait. We demonstrated then, with the deployment of our carriers, that America will act to prevent a miscalculation there. Our interests lie in peace and stability in Taiwan and in China, in the strait and in the region, and in a peaceful resolution of the differences. We will do what is necessary to maintain our interests.

Now, we have known since the early 1980's that China has nuclear armed missiles capable of reaching the United States. Our defense posture has and will continue to take account of that reality. In part, because of our engagement, China has, at best, only marginally increased its deployed nuclear threat in the last 15 years. By signing the Comprehensive Test Ban Treaty, China has accepted constraints on its ability to modernize its arsenal at a time when the nuclear balance remains overwhelmingly in our favor. China has fewer than two dozen long-range nuclear weapons today; we have over 6,000.

We are determined to prevent the diversion of technology and sensitive information to China. The restrictions we place on our exports to China are tougher than those applied to any other major exporting country in the world.

When we first learned, in 1995, that a compromise had occurred at our weapons labs, our first priority was to find the leak, to stop it, and to prevent further damage. When the Energy Department and the FBI discovered wider vulnerabilities, we launched a comprehensive effort to address them. Last year I issued a directive to dramatically strengthen security at the Energy labs. We have increased the Department's counterintelligence budget by fifteenfold since 1995.

But we need to be sure we're getting the job done. Last month I asked the President's Foreign Intelligence Advisory Board, an independent, bipartisan body chaired by former Senator Warren Rudman, to review the security threat and the adequacy of the measures we have taken to address it. It is vital that we meet this challenge with firmness and openness but without fear.

The issue is how to respond to this. I believe we should not look at China through rose-colored glasses, nor should we look through a glass darkly to see an image that distorts China's strength and ignores its complexities. We need to see China clearly, its progress and its problem, its system and its strains, its policies and its perceptions of us, of itself, of the world. Indeed, we should apply a bit of universal wisdom that China's late leader, Deng Xiaoping, used to preach, we should seek the truth from facts.

In the last 20 years, China has made incredible progress in building a new economy, lifting more than 200 million people out of absolute poverty. But consider this: Its working age population is increasing by more than 10 million people, the equivalent of the State of Illinois, every year. Tens of millions of Chinese families are migrating from the countryside, where they see no future, to the city where only some find work. Due in part to the Asian economic crisis, China's economic growth is slowing just when it needs to be rising to create jobs for the unemployed and to maintain support for economic reform.

For all the progress of China's reforms, private enterprise still accounts for less than 20 percent of the nonfarm economy. Much of China's landscape is still dominated by unprofitable polluting state industries. China state banks are still making massive loans to struggling state firms, the sector of the economy least likely to succeed.

Now, I've met with Premier Zhu before. I know, and I think all of you know, that he is committed to making necessary, far-reaching changes. He and President Jiang are working to reform banks and state enterprises and to fight corruption. Indeed, one of China's highest public security officials was arrested several weeks ago on corruption charges.

They also know that in the short run, reform will cause more unemployment, and that can cause unrest. But so far, they've been unwilling to open up China's political

system because they see that as contributing to instability when, in fact, giving people a say in their decisions actually provides a peaceful outlet for venting frustration.

China's biggest challenge in the coming years will be to maintain stability and growth at home by meeting, not stifling, the growing demands of its people for openness and accountability. It is easy for us to say; for them, it is a daunting task.

What does all this mean for us? Well, if we've learned anything in the last few years from Japan's long recession and Russia's current economic troubles, it is that the weaknesses of great nations can pose as big a challenge to America as their strengths. So as we focus on the potential challenge that a strong China could present to the United States in the future, let us not forget the risk of a weak China, beset by internal conflicts, social dislocation, and criminal activity, becoming a vast zone of instability in Asia.

Despite Beijing's best efforts to rein in these problems, we have seen the first danger signs: free-wheeling Chinese enterprises selling weapons abroad; the rise in China of organized crime; stirrings of ethnic tensions and rural unrest; the use of Chinese territory for heroin trafficking; and even piracy of ships at sea. In short, we're seeing in China the kinds of problems a society can face when it is moving away from the rule of fear but is not yet firmly rooted in the rule of law.

