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**Folder Title:**  
Asia Society: Waldorf-Astoria Hotel, New York 11/12/91 [OA 6039] [1]

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Stack:	Row:	Section:	Shelf:	Position:
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THE WHITE HOUSE  
WASHINGTON

31 NOV 8 4:37

November 8, 1991

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST

FROM: TONY SNOW **TS**

SUBJECT: ASIA SOCIETY DINNER

*Look it  
discuss  
changes*

I. SUMMARY

On Tuesday, November 12, at 7:35 p.m., at the Waldorf-Astoria in New York City, you will deliver remarks (20 minutes, on prompter) to an audience of approximately 800 people at the Asia Society's 1991-92 Annual Dinner. The audience will consist primarily of business leaders, scholars, and diplomats. You will be introduced by Asia Society Chairman and former Deputy Secretary of State John Whitehead.

II. DISCUSSION

Your remarks highlight the future of U.S.-Asia relations and assert our continued commitment to the Asia-Pacific region. In particular, you offer reassurances regarding matters of trade, security and democracy.

Snow/Nix  
Asia  
Draft Two  
November 8, 1991

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:35 P.M.

[INTRODUCTORY ACKNOWLEDGMENTS -- Chairman John Whitehead and wife, Nancy; President Robert Oxnam; and Vice Chairman Peter Aaron]

As you know, I have just returned from a trip to Rome and the Hague. There, I worked and other Western leaders worked to build a post Cold-War world characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk about those same topics tonight, but with the accent on Asia.

But first, for audiences here and in Asia, I think it's important to discuss once again why ~~we~~<sup>I</sup> will not travel to the region later this month. As President, I must serve the entire nation in the domestic and foreign arenas. Sometimes those obligations clash. Congress could not complete its work on

schedule this year, ~~forcing me to remain in Washington indefinitely -- and also forcing us to postpone our important trip to the Asia Pacific region.~~

*when our trip was announced Congress planned to adjourn last week. Now they say Nov. 22 but who knows*

Make no mistake, however, I will not turn my back on my responsibility to do the nation's business here and abroad, and

*Remember the movie Home Alone. Well ---*

in times of economic pain, I certainly will not give up an opportunity to work with our allies to create new markets, new jobs and new opportunities for American workers. I will not surrender a chance to help our agricultural industries, our manufacturing industries and our service industries by building greater bonds of trade and commerce.

And I certainly will not permit us to retreat into a kind of Fortress America, which will doom us to irrelevance and poverty. I remain deeply committed to building closer ties with the Asia Pacific region. Although much of our Nation's heritage comes from Europe, our future points equally toward Asia.

Asia has transformed itself in the space of a generation into the most rapidly growing region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

The Asia-Pacific region has become our largest and fastest growing trade partner. We conduct more than 300 billion dollars worth of two-way trade annually. Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. In everything from automobiles to microchips, from baseball to

Australian rules football, our ties of mutual interest grow closer each day.

A few years ago, it was a cliché to refer to the 20th Century as the American Century and the 21st as the Pacific Century. I don't have a crystal ball, but I'm willing to bet that the 21st Century will take a somewhat different form. I predict that America will remain the world's greatest economic, political, military and moral power. But at the same time the nations of the Asia Pacific region, having risen with our help, will join us as equal partners in building democracy and freedom.

We'd be here forever if I tried to tick off our interests and activities, country-by-country. So instead I will address the three central issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse set of political and strategic alliances. Our custom-made agreements provide a strong foundation for future security.

Let me give you a few examples. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members forged a Cambodian peace process that promises free elections in a nation previously rent by tyranny and genocide.

This promise of peace opens the final chapter of the Indochina conflict. We envision normal relations with Vietnam as soon as we resolve our concerns about Cambodia and the problem of POW/MIAs. Today, I am happy to announce that we will upgrade our relations with Laos. In an apt sign of the healing process

between America and Indochina, we soon will place an ambassador in Vientiane.

The government of South Korea has moved quietly to build better ties with its neighbor to the North, while boldly challenging the North to abandon its nuclear weapons program, which threatens regional peace.

We welcome bilateral efforts among the Japanese, Soviets, Chinese and Koreans to reduce the tensions caused by North Korea's unsafeguarded nuclear program, and we will continue our own efforts. But we also will deter aggression by maintaining a significant military presence in the South.

We have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperate on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace.

~~\_\_\_\_\_~~  
*we have tried to be helpful with the Soviets as Japan seeks to*  
~~\_\_\_\_\_~~ *regain control of the Northern Territories.*

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in annual host nation contributions. Japan contributed nearly 13 billion dollars to the multinational forces for the Gulf War, 10 billion dollars of which went to the United States. This required new taxes, but Japan chose the right course in supporting the coalition against aggression.

Australia casts a shadow far larger than its population and size would suggest. It always has served as a trustworthy ally and defender of democracy, and it increasingly serves as an indispensable link to Asia and the Pacific.

We can help ensure future peace in the region and defend our interests through a range of military arrangements. Bilateral alliances, access agreements and Five-Power defense arrangements give us the flexibility we need.

While we must adjust our force structure in the region to reflect post Cold-War realities, we must not ignore the important tensions that remain: in Korea; in Burma, where socialist despotism holds sway, despite the heroic efforts of freedom fighters like Nobel Laureate Aung San Suu Kyi; in China and other communist regimes that resist the worldwide movement toward political pluralism -- and that sometimes lend comfort, support and even dangerous weapons to our adversaries.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept across Asia, just as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Many, many others have accepted democracy's call.

The United States will support democracy wherever it can, understanding that nations adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, the future seems full of hope, and



*we  
Brush off  
China  
fast  
JAB  
trip  
etc*

THE WHITE HOUSE  
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November 8, 1991

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FROM:               TONY SNOW **TS**  
SUBJECT:            ASIA SOCIETY DINNER

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But first, for audiences here and in Asia, I think it's important to discuss once again why we will not travel to the region later this month. As President, I must serve the entire nation in the domestic and foreign arenas. Sometimes those obligations clash. Congress could not complete its work on schedule this year, forcing me to remain in Washington indefinitely -- and also forcing us to postpone our important trip to the Asia Pacific region.

Make no mistake, however: I will not turn my back on my responsibility to do the nation's business here and abroad, and

in times of economic pain, I certainly will not give up an opportunity to work with our allies to create new markets, new jobs and new opportunities for American workers. I will not surrender a chance to help our agricultural industries, our manufacturing industries and our service industries by building greater bonds of trade and commerce.

And I certainly will not permit us to retreat into a kind of Fortress America, which will doom us to irrelevance and poverty. I remain deeply committed to building closer ties with the Asia Pacific region. Although much of our Nation's heritage comes from Europe, our future points equally toward Asia.

Asia has transformed itself in the space of a generation into the most rapidly growing region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

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This promise of peace opens the final chapter of the Indochina conflict. We envision normal relations with Vietnam as soon as we resolve our concerns about Cambodia and the problem of POW/MIAs. Today, I am happy to announce that we will upgrade our relations with Laos. In an apt sign of the healing process

between America and Indochina, we soon will place an ambassador in Vientiane.

