

accountable. And as called for in the Shanghai Accord, we must dramatically reduce the cost of doing business across borders by streamlining customs procedures, by harmonizing technology standards, and by cutting redtape.

Even in the midst of our current slowdown, there are many encouraging signs. Reform programs have been put in place in Japan, the Philippines, and Indonesia. China and Taiwan have made great strides as they prepare for WTO membership. Russia and Mexico are tracking new sources of capital. All of this is progress, and we must build on it.

Our second broad challenge is to fight terrorism within our countries without undermining the ties of commerce and friendship between our countries. Terrorists want to turn the openness of the global economy against itself. We must not let them. We need customs, financial, immigration, and transportation systems that make it easier for us to do our business and much harder for terrorists to do theirs. Pursuing both openness and security is difficult. But it is necessary, and it is the aim of the counterterror measures the APEC leaders will commit themselves to tomorrow.

Our third challenge is to see to it that the benefits of prosperity and freedom are widely shared. The great alternative to hate is hope. And to seize the hopeful opportunities of markets and trade, people must be educated and healthy, and governments must be fair and just and committed to the rule of law.

All of our citizens need basic education. The greatest resource of any nation is the creative energies of its people. They must gain the skills demanded by a new economic world. Only when literacy and learning are widespread will the benefits of the global economy be widely shared.

All our citizens must have the advantage of basic health. Diseases such as AIDS destroy countless lives and undermine the success of many nations. Prosperous nations must work in partnership with developing nations to help remove the cloud of disease from our world's future.

Our governments must continue to fight official corruption in every form. Good economies can be suffocated by bureaucrats

that serve themselves and not the public. Corrupt officials can destroy people's faith in fairness and in progress.

All nations must also realize that, in the long run, the habits of economic freedom will create expectations of greater democracy. All people, of every religious or ethnic group, have a right to participate in their nation's political life. No government should use our war against terrorism as an excuse to persecute minorities within their borders. Ethnic minorities must know that their rights will be safeguarded, that their churches and temples and mosques belong to them. We must respect legitimate political aspirations and, at the same time, oppose all who spread terror in the name of politics or religion.

Our times present many challenges. Yet I'm confident about our shared future. I know that our region and our world can trade in freedom. I know we can bring health and education and prosperity to our people. And I know we can defeat terror so our children and grandchildren can live in peace and security.

In the struggle of freedom against fear, the outcome is certain. We speak for the common hopes of mankind, to live as we choose, to follow our faith, to build better lives for all who follow us. These hopes have carried us a long way, bringing progress and prosperity to millions. And they carry us forward to even greater achievement.

Now is the time to act boldly, to build and defend an age of liberty.

Thank you for having me.

NOTE: The President spoke at 2:20 p.m. in the Grand Ballroom at the Pudong Shangri-La Hotel. In his remarks, he referred to Robert E. Rubin, chairman, executive committee, board of directors, Citigroup; and Yu Xiaosong, chairman and chief executive officer, APEC CEO Summit 2001 Organizing Committee.

APEC Leaders Statement on Counter-Terrorism

October 21, 2001

1. Leaders unequivocally condemn in the strongest terms the terrorist attacks in the United States on September 11, 2001, and

express their deepest sympathy and condolences to the victims of a large number of nationalities and their families and to the people and Government of the United States of America.

2. Leaders consider the murderous deeds as well as other terrorist acts in all forms and manifestations, committed wherever, whenever and by whomsoever as a profound threat to the peace, prosperity and security of all people, of all faiths, of all nations. Terrorism is also a direct challenge to APEC's vision of free, open and prosperous economies, and to the fundamental values that APEC members hold.

3. Leaders reaffirm that it is more important than ever for every economy to forge ahead in its commitment in achieving Bogor's goal of free, open trade and investment.

4. Leaders deem it imperative to strengthen international cooperation at all levels in combating terrorism in a comprehensive manner and affirm that UN should play a major role in this regard, especially taking into account the importance of all relevant UN resolutions.

5. Leaders commit to prevent and suppress all forms of terrorist acts in the future in accordance with the Charter of the United Nations and other international law, pledge to implement the UN Security Council Resolution 1368 and 1373 faithfully and immediately, strongly support all efforts to strengthen the international anti-terrorism regime, call for increased cooperation to bring perpetrators to justice, and also call for early signing and ratification of all basic universal anti-terrorist conventions including the International Convention for the Suppression of the Financing of Terrorism.