The solutions fundamentally lie in the choices China makes. But I think we would all agree, we have an interest in seeking to make a difference and in not pretending that the outcome is foreordained. We can't do that simply by confronting China or trying to contain her. We can only deal with the challenge if we continue a policy of principled, purposeful engagement with China's leaders and China's people.

Our long-term strategy must be to encourage the right kind of development in China; to help China grow at home into a strong, prosperous, and open society, coming together, not falling apart; to integrate China into the institutions that promote global norms on proliferation, trade, the environment, and human rights. We must build on opportunities for cooperation with China where we agree, even as we strongly defend our interests and values where we disagree. That is the purpose of engagement. Not to insulate our relationship from the consequences of Chinese actions but to use our relationship to influence China's actions in a way that advances our values and our interests.

That is what we have done for the last 6 years, with the following tangible results: In no small measure as a result of our engagement, China helped us to convince North Korea to freeze the production of plutonium and, for now, to refrain from more missile tests. It has been our partner in averting a nuclear confrontation in South Asia. Not long ago, China was selling dangerous weapons and technologies with impunity. Since the 1980's, it has joined the Nuclear Non-Proliferation Treaty, the Chemical Weapons Convention, the Biological Weapons Convention, and the Comprehensive Test Ban Treaty and accepted the safeguards, reporting requirements, and inspection systems that go with each.

We have also convinced China not to provide new assistance to Iran's nuclear program, to stop selling Iran antiship cruise missiles, and to halt assistance to unsafeguarded nuclear facilities in Pakistan. Now it's important that China join the Missile Technology Control Regime, a step President Jiang agreed to consider at last year's summit in Beijing.

We also have an interest in integrating China into the world trading system and in seeing it join the World Trade Organization on clearly acceptable, commercial terms. This is a goal America has been working toward in a bipartisan fashion for 13 years now. Getting this done and getting it done right is profoundly in our national interests. It is not a favor to China; it is the best way to level the playing field.

China already has broad access to our markets, as you can see from any perusal of recent trade figures. If China accepts the responsibilities that come with WTO membership, that will give us broad access to China's markets, while accelerating its internal reforms and propelling it toward acceptance of the rule of law. The bottom line is this: If China is willing to play by the global rules

of trade, it would be an inexplicable mistake for the United States to say no.

We have an interest as well in working with China to preserve the global environment. Toward the middle of the next century, China will surpass the United States as the world's largest emitter of greenhouse gases. At last year's summit in China, I made it clear there can be no meaningful solution to this problem unless China is a part of it. But I also emphasized, as I do over and over again, with sometimes mixed effect, that rapidly developing technologies now make it possible for China—indeed, for India, for any other developing economy—to be environmentally responsible without sacrificing economic growth.

That challenge is at the top of Vice President Gore's agenda on the forum on environment and development he shares with Premier Zhu. It will be meeting this week.

We have been encouraging the development of clean natural gas in China and cleaner technologies for burning coal. We've been working with China on a study of emissions trading, a tool that has cut pollution at low cost in the United States and which could do the same for China. In the information age, China need not, indeed, China will not be able to grow its economy by clinging to industrial age energy practices.

Finally, let me say we have an interest in encouraging China to respect the human rights of its people and to give them a chance to shape the political destiny of their country. This is an interest that cuts to the heart of our concerns about China's future.

Because wealth is generated by ideas today, China will be less likely to succeed if its people cannot exchange information freely. China also will be less likely to succeed if it does not build the legal and political foundation to compete for global capital, less likely to succeed if its political system does not gain the legitimacy that comes from democratic choice.

China's leaders believe that significant political reform carries enormous risk of instability at this moment in their history. We owe it to any country to give a respectful listen to their stated policy about such matters. But the experience of the rest of Asia during this present economic crisis shows that the risks of delaying reform are greater than the risks of embracing it.