The government of South Korea has moved quietly to build better ties with its neighbor to the North, while boldly challenging the North to abandon its nuclear weapons program, which threatens regional peace.

We welcome bilateral efforts among the Japanese, Soviets, Chinese and Koreans to reduce the tensions caused by North Korea's unsafeguarded nuclear program, and we will continue our own efforts. But we also will deter aggression by maintaining a significant military presence in the South.

We have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperate on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace, and we certainly wish Japan well in its justified efforts to regain control of the Northern Territories.

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in annual host nation contributions. Japan contributed nearly 13 billion dollars to the multinational forces for the Gulf War, 10 billion dollars of which went to the United States. This required new taxes, but Japan chose the right course in supporting the coalition against aggression.

Australia casts a shadow far larger than its population and size would suggest. It always has served as a trustworthy ally and defender of democracy, and it increasingly serves as an indispensable link to Asia and the Pacific.

We can help ensure future peace in the region and defend our interests through a range of military arrangements. Bilateral alliances, access agreements and Five-Power defense arrangements give us the flexibility we need.

While we must adjust our force structure in the region to reflect post Cold-War realities, we must not ignore the important tensions that remain: in Korea; in Burma, where socialist despotism holds sway, despite the heroic efforts of freedom fighters like Nobel Laureate Aung San Suu Kyi; in China and other communist regimes that resist the worldwide movement toward political pluralism -- and that sometimes lend comfort, support and even dangerous weapons to our adversaries.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept across Asia, just as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Many, many others have accepted democracy's call.

The United States will support democracy wherever it can, understanding that nations adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, the future seems full of hope, and

even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in a stable, free society: economic prosperity.

No nation can ignore the incredible vitality of this region -- or afford to. The United States will remain engaged with the Asia-Pacific because we must -- and because we want to. Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade because our fates have become inextricably linked.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The Asia-Pacific Economic Cooperation Group encourages growth and trade. The Uruguay Round of GATT talks remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism. We call upon Japan to work with us in breaking down old barriers to trade and opening up markets in manufacturing, services and agriculture -- for all our benefit.

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, and some in Japan have become equally scornful of the United States. Both our nations must reject those who would rather seek scapegoats than pursue lasting prosperity.

The fact is that Japan, which nearly half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. We continue working with our

Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have helped lower barriers to trade and investment, but we need to give those talks new life and advance the cause of liberalization.

The United States can no more afford to close its doors to the Asia-Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty. We seek no trade blocs; we oppose new trade barriers. We seek a vibrant international economic system that unites markets on every continent.

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We levy an unacceptably high effective tax rate on capital gains. We subject our own entrepreneurs to incredible pressure. Our allies want us to unchain our innovators -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions

within our own country. We must take purposeful action to reduce that deficit, while nourishing the seeds of economic growth.

We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime.

And perhaps most important of all, we must build human capital. We have an obligation to prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and our schools must meet that challenge.

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become.

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization / Security cooperation /  
A shared commitment to democracy and human rights / Educational  
and scientific innovation / Respect for the environment / And an  
appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while constructing a common culture.

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

Today, our Asian population is growing more rapidly than any other, and immigrants from every Asian island and country have enriched all our lives. Our Administration is proud to have more Asian-Americans than any previous administration, and two women of Asian descent serve in top administration positions: Elaine Chao, as director of the Peace Corps, and Pat Saiki, the administrator of the Small Business Administration.

America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our

Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight to build a world united in its determination to help men and women make the most of themselves.

I look forward to traveling soon to Asia, to advance these important principles, and to create work opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. In that way lies national suicide and international chaos.

We tried isolationism once, and we ended up fighting two bloody world wars.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. As President, I will continue building ties with our allies, because those ties mean peace at home and jobs for American men and women.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the United States of America.

# # # #

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Asia  
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But first, for audiences here and in Asia, I think it's important to discuss once again why I will not travel to the region later this month. As President, I must serve the entire nation in the domestic and foreign arenas. Sometimes those obligations clash. When we planned our trip, Congress had planned to adjourn early in this month. Now the members say they will wrap up by November 22, but who knows? We will reschedule the trip, but I will not leave while Congress is wrapping up a session: It can commit too much mischief in times like that.

Frankly, I don't mind telling you that I just don't feel comfortable leaving Congress home alone. //

Make no mistake, however: I will not turn my back on my responsibility to do the nation's business here and abroad, and in times of economic pain, I certainly will not give up an opportunity to work with our allies to create new markets, new jobs and new opportunities for American workers -- in agriculture, in manufacturing and in service industries.

And I certainly will not permit us to retreat into a kind of Fortress America, which will doom us to irrelevance and poverty. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. We tried isolationism, and we ended up fighting two bloody world wars.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. I remain deeply committed to building closer ties with the Asia Pacific region. Although much of our Nation's heritage comes from Europe, our future points equally toward Asia.

Asia has transformed itself in the space of a generation into the most rapidly growing region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

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worth of two-way trade annually. Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. In everything from automobiles to microchips, from baseball to Australian rules football, we grow closer each day.

A few years ago, it was fashionable to refer to the 20th Century as the American Century and the 21st as the Pacific Century, as if we were engaged in some long-term competition with our Asian allies. I don't see it that way. The United States will remain large and powerful, but in years to come, we will deepen our partnership with our Asian friends in building democracy and freedom.

We'd be here forever if I tried to tick off our interests and activities, country-by-country. So instead I will address the three central issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse pattern of political and strategic cooperation. Our custom-made agreements and relationships provide a strong foundation for future security.

Let me give you a few examples of how we seek to build the peace. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members recently forged a Cambodian peace process that promises free elections in a nation previously rent by tyranny and genocide. Just yesterday, for the first time in

16 years, we sent an accredited diplomat to Cambodia, to participate in the peacemaking arrangements.

The conflict in Indochina has preoccupied this nation for years. Finally, we have entered into a period of healing and constructive cooperation. We will work step-by-step to resolve the painful issues left by that war. We envision normal relations with Vietnam as the logical conclusion of a step-by-step process that begins by resolving the problems in Cambodia and by addressing thoroughly, openly and conclusively the status of American POW-MIAs.

Today, I am happy to announce that we will upgrade our relations with Laos, and that, we soon will place an ambassador in Vientiane.

The Republic of Korea has moved to build better ties with North Korea while boldly challenging the North to abandon its menacing nuclear weapons program, which threatens regional peace.

We welcome recently organized efforts involving us, the Japanese, Soviets, Chinese and Koreans to bring North Korea's nuclear program under international supervision. Meanwhile, we will maintain our conventional military presence in the South as long as the people want or need us.

In laying the foundation for peace through our global partnership, we have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperate on development assistance, environmental protection, trade, arms control, refugees and regional peace.

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They support more than 50,000 U.S. military forces in Japan with 3 billion dollars in annual host nation contributions. Japan contributed nearly 13 billion dollars to the multinational forces for the Gulf War, 10 billion dollars of which went to the United States. This required new taxes -- a very tough thing for any politician to ask of working people -- but Japan deserves praise for choosing the right course.

To the South, Australia casts a shadow far larger than its population and size would suggest. It takes justifiable pride in its long tradition of defending democracy, and its economic, political and cultural presence helps unite the Asia-Pacific region with the rest of the world.