6. Leaders are determined to enhance counter-terrorism cooperation in line with specific circumstances in their respective economies, through:

- Appropriate financial measures to prevent the flow of funds to terrorists, including accelerating work on combating financial crimes through APEC Finance Ministers' working Group on Fighting Financial Crime and increasing involvement in related international standard-setting bodies;

- Adherence by all economies to relevant international requirements for the security of air and maritime transportation. Leaders call on Transport Ministers to actively take part in the discussions on enhancing airport, aircraft, and port security, achieve effective outcomes as early as possible, and assure full implementation and cooperation in this regard;
 - Strengthening of energy security in the region through the mechanism of the APEC Energy Security Initiative, which examines measures to respond to temporary supply disruptions and longer-term challenges facing the region's energy supply;
 - Strengthening of APEC activities in the area of critical sector protection, including telecommunications, transportation, health and energy.
 - Enhancement of customs communication networks and expeditious development of a global integrated electronic customs network, which would allow customs authorities to better enforce laws while minimizing the impact on the flow of trade.
 - Cooperation to develop electronic movement records systems that will enhance border security while ensuring movement of legitimate travelers is not disrupted.
 - Strengthening capacity building and economic and technical cooperation to enable member economies to put into place and enforce effective counter-terrorism measures.
 - Cooperation to limit the economic fallout from the attacks and move to restore economic confidence in the region through policies and measures to increase economic growth as well as ensure stable environment for trade, investment, travel and tourism.
7. Leaders also pledge to cooperate fully to ensure that international terrorism does not disrupt economies and markets, through close communication and cooperation among economic policy and financial authorities.

NOTE: The joint statement was made available by the Office of the Press Secretary but was not

issued as a White House press release. An original was not available for verification of the content of this joint statement.

APEC Economic Leaders' Declaration, Shanghai, China

October 21, 2001

Meeting New Challenges in the New Century

1. We, the Economic Leaders of APEC, gathered today in Shanghai for the first time in the twenty-first century. We are here to explore ways to meet the new challenges confronting us. Convinced of the great potential of the Asia-Pacific region, we have resolved to achieve common prosperity through broader participation and closer cooperation.

2. Our meeting has taken place at a crucial juncture. The major world economies are experiencing a slowdown more severe than anticipated. Most economies in the Asia-Pacific region have experienced an economic downturn, with some emerging economies particularly affected by unfavorable external market conditions. In addition, the terrorist attack on the United States risks undermining some industries as well as consumer and investor confidence. In the long run, a major challenge for the Asia-Pacific community is to manage the profound changes brought forth by globalization and the New Economy and to benefit from the opportunities that abound.

3. As the premier forum for regional economic cooperation in the Asia Pacific, APEC is well suited to play a leading role in helping its member economies embrace these opportunities and challenges. We wish to send a clear and strong message on the collective resolve of the Asia-Pacific community to counter terrorism. We are determined to reverse the current economic downturn and maintain public confidence at a time of uncertainty by fighting protectionism and committing to the launch of the new WTO round at the upcoming WTO Ministerial Conference. These efforts are consonant with and contribute to the pursuit of the APEC vision of peace, harmony and common prosperity.

4. Inspired by such a vision, we are determined to work together for a more dynamic and prosperous Asia Pacific in the new century by promoting sustainable economic growth, sharing the benefits of globalization and the New Economy, and advancing Trade and Investment Liberalization and Facilitation (TILF). To this end, we reaffirm our commitment to achieving the Bogor Goals of free and open trade and investment in the Asia Pacific by 2010 for developed economies and 2020 for developing economies. We have also charted the course for the development of APEC in its second decade and beyond by adopting the Shanghai Accord.

Promoting Sustainable Growth

5. We affirm our unwavering confidence in the medium and long-term growth prospects for the Asia-Pacific region since the fundamentals of the region remain sound. As reforms and restructuring following the 1997–1998 financial crisis take effect, many emerging economies are now in a much stronger position to cushion themselves against the impact of the economic slowdown and unexpected shocks.

6. We undertake to adopt appropriate policies and measures to increase economic growth and resolve to enhance macro-economic policy dialogue and cooperation not only to resume growth but also to build a stronger foundation for sustainable growth and broad-based development. It is important for all economies to take timely policy actions to strengthen markets and facilitate an early pick-up in global economic activity.

7. In this context, we pledge to accelerate our domestic efforts to build capacity and deepen structural reform so as to strengthen the market fundamentals across the region. To this end, we emphasize the importance of sound economic policies and corporate governance as well as the important role and responsibility of governments in shaping the legal and regulatory framework that encourages competition and innovation, with an increased emphasis on capacity building. Developing the social safety net is a high priority, as it can make an important contribution to reducing the harmful effects of economic shocks on vulnerable groups. As noted in the 2001 Economic Outlook, enhancing