As Indonesia learned, you cannot deal with social resentment by denying people the right to voice it. As Korea and Thailand have shown the world, expressed dissent is far less dangerous than repressed dissent. Both countries are doing better now because their elected governments have the legitimacy to pursue reform.

In fact, almost every goal to which China's leaders are dedicated—from maintaining stability to rooting out corruption, to reuniting peacefully with Taiwan—would actually be advanced if they embraced greater openness and accountability.

We have promoted that goal by airing differences candidly and directly with China's leaders, by encouraging closer ties between American and Chinese people. Those ties have followed in the wake of official contacts and have the potential to bring change.

The people-to-people ties have made it possible for over 100,000 Chinese students and scholars to study in America and thousands of American teachers and scholars—students—to go to China. They have enabled American nongovernmental organizations to help people in China set up NGO's of their own. They have allowed Americans to work with local governments, universities, and citizens' groups in China to save wetlands and forests, to manage urban growth, to support China's first private schools, to hook up schools to the Internet, to train journalists, to promote literacy for poor women, to make loans for Tibetan entrepreneurs, to begin countless projects that are sparking the growth of China's civil society. They have permitted Chinese lawyers, judges, and legal scholars to come to America to study our system.

Now, we don't assume for a moment that this kind of engagement alone can give rise to political reform in China, but despite the obstacles they face, the Chinese people clearly enjoy more freedom, in where they work and where they live and where they go, than they did a decade ago.

China has seen the emergence of political associations, consumer groups, tenant organizations, newspapers that expose corruption, and experiments in village democracy. It has

seen workers demanding representation and a growing number of people seeking the right to form political parties, despite the persecution they face. I met with many such agents of change when I visited China last year.

Of course, it is precisely because these changes are meaningful that the Chinese Government is pushing back. Its actions may be aimed at individuals, but they are clearly designed to send a message to all Chinese that they should not test the limits of political freedom. The message they send the world, however, is quite different. It is one of insecurity, not strength. We often see that a tight grip is actually a sign of a weak hand.

Now, we have made it clear to China's leaders that we think it's simply wrong to arrest people whose only offense has been to engage in organized and peaceful political expression. That right is universally recognized and democratic nations have a duty to defend it. That is why we are seeking support at the U.N. Human Rights Commission in Geneva for a resolution on human rights in China.

We will also urge China to embrace the International Covenant on Civil and Political Rights in word and in deed. We will keep pressing the Congress to fund programs that promote the rule of law in China. We will keep working to promote a dialog between China and the Dalai Lama and respect for Tibet's cultural and religious heritage.

But there is one thing that we will not do. We will not change our policy in a way that isolates China from the global forces that have begun to empower the Chinese people to change their society and build a better future, for that would leave the people of China with less access to information, less contact with the democratic world, and more resistance from their government to outside influence and ideas.

In all these areas, the debate China's policy has sparked in our country can be constructive by reminding us that we still face challenges in the world that require our vigilance. It can also remind the Chinese Government that the relationship between our two countries depends in large measure not only on the actions of the President and the executive branch but on the support of the American people and our Congress, which cannot be taken for granted.

But as the next Presidential election approaches, we cannot allow a healthy argument to lead us toward a campaign-driven cold war with China, for that would have tragic consequences: an America riven by mistrust and bitter accusations; an end to diplomatic contact that has produced tangible gains for our people; a climate of mistrust that hurts Chinese-Americans and undermines the exchanges that are opening China to the world.

No one could possibly gain from that except for the most rigid, backward-looking elements in China itself. Remember what I said at the outset: The debate we're having about China today in the United States is mirrored by a debate going on in China about the United States. And we must be sensitive to how we handle this and responsible.

I know the vast majority of Americans and Members of Congress don't want this to happen. I will do everything in our power to see that it does not, so that we stay focused on our vital interests and the real challenges ahead.