We can help ensure future peace in the region and defend our interests through a range of military arrangements. Bilateral alliances, access agreements and Five-Power defense arrangements give us the flexibility we need.

While we must adjust our force structure to reflect post-Cold-War realities, we also must protect our interests and allies. In this light, we cannot afford to ignore the important sources of instability: in North Korea; in Burma, where socialist despotism holds sway, despite the heroic efforts of freedom fighters like Nobel Laureate Aung San Suu Kyi; in China and other states that resist the worldwide movement toward political

pluralism -- and that sometimes support our adversaries, even by contributing to the proliferation of dangerous weapons.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept across Asia -- with some notable exceptions, such as Burma, China, North Korea, and Vietnam. Yet we remain engaged in the region, and especially in China. If we retreat from the challenge of building democracy, we will have failed many who have worked hard, even died, for the cause.

The United States will support democracy wherever it can, understanding that nations adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, the future seems full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in a stable, free society: economic prosperity.

No nation can ignore the incredible vitality of this region -- or afford to. Yes, we disagree on some important trade issues, but we also recognize a more important fact: Our fates and values have become linked forever.

Contrary to the opinions of American protectionists, free trade requires efforts by all parties involved. Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, and some in Japan have become equally scornful of the United States. Both our nations must

reject those who would rather seek scapegoats than tackle their own problems. We've made a good start: The Asia-Pacific Economic Cooperation Group encourages growth and trade. The Uruguay Round of GATT talks remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism. We call upon Japan and Korea to work with us in breaking down old barriers to trade and opening up markets in manufacturing, services and agriculture. Our Structural Impediments Initiative talks have helped lower barriers to trade and investment, but we need to give those talks new life and create a better climate in Japan for U.S. businesses.

The fact is that Japan, which nearly half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. I enjoyed a warm and constructive relationship working with Prime Minister Kaifu, and I look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Together, we can build an even more prosperous and spectacular future -- but only if we take up the tough, rewarding task of promoting worldwide economic liberty: no trade blocs; no new trade barriers. We seek a vibrant international economic system that unites markets on every continent.

We in the United States also must strengthen our economy. We levy an unacceptably high effective tax rate on capital gains.

Germany levies no capital gains tax. The complicated Japanese tax averages about 1 percent. This puts our own entrepreneurs and venture capitalists at a huge and shameful disadvantage.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while nourishing economic growth.

To compete internationally we must modernize our banking industry and make our industrial base more competitive. We must work with our allies to build a stable and sound monetary regime.

Perhaps most important, we must build human capital. We have an obligation to prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than ever before, and our schools must meet that challenge.

Technological change can do much more than make our lives more comfortable. It can sweep away totalitarianism and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons. As we compete with our allies in this area, we must remember that information feeds intellect, and good information fosters freedom.

Let me close by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

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appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their  
destiny, even from our earliest days. We have grown great  
because we have welcomed people from every continent and country,  
and we have tried to make use of their distinct talents, while  
constructing a common culture.

Today, we celebrate that diversity, and celebrate the  
prospect that in years to come, we will develop with our Asian  
friends even greater ties of trade and culture.

I look forward to traveling soon to Asia, to advance these  
important principles, and to expand market opportunities for tens  
of thousands of American workers and businesses. As President, I  
will continue building ties with our allies, because those ties  
mean peace at home and jobs for American men and women.

I want to thank the Asia Society for its vital contributions  
to the cause of peace, prosperity and understanding. I look  
forward to your help as I seek to build closer bonds of affection  
and interest with the peoples of the vast, marvelous, varied  
Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #

**WHITE HOUSE STAFFING MEMORANDUM**

8232

DATE: 11/8/91 <sup>31 NOV 8 P4:38</sup> ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 11/8/91 3:00pm

PRESIDENTIAL REMARKS: THE ASIA SOCIETY  
NEW YORK - TUESDAY, NOV. 12 - 7:30 p.m.

SUBJECT: \_\_\_\_\_

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>BOSKIN</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>MCBRIDE</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 3:00 p.m., TODAY, FRIDAY, NOV. 8, with a copy to this office. Thank you.

*MASTER*

RESPONSE:

TO: TONY SNOW

The NSC concurs with changes and inserts, as noted.

Brent Scowcroft

PHILLIP D. BRADY  
Assistant to the President  
and Staff Secretary  
Ext. 2702

cc: Phillip D. Brady

31 NOV 8 AIO: 53

Snow/Nix  
Asia  
Draft One  
November 7, 1991

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:30 P.M.

[INTRODUCTORY ACKNOWLEDGMENTS]

As you know, I have just returned from a trip to Rome and the Hague. There, I worked and other Western leaders worked to build a post Cold-War world characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk about those same topics tonight, but with the accent on Asia. Although much of this nation's heritage comes from Europe, our future points equally toward Asia.

Asia, once a mystical destination for explorers and poets, has transformed itself in the space of a generation into the most rapidly growing and ~~reforming~~ region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

The Asia-Pacific region has become our largest and fastest growing trade partner. We conduct more than 300 billion dollars worth of two-way trade annually. Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. In everything from automobiles to microchips, from baseball to Australian rules football, our ties of mutual interest grow and flourish.

↑ INSERT #1

A few years ago, it was a cliché to refer to the 20th Century as the American Century and the 21st as the Pacific Century. I don't have a crystal ball, but I'm willing to bet that the 21st Century will take a somewhat different form. I predict that America will remain the world's greatest economic, political, military and moral power, but that the nations of the Asia Pacific region, <sup>having risen with our help,</sup> will stand at our side, as equal partners and bold proponents of democracy and freedom.

Of course, one cannot describe the Asia-Pacific region as a simple, homogeneous unit. This vast and varied portion of the globe, which runs from Mongolia to Australia, from Japan to Iran, embraces incredibly diverse cultures, and its political systems run the gamut from modern democracy to Stalinist gerontocracy.

We'd be here forever if I tried to tick off our interests and activities, country-by-country, so I won't subject you to that exercise. Instead, I will talk about the three central

issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse set of political and strategic alliances. Our custom-made agreements tie the region together, and provide a strong foundation for future security.

Let me give you a few examples. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members worked together to forge a Cambodian peace process that promises free elections in a nation the previously settled leadership disputes through tyranny and genocide. <sup>^</sup> INSERT #2

The government of South Korea has moved quietly to build better ties with its neighbor to the North, while also <sup>^</sup> contributing to efforts to make North Korea adhere to vital <sup>INSERT #3</sup> Nuclear Nonproliferation Treaty provisions. Ultimately, both Koreas must agree to prohibit the existence of weapons-grade nuclear material in either nation. And we welcome bilateral efforts among the Japanese, Soviets, Chinese and Koreans to reach *help reduce tension arising from North Korea's ~~nuclear~~ unsafeguarded nuclear program.* an acceptable accommodation. Until that time, however, we will retain a significant military presence in the South. *to deter aggression.*

We have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperated on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace. [I reiterate/tonight my support for Japan's quest to regain/control of the Northern Territories.] <sup>^</sup> INSERT #4

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in host nation contributions each year. Japan contributed nearly 13 billion dollars to the multinational forces <sup>for</sup> [during] the Gulf War, 10 billion dollars of which went to the United States. ↗ INSERT #5

Australia [long has been a close and trustworthy ally, in ← INSERT #6 conflicts ranging from the world wars to the gulf.] It also has contributed to regional peace and stability.

[ And bilateral military relations with Japan, Australia, South Korea, the Philippines and Thailand will remain a key in ensuring future peace in the region. ] } REPLACE # WITH INSERT #7

Generally speaking, peace has broken out all over Asia and the Pacific. Sino-Soviet and Sino-Vietnamese tensions have waned. The Soviets have established relations with South Korea, and both Koreas have joined the United Nations. Democracy has begun to take its first <sup>brave</sup> [uncertain] steps in Mongolia, and Cambodia sees the prospect of peace.

While we must adjust our force structure in the region to reflect post Cold War realities, we must not ignore the fact that important tensions <sup>also</sup> remain: in <sup>North</sup> Korea; in Burma, where socialist despotism holds sway; <sup>Aung San Suu Kyi</sup> in China and other communist regimes that resist the worldwide movement toward <sup>political pluralism</sup> [democracy], and in some cases lend comfort, support and even [arms] to our [enemies].

*dangerous weapons                      adversaries*

We ~~[should have]~~ learned in the Gulf that we cannot always anticipate potential sources of future trouble. We shall try to retain the flexibility and credibility necessary to defend our vital interests. ~~[At the same time, we will not overstay our welcome.]~~ <sup>INSERT #8.</sup>

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept portions of Asia, much as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Others have accepted the challenge of democracy, some nations taking tentative first steps; others, <sup>building</sup> [standing on the verge of] full-fledged pluralism. These include politics <sup>as diverse as</sup> Cambodia, Laos, Malaysia, Micronesia, <sup>the</sup> Philippines, Singapore, South Korea, and Taiwan. <sup>Hong Kong</sup>

The United States will support democracy wherever it can, understanding that nations <sup>(OMB)</sup> ~~must~~ adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, we have entered an era of justified optimism. The future seems full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in stable, free society: economic prosperity.

As I noted at the outset, the Asia-Pacific region has become an exciting source of innovation and growth. No nation can ignore the incredible vitality of this region -- or afford to.

The United States will remain engaged with the Asia Pacific because we must -- and because we want to.

Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade -- because our fates are linked forever.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic

*The Asian Pacific Economic Cooperation group also encourages growth by trade*  
 isolationism. Japan continues to play a leadership role, as does Australia, the leader of the Cairns group <sup>of agricultural exporters</sup>.

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, especially among those who seem more interested in finding scapegoats than in <sup>carrying out</sup> ~~thinking about~~ constructive economic reform. Some in Japan have become equally scornful of the United States, much to the chagrin of their fellow citizens.

The fact is that Japan, which half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. We continue working with our Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in

Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have <sup>helped lower barriers</sup> led to a series of internal adjustments that help move us toward an era of free trade. <sup>to trade and investment, but we still must press for new liberalization commitments</sup> These talks must be reinvigorated.

<sup>promise for promoting</sup> growth and trade, and has my full support. <sup>Cooperation forum</sup> [Council] ~~[also encourages]~~ has great

The United States can no more afford to close its doors to the Asia Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty. <sup>INSERT #9</sup>

INSERT #10 >

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. ~~We place a higher tax on capital gains than any other industrialized economy.~~ <sup>(Not true - Treasury)</sup>

We subject our own entrepreneurs to incredible pressure. <sup>-- Our tax on capital gains is among the highest</sup> Our allies want us to unchain American dreamers -- and in the industrialized world. <sup>(DoTne)</sup>

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while also cultivating the seeds of economic growth.

We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime. <sup>^, INSERT # 11</sup>

And perhaps most important of all, <sup>human capital.</sup> we have an obligation ~~to ourselves and our children~~ <sup>(GWB)</sup> ~~to create schools that will prepare~~ <sup>the increasing competitive challenges of the 21st Century.</sup> ~~future generations for [life in the 21st Century].~~ The integrated global economy will demand more of us than it ever has before, and we must create schools that meet that challenge.

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become. <sup>INSERT # 12</sup>

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization;

Security cooperation;

A shared commitment to democracy and human rights;

Educational and scientific innovation;

Respect for the environment;

And an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while forging a common culture and mission. <sup>↑ INSERT # 13.</sup>

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

Today, we enjoy unprecedented growth of Asian minorities within America, and immigrants from every island and land in Asia have enriched all our lives. Our administration is proud to have more Asian-Americans than any previous administration, and two women of Asian descent serve in top administration positions: Elaine Chou, <sup>a (Lame)</sup> as director of the Peace Corps, and Pat Saiki, the administrator of the Small Business Administration.

America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight

to build a world united in its determination to help men and women make the most of themselves.

INSERT #14 >

I look forward to traveling soon to Asia, to advance these important principles, and to create work opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. ^ In that way lies national suicide and international chaos. INSERT #15

We tried isolationism once, and ~~[it enabled]~~ two world wars to ~~[erupt]~~. <sup>save civilization</sup> <sup>we ended up fighting</sup>

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. If we try to shrink into an isolationist cocoon, we will invite poverty and war. As President, I will continue building ties with our allies, because those ties ultimately mean peace at home and jobs for American men and women. ^ INSERT #16

When we engage in trade and culture, we embrace the excitement of the age. We learn more about ourselves and our planet, and we make more of both.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. Every American interested in building a more secure, prosperous, nation <sup>and enlightened</sup> applauds you. I certainly do -- and I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #

## INSERTS TO ASIA SOCIETY SPEECH

- #1. Two-thirds of American growth in the past xx years has been in foreign trade, one-half of that in Asia. We must grow, and we must be there.
- #2. This promise of peace is at the same time the closing chapter of the Indochina conflict. We envision normal relations with Vietnam if our concerns about Cambodia and MIA's are met. Today, I am announcing that United States relations with Laos will be upgraded to the level of ambassador. The healing continues.
- #3. [while also] boldly challenging the North to abandon its nuclear weapons program -- a burgeoning threat that I consider a challenge to peace in the region. We have made our own efforts to evoke cooperation.
- #4. Increasingly, Japan is a leader in many fields of endeavor. Japan is a welcome partner in global leadership.
- #5. This was not an easy decision for Japan, it meant renewed taxes on the people, but Japan chose the right course to support the coalition against aggression.
- #6. [Australia], too, has a strong role, casting a shadow far larger than its population and size would suggest. Faithful to democracy, it is also finding its destiny -- more a link to Asia and the Pacific than ever.
- #7. A diversity of military relations including bilateral alliances, access agreements, and Five-Power defense arrangements in Southeast Asia, provides flexible means to ensure future peace in the region.
- #8. Our armed forces are reshaping themselves, and slimming down to better fit the times.
- #9. We seek no trade blocs, no barriers, but a vibrant trading whole, from North America across the Pacific and throughout Asia.
- #10. To succeed in Asia, business must be there in Asia for the long haul. To be there for the long haul, investments must be longer term. For investments to be longer, we need a long term equity capital gains tax cut. That is a vital ingredient for American success in the Pacific.
- #11. American banks used to be number 1, 2, and 3 in the world, today over regulation constrains them. This must change.