We have much to be concerned about: There is North Korea, South Asia, the potential for tensions in the Taiwan Strait, and the South China Sea; there is the tragic plight of political prisoners; the possibility, also, that China will not realize its growth potential, that it will become unstable because of the distressed economy and angry people.

But we have every reason to approach our challenges with confidence and with patience. Our country, after all, now, is at the height of its power and the peak of its prosperity. Democratic values are ascendant throughout much of the world. And while we cannot know where China is heading for sure, the forces pulling China toward integration and openness are more powerful today than ever before. And these are the only forces that can make China a truly successful power, meeting the demands of its people and exercising appropriate and positive influence in the larger world in the 21st century.

Such a China would indeed be stronger, but it also would be more at peace with itself and at ease with its neighbors. It would be a good thing for the Chinese people and for the American people.

This has been the lodestar of our policy for the last 6 years—a goal that is consistent with our interests and that keeps faith with our values, an objective that we will continue to pursue, with your help and understanding, in the months and years ahead.

This visit by Premier Zhu is very important. The issues that are raised from time to time, which cause tensions in our relationship, they are also very important. But I ask you, at this institute, not to let the American people or American policymakers or American politicians in a political season lose sight of the larger interests we have in seeing that this very great country has the maximum possible chance to emerge a more stable, freer, more prosperous, more constructive partner with the United States in the new century.

Thank you very much.

NOTE: The President spoke at 10:33 a.m. in the East Room at the Mayflower Hotel. In his remarks, he referred to Richard H. Solomon, president and Max M. Kampelman, vice chair, U.S. Institute of Peace; President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro); Premier Zhu Rongji, former President Deng Xiaoping, and President Jiang Zemin of China.

Remarks in a Roundtable Discussion on Equal Pay

April 7, 1999

[*The First Lady opened the program with brief remarks concerning wage discrepancies between men and women and then introduced the President.*]

The President. Thank you. That is the truth. [*Laughter*] But Hillary didn't tell you the rest of the story. Senator Harkin, whose wonderful wife, Ruth, was also a part of our administration for several years, she has often made more money than her husband. And so we decided that maybe we should become part of a small but vocal radical caucus saying we shouldn't stop at equal pay; we like it when our wives make more money than we do. [*Laughter*] We have enjoyed the benefits of that.

I would like to thank Senator Harkin and Eleanor Holmes Norton for being here and for being longtime champions of this cause. I thank Ida Castro, our EEOC Chair, the local officials who are here, and Secretary Herman, who bears a lot of the responsibilities for what we are trying to achieve, for her work.

I'd like to make just a few brief points. Hillary has made most of the points that need to be made, and we all know here we're preaching to the saved in trying to get a message out to the country. But I'd like to point out as I tried to do in the State of the Union that the time in which we are living now in terms of our economic prosperity is virtually unprecedented. We had 4.2 percent unemployment last month.

I remember a meeting I had—and huge argument I had in December of 1992 when I had been elected but not inaugurated President, about how low we could get unemployment before inflation would go up. And all the traditional economists said, ''Man, when you get below 6 percent, you know, you will just see what will happen.'' And the American people turned out to be a lot more productive, a lot more efficient; technology turned out to be a lot more helpful; we were in a much more competitive environment. So now, we have 4.2 percent unemployment, lowest rate since 1970, lowest peacetime unemployment since 1957, 18 million new jobs.

But we still have some significant long-term challenges in this country. We have pockets of America—in rural America, in urban America, in our medium-size industrial cities, our Native American reservations—which have not felt any of the impact of the economic recovery. We still have substantial long-term challenges to Social Security, to Medicare. And we still have a significant fact of inequality in the pay of women and men.

And the central point I would like to make is that we should not allow the political climate or anything else to deter us from concentrating our minds on the fact that this is a precious gift that the American people have received, even though they have earned it. Countries rarely have conditions like this. If we can't use this moment to deal with these long-term challenges, including the equal-pay challenge, when will we ever get around to it?