- #12. [This would be an appropriate place to announce new competitive scholarships for hard sciences and engineering if this initiative is ready.]
- #13. Today's Asia-Pacific community is assuming steadily greater roles in our society. Indian-American physicians, Chinese-American physicists, Japanese-American/Philippine-American.... I could go on, but you know better than I. These Americans are our national treasure and they are us.
- #14. The environment is a particular focus of my administration and Asia, especially Southeast Asia, is rich in tropical forests with the attendant biodiversity. Rapid economic growth has had an impact, sometimes too negative on the environment in Asia. Resources must be protected but also used in a sustainable fashion for economic development. This is something in which America can and will be an active partner.
- #15. That is the way that some of my "vocal critics" would really have us go.
- #16. There is no choice, we have but one destiny in this world, and it is linked to Asia and the Pacific no less than to Atlanta and Seattle or to New York and Los Angeles.

THE WHITE HOUSE

WASHINGTON

November 8, 1991

MEMORANDUM FOR TONY SNOW

FROM: STEPHEN G. RADEMAKER <sup>SR</sup>  
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: The Asia Society

Pursuant to Phil Brady's request, Counsel's Office has reviewed the above-referenced matter and has no objection to the proposed presidential remarks.

cc: Phillip D. Brady

# WHITE HOUSE STAFFING MEMORANDUM

31 NOV 8 All: 38



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BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH <i>N/C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN <i>talked to cm</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY <i>N/C maker 5026</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
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REMARKS:

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RESPONSE:

PHILLIP D. BRADY  
Assistant to the President  
and Staff Secretary  
Ext. 2702

31 NOV 8 A10:53

Snow/Nix  
Asia  
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And bilateral military relations with Japan, Australia, South Korea, the Philippines and Thailand will remain a key in ensuring future peace in the region.

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We should have learned in the Gulf that we cannot always anticipate potential sources of future trouble. We shall try to retain the flexibility and credibility necessary to defend our vital interests. At the same time, we will not overstay our welcome.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept portions of Asia, much as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Others have accepted the challenge of democracy, some nations taking tentative first steps; others, standing on the verge of full-fledged pluralism. These include Cambodia, Laos, Malaysia, Micronesia, the Philippines, Singapore, South Korea, and Taiwan.

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Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic isolationism. Japan continues to play a leadership role, as does Australia, the leader of the Cairns group.

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Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

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And perhaps most important of all, we have an obligation to ourselves and our children to create schools that will prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and we must create schools that meet that challenge.

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Progressive trade liberalization;

Security cooperation;

A shared commitment to democracy and human rights;

Educational and scientific innovation;

Respect for the environment;

And an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while forging a common culture and mission.

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

Today, we enjoy unprecedented growth of Asian minorities within America, and immigrants from every island and land in Asia have enriched all our lives. Our administration is proud to have more Asian-Americans than any previous administration, and two women of Asian descent serve in top administration positions: Elaine Chou, as director of the Peace Corps, and Pat Saiki, the administrator of the Small Business Administration.

America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight

to build a world united in its determination to help men and women make the most of themselves.

I look forward to traveling soon to Asia, to advance these important principles, and to create work opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. In that way lies national suicide and international chaos.

We tried isolationism once, and it enabled two world wars to erupt.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. If we try to shrink into an isolationist cocoon, we will invite poverty and war. As President, I will continue building ties with our allies, because those ties ultimately mean peace at home and jobs for American men and women.

When we engage in trade and culture, we embrace the excitement of the age. We learn more about ourselves and our planet, and we make more of both.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. Every American interested in building a more secure, prosperous nation applauds you. I certainly do -- and I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #



### THE SITUATION ROOM

PRECEDENCE: IMMEDIATE  
PRIORITY  
ROUTINE

RELEASER: LSJ

DTG: 081612Z

MESSAGE NO. 19 CLASSIFICATION UNCLAS PAGES 12

FROM PHIL BRADY'S OFFICE/WH X2702  
(Name) (Phone Number) (Room No.)

MESSAGE DESCRIPTION PROPOSED REMARKS FOR THE ASIA SOCIETY

<u>TO (Agency)</u>	<u>DELIVER TO:</u>	<u>DEPT/ROOM NO.</u>	<u>PHONE NUMBER</u>
<u>Florence Gantt for General Scowcroft/</u>	<u>Brady</u>	<u>the Hague</u>	
<u>Fran Wessel for Phil Brady/</u>	<u>"</u>		
<u>David Demarest/</u>	<u>"</u>		
<u>Marlin Fitzwater/</u>	<u>"</u>		
<u>Sig Rogich/</u>	<u>"</u>		
<u>Tim McBride/</u>	<u>"</u>		
<u>Bill Farish/</u>	<u>"</u>		

REMARKS \_\_\_\_\_

The attached speech has been staffed to your office. Comments are due by 3:00 p.m., TODAY, FRIDAY, NOV. 8.

## WHITE HOUSE STAFFING MEMORANDUM

DATE: 11/8/91 ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 11/8/91 3:00pm

PRESIDENTIAL REMARKS: THE ASIA SOCIETY  
NEW YORK - TUESDAY, NOV. 12 - 7:30 p.m.

SUBJECT: \_\_\_\_\_

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 3:00 p.m., TODAY, FRIDAY, NOV. 8, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY  
 Assistant to the President  
 and Staff Secretary  
 Ext. 2702

Snow/Nix

Asia

Draft One

November 7, 1991

31 NOV 8 AIO: 53

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:30 P.M.

[INTRODUCTORY ACKNOWLEDGMENTS]

As you know, I have just returned from a trip to Rome and the Hague. There, I worked and other Western leaders worked to build a post Cold-War world characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk about those same topics tonight, but with the accent on Asia. Although much of this nation's heritage comes from Europe, our future points equally toward Asia.

Asia, once a mystical destination for explorers and poets, has transformed itself in the space of a generation into the most rapidly growing and reforming region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

The Asia-Pacific region has become our largest and fastest growing trade partner. We conduct more than 300 billion dollars worth of two-way trade annually. Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. In everything from automobiles to microchips, from baseball to Australian rules football, our ties of mutual interest grow and flourish.

A few years ago, it was a cliché to refer to the 20th Century as the American Century and the 21st as the Pacific Century. I don't have a crystal ball, but I'm willing to bet that the 21st Century will take a somewhat different form. I predict that America will remain the world's greatest economic, political, military and moral power, but that the nations of the Asia Pacific region will stand at our side, as equal partners and bold proponents of democracy and freedom.

Of course, one cannot describe the Asia-Pacific region as a simple, homogeneous unit. This vast and varied portion of the globe, which runs from Mongolia to Australia, from Japan to Iran, embraces incredibly diverse cultures, and its political systems run the gamut from modern democracy to Stalinist gerontocracy.

We'd be here forever if I tried to tick off our interests and activities, country-by-country, so I won't subject you to that exercise. Instead, I will talk about the three central

issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse set of political and strategic alliances. Our custom-made agreements tie the region together, and provide a strong foundation for future security.

Let me give you a few examples. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members worked together to forge a Cambodian peace process that promises free elections in a nation the previously settled leadership disputes through tyranny and genocide.

The government of South Korea has moved quietly to build better ties with its neighbor to the North, while also contributing to efforts to make North Korea adhere to vital Nuclear Nonproliferation Treaty provisions. Ultimately, both Koreas must agree to prohibit the existence of weapons-grade nuclear material in either nation. And we welcome bilateral efforts among the Japanese, Soviets, Chinese and Koreans to reach an acceptable accommodation. Until that time, however, we will retain a significant military presence in the South.

We have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperated on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace. I reiterate tonight my support for Japan's quest to regain control of the Northern Territories.

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in host nation contributions each year. Japan contributed nearly 13 billion dollars to the multinational forces during the Gulf War, 10 billion dollars of which went to the United States.

Australia long has been a close and trustworthy ally, in conflicts ranging from the world wars to the gulf. It also has contributed to regional peace and stability.

And bilateral military relations with Japan, Australia, South Korea, the Philippines and Thailand will remain a key in ensuring future peace in the region.

Generally speaking, peace has broken out all over Asia and the Pacific. Sino-Soviet and Sino-Vietnamese tensions have waned. The Soviets have established relations with South Korea, and both Koreas have joined the United Nations. Democracy has begun to take its first uncertain steps in Mongolia, and Cambodia sees the prospect of peace.

While we must adjust our force structure in the region to reflect post Cold War realities, we must not ignore the fact that important tensions remain: in Korea; in Burma, where socialist despotism holds sway; in China and other communist regimes that resist the worldwide movement toward democracy, and in some cases lend comfort, support and even arms to our enemies.

We should have learned in the Gulf that we cannot always anticipate potential sources of future trouble. We shall try to retain the flexibility and credibility necessary to defend our vital interests. At the same time, we will not overstay our welcome.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept portions of Asia, much as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Others have accepted the challenge of democracy, some nations taking tentative first steps; others, standing on the verge of full-fledged pluralism. These include Cambodia, Laos, Malaysia, Micronesia, the Philippines, Singapore, South Korea, and Taiwan.

The United States will support democracy wherever it can, understanding that nations must adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, we have entered an era of justified optimism. The future seems full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in stable, free society: economic prosperity.

As I noted at the outset, the Asia-Pacific region has become an exciting source of innovation and growth. No nation can ignore the incredible vitality of this region -- or afford to.

The United States will remain engaged with the Asia Pacific because we must -- and because we want to.

Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic isolationism. Japan continues to play a leadership role, as does Australia, the leader of the Cairns group.

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, especially among those who seem more interested in finding scapegoats than in thinking about constructive economic reform. Some in Japan have become equally scornful of the United States, much to the chagrin of their fellow citizens.

The fact is that Japan, which half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. We continue working with our Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in

Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have led to a series of internal adjustments that help move us toward an era of free trade. The Asia Pacific Economic Council also encourages growth and trade.

The United States can no more afford to close its doors to the Asia Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty.

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We place a higher tax on capital gains than any other industrialized economy. We subject our own entrepreneurs to incredible pressure. Our allies want us to unchain American dreamers -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while also cultivating the seeds of economic growth.

We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime.

And perhaps most important of all, we have an obligation to ourselves and our children to create schools that will prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and we must create schools that meet that challenge.

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become.

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization;

Security cooperation;

A shared commitment to democracy and human rights;

Educational and scientific innovation;

Respect for the environment;

And an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while forging a common culture and mission.

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to build a world united in its determination to help men and women make the most of themselves.

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We tried isolationism once, and it enabled two world wars to erupt.

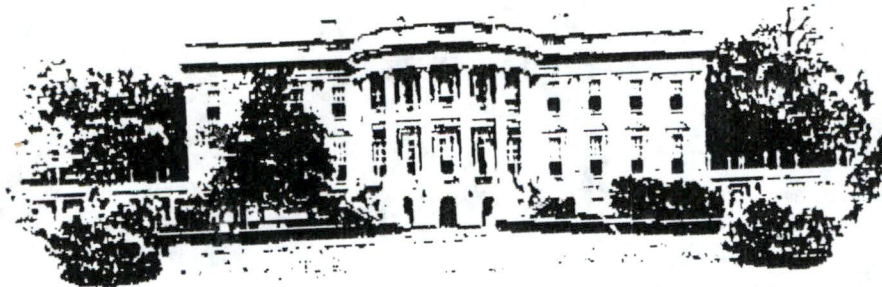
We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. If we try to shrink into an isolationist cocoon, we will invite poverty and war. As President, I will continue building ties with our allies, because those ties ultimately mean peace at home and jobs for American men and women.

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I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. Every American interested in building a more secure, prosperous nation applauds you. I certainly do -- and I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #



8 NOV 91 1:0

THE SITUATION ROOM

PRECEDENCE: IMMEDIATE  
**PRIORITY**  
ROUTINE

RELEASER: *J. Kelly*

DTG: 081807Z

MESSAGE NO. 26 CLASSIFICATION UNCLAS PAGES 3

FROM JOHN GARDNER/ WH X2702  
(Name) (Phone Number) (Room No.)

MESSAGE DESCRIPTION Comments on Asia Society Speech

TO (Agency)	DELIVER TO:	DEPT/ROOM NO.	PHONE NUMBER
<u>Phil Brady/</u>	<u>The Hague</u>		

REMARKS

Phil:  
Thought you might be interested in reading my comments on the speech; show them to David if you agree. John

THE WHITE HOUSE  
WASHINGTON

November 8, 1991

MEMORANDUM FOR TONY SNOW

FROM: John S. Gardner *JSG*  
SUBJECT: Asia Society Speech

I know how much you've been under the gun; I hope you'll find these comments more constructive than critical. They're not so much stylistic as factual or offering suggestions for shortening the speech.

Page 1, para. 2, line 3: I'd delete "and reforming." First, Latin America probably deserves the honor. Second, what's happening in Asian economies is not so much reform -- many of these countries already have free market systems, and anyway, the Japanese are not reforming as fast as we'd like.

Page 2, para 3, line 3: Why define the end of Asia as Iran? We don't have diplomatic relations, mentioning the country will attract notice, and I think Iran is covered under the Near East and South Asia Bureau of State. Pakistan would be better.

Page 3, third full para., last sentence: Do we really want to imply that we will stay in Korea only until "an acceptable accommodation" has been reached? Maybe, as was the case in Germany, the Koreans would want us to stay afterwards. I'd either delete or defer to NSC on a rewrite.

Page 4, first para.: I'm not sure about these numbers. First, was Japan's contribution to the US \$10b or \$9b? Second, the money was not all paid "during the Gulf War." As I recall, Japan pledged \$9b, paid \$8.1b because the yen's value had shifted that much between pledge and payment, and agreed to make up the difference after the war, in funding for Kurdish refugee relief.

Page 4, third para.: This could be deleted since it substantially repeats the first full para. on p. 3. Perhaps the countries could be individually named there.

Page 4, fourth para.: Is "uncertain" the right adjective for Mongolia? We're about to sign permanent MFN treatment, and Congress recently passed a hortatory resolution (pretty unusual) commending Mongolia's transition to democracy.

Page 4, fifth para.: Would it be a good idea to mention Aung San suu Kyi in passing?

Page 5, second para.: The list of countries could cause a lot of reaction:

Say what one will, Malaysia, South Korea, and Taiwan, and Singapore all have functioning multi-party democracies. South Korea and Malaysia come closest to Western standards: elections in South Korea are free and fair, even if parties give out free blankets and the like to voters. Malaysia has problems of its own, like occasionally enthusiastic enforcement of its Internal Security Act, but their elections are free; in the last election, the Muslim opposition won Kelantan State, and opposition parties also won a few years ago in Sarawak (the party was later accepted into the National Front). Moreover, elections within the ruling coalition are free, as witnessed by the close challenge Razaleigh gave to PM Mahathir.

In Taiwan, the opposition Democratic Progressive Party and elections are unquestionably free; the problem is that the government restricts the DPP from openly advocating Taiwanese independence (China has pledged to invade if Taiwan ever declared itself independent). Singapore's case is a little different. Elections are free (the PAP's vote share declined in the last election), but the opposition is restricted (the only opposition MP a few years ago was fined and prohibited from standing for Parliament) and has real problems with press freedom.

Most serious, though, are the characterizations of Micronesia and the Philippines. In the past, the Philippines may have resembled Cook County on a bad day, but under the 1986 Constitution, it is a truly democratic society. The countries of Micronesia have Compacts of Free Association with the US. Their citizens fought under our flag in Desert Storm. They have working State and Federal Governments. The political situation in Palau is a mess, but how are these countries not democracies?

Sorry for giving you all this, but I wanted you to know why I think this, as written, is such a problem. I think one really can draw a distinction between the existence of some fraud in elections and a government's willingness to have free and open multi-party elections. I would either delete everything in the para. after "Vietnam" or leave in the next sentence but rewrite to say something like "others, joining enthusiastically in the great movement towards democracy around the world." Some of these countries really are giving it their best shot.

Page 6, para. 2, last sentence: I'd change to "Japan must continue to"; haven't they been a little less forthcoming than they could be in the Uruguay Round?

Pages 7-8: I do understand what you're trying to do here and generally sympathize. That having been said, I'd take out most of what's here for reasons of space. We'll have plenty of chances to talk about competitiveness, etc., but here, doing so would come at the cost of talking about Asia -- and I don't think that would be well received either with this audience or in Asia.

In particular, I don't understand the sentence that "Our allies want us to unchain American dreamers." This leaves us open to the charge that we develop products but Japan markets them. (Not true, but that's a widely held perception.)

Second, I would delete the paragraph on the budget. It is criticism of the US, and I'm also unclear what kind of a signal it would send to Japanese financial markets and creditors of the deficit.

One final comment: Neither India nor Indonesia is not mentioned. I defer to NSC on the former, but if the Society is oriented more towards East Asia, Indonesia probably should be mentioned. It is the world's fifth largest country in terms of population and an important regional power and power in the Non-Aligned Movement; this is the year of the Festival of Indonesia; Indonesia was important in the Cambodian settlement; and at one point, the President did plan to go there.

A few other minor comments are marked on the draft.

Thanks.

# WHITE HOUSE STAFFING MEMORANDUM

91 NOV 8 4:15



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DATE: 11/8/91 ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 11/8/91 3:00pm

PRESIDENTIAL REMARKS: THE ASIA SOCIETY  
NEW YORK - TUESDAY, NOV. 12 - 7:30 p.m.

SUBJECT: \_\_\_\_\_

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
<del>DARMAN</del>	<del><input checked="" type="checkbox"/></del>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 3:00 p.m., TODAY, FRIDAY, NOV. 8, with a copy to this office. Thank you.

RESPONSE:

*See comments*

PHILLIP D. BRADY  
Assistant to the President  
and Staff Secretary  
Ext. 2702

01 NOV 8 AIO: 53

Snow/Nix  
Asia  
Draft One  
November 7, 1991

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:30 P.M.

[INTRODUCTORY ACKNOWLEDGMENTS]

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While we must adjust our force structure in the region to reflect post Cold War realities, we must not ignore the fact that important tensions remain: in Korea; in Burma, where socialist despotism holds sway; in China and other communist regimes that resist the worldwide movement toward democracy, and in some cases lend comfort, support and even arms to our enemies.

We should have learned in the Gulf that we cannot always anticipate potential sources of future trouble. We shall try to retain the flexibility and credibility necessary to defend our vital interests. At the same time, we will not overstay our welcome.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept portions of Asia, much as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Others have accepted the challenge of democracy, some nations taking tentative first steps; others, standing on the verge of full-fledged pluralism. These include Cambodia, Laos, Malaysia, Micronesia, the Philippines, Singapore, South Korea, and Taiwan.

The United States will support democracy wherever it can, understanding that nations ~~must~~ adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, we have entered an era of justified optimism. The future seems full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in stable, free society: economic prosperity.

As I noted at the outset, the Asia-Pacific region has become an exciting source of innovation and growth. No nation can ignore the incredible vitality of this region -- or afford to.

Howard  
1/4/65

The United States will remain engaged with the Asia Pacific because we must -- and because we want to.

Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic isolationism. Japan continues to play a leadership role, as does Australia, the leader of the Cairns group.

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, especially among those who seem more interested in finding scapegoats than in thinking about constructive economic reform. Some in Japan have become equally scornful of the United States, much to the chagrin of their fellow citizens.

The fact is that Japan, which half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. We continue working with our Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in

Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have led to a series of internal adjustments that help move us toward an era of free trade. The Asia Pacific Economic Council also encourages growth and trade.

The United States can no more afford to close its doors to the Asia Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty.

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We place a higher tax on capital gains than any other industrialized economy. We subject our own entrepreneurs to incredible pressure. Our allies want us to unchain American dreamers -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while also cultivating the seeds of economic growth.

We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime.

And perhaps most important of all, we have an obligation to ~~ourselves and our children~~ to create schools that will prepare ~~future generations~~ for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and we must create schools that meet that challenge.

Scully  
X5178

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become.

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization;

Security cooperation;

A shared commitment to democracy and human rights;

Educational and scientific innovation;

Respect for the environment;

And an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while forging a common culture and mission.

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

Today, we enjoy unprecedented growth of Asian minorities within America, and immigrants from every island and land in Asia have enriched all our lives. Our administration is proud to have more Asian-Americans than any previous administration, and two women of Asian descent serve in top administration positions: Elaine Chou<sup>a</sup>, as director of the Peace Corps, and Pat Saiki, the administrator of the Small Business Administration. ✓

America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight

to build a world united in its determination to help men and women make the most of themselves.

I look forward to traveling soon to Asia, to advance these important principles, and to create work opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. In that way lies national suicide and international chaos.

We tried isolationism once, and it enabled two world wars to erupt.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. If we try to shrink into an isolationist cocoon, we will invite poverty and war. As President, I will continue building ties with our allies, because those ties ultimately mean peace at home and jobs for American men and women.

When we engage in trade and culture, we embrace the excitement of the age. We learn more about ourselves and our planet, and we make more of both.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. Every American interested in building a more secure, prosperous nation applauds you. I certainly do -- and I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #

THE WHITE HOUSE

WASHINGTON

November 8, 1991

91 NOV 12 AM 9:31

MEMORANDUM FOR TONY SNOW

FROM: ROGER B. PORTER *RBP*  
SUBJECT: Asia Society Speech

Thank you for the opportunity to comment on the Asia Society speech. Attached are suggested inserts designed mainly to link the Administration's international agenda with U.S. economic interests. Additional comments are also provided on the attached marked-up version of the speech.

cc: Phillip D. Brady

## Comments

1. Page 1. Strike last sentence and insert the following:

One of America's great strengths is its diversity. People came here from every part of the world. They believed, and I believe, in the American dream -- of economic and political freedom that allows men and women to make better lives for themselves and for their children.

While much of this nation's heritage is European, the United States has drawn equal strength from Asia. Emigrants from China and Japan came first -- to what they called the "Gold Mountain." In the last decade, this country has experienced new waves of immigration from India, Korea, the Philippines, and Vietnam. In all parts of American life, Asian-Americans have distinguished themselves by their commitment to education, their belief in the family, and their willingness to work hard.

This dynamism, which we have seen first-hand in our own country, is also reflected in Asia's astounding record of economic development over the last decade.

2. Page two. Add to first paragraph.

Insert # 2:

-- U.S. trans-Pacific trade surpassed our trans-Atlantic trade ten years ago. It is now one-third greater.

-- The Federal Aviation Administration now projects that by 1993 trans-Pacific trade will exceed trans-Atlantic travel on a passenger-mile basis."

A few years ago, a lot of so-called experts were saying that America was in decline, and that protectionism was the answer. Let's look at the facts.

-- Over the last five years, U.S. manufactured exports to East Asia have grown by 150 percent, making the the fastest growing region in the world for our exports.

-- In 1990, thirty percent of U.S. exports went to East Asia, while less than 25 percent of our exports went to the European Community.

-- Asia is the largest customer in the world for American farm products."

Insert # 3:

"These investments have created American jobs and built American factories."

3. Page 3. Strike second and third paragraphs and insert #4:

"The world is changing. We have experienced a revolution. In Eastern Europe, Asia, Latin America, and now Africa, the old dictatorships are being thrown out, replaced by democracy and free markets. These are true revolutions of the people against old and stale ideologies that have left them without freedom and without hope.

Today, more than ever, it is important for the United States to lead. In this century, Americans have fought and died to create a world where democracy and freedom would prevail. Now, the goal that they sacrificed for is in sight.

And the world is changing in other ways. With the expansion of trade and global markets, our prosperity is tied closely to the international economy.

- In 1990, for example, nearly 90 percent of U.S. economic growth was attributable to exports.
- During last five years, exports have accounted for over one-third of U.S. economic growth. Nearly seven million U.S. jobs are tied to exporting.
- In 1990, foreign investment in U.S. companies accounted for nearly 3.7 million American jobs, or about 8 percent of U.S. manufacturing jobs. These jobs paid about \$112 billion in U.S. wages.

In short, we have a huge stake in our partnership with Asia. This partnership affects the livelihoods of many Americans. It is an important part of the economic health of our nation.

page 6. Insert #5:

Last week, EC President Delors and I agreed on the vital importance of an Uruguay Round agreement. I am committed to opening new markets for American goods and farm products, and creating more American jobs.

# WHITE HOUSE STAFFING MEMORANDUM



DATE: 11/8/91 ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 11/8/91 3:00pm

PRESIDENTIAL REMARKS: THE ASIA SOCIETY  
NEW YORK - TUESDAY, NOV. 12 - 7:30 p.m.

SUBJECT: \_\_\_\_\_

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PETERSMEYER	<input type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BRADY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BROMLEY	<input type="checkbox"/>	<input type="checkbox"/>	SMITH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BOSKIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MCBRIDE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HOLIDAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 3:00 p.m., TODAY, FRIDAY, NOV. 8, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY  
Assistant to the President  
and Staff Secretary  
Ext. 2702

Snow/Nix  
Asia  
Draft One  
November 7, 1991

31 NOV 8 AIO: 53

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:30 P.M.

[INTRODUCTORY ACKNOWLEDGMENTS]

As you know, I have just returned from a trip to Rome and the Hague. There, I worked and other Western leaders worked to build a post Cold-War world characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk about those same topics tonight, but with the accent on Asia. ~~Although much of this nation's heritage comes from Europe, our future points equally toward Asia.~~ *insert #1*

Asia, once a mystical destination for explorers and poets, has transformed itself in the space of a generation into the most rapidly growing and reforming region on the face of the earth. Asia-Pacific nations enjoyed <sup>STRONG</sup> ~~staggering~~ real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

The Asia-Pacific region has become our largest and fastest growing trade partner. We conduct more than 300 billion dollars worth of two-way trade annually. <sup>insert #2</sup> Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. <sup>insert #3</sup> In everything from automobiles to microchips, from baseball to Australian rules football, our ties of mutual interest grow and flourish.

<sup>insert #4</sup> A few years ago, it was a cliché to refer to the 20th Century as the American Century and the 21st as the Pacific Century. I don't have a crystal ball, but I'm willing to bet that the 21st Century will take a somewhat different form. I predict that America will remain the world's greatest economic, political, military and moral power, but that the nations of the Asia Pacific region will stand at our side, as equal partners and bold proponents of democracy and freedom.

Of course, one cannot describe the Asia-Pacific region as a simple, homogeneous unit. This vast and varied portion of the globe, which runs from Mongolia to Australia, from Japan to Iran, embraces incredibly diverse cultures, and its political systems run the gamut from modern democracy to Stalinist gerontocracy.

We'd be here forever if I tried to tick off our interests and activities, country-by-country, so I won't subject you to that exercise. Instead, I will talk about the three central

issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse set of political and strategic alliances. Our custom-made agreements tie the region together, and provide a strong foundation for future security.

Let me give you a few examples. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members worked together to forge a Cambodian peace process that promises free elections in a nation the previously settled leadership disputes through tyranny and genocide.

The government of South Korea has moved quietly to build better ties with its neighbor to the North, while also contributing to efforts to make North Korea adhere to vital Nuclear Nonproliferation Treaty provisions. Ultimately, both Koreas must agree to prohibit the existence of weapons-grade nuclear material in either nation. And we welcome bilateral efforts among the Japanese, Soviets, Chinese and Koreans to reach an acceptable accommodation. Until that time, however, we will retain a significant military presence in the South.

We have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We also cooperated on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace. I reiterate tonight my support for Japan's quest to regain control of the Northern Territories.

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in host nation contributions each year. Japan contributed nearly 13 billion dollars to the multinational forces during the Gulf War, 10 billion dollars of which went to the United States.

Australia long has been a close and trustworthy ally, in conflicts ranging from the world wars to the gulf. It also has contributed to regional peace and stability.

And bilateral military relations with Japan, Australia, South Korea, the Philippines and Thailand will remain a key in ensuring future peace in the region.

Generally speaking, peace has broken out all over Asia and the Pacific. Sino-Soviet and Sino-Vietnamese tensions have waned. The Soviets have established relations with South Korea, and both Koreas have joined the United Nations. Democracy has begun to take its first uncertain steps in Mongolia, and Cambodia sees the prospect of peace.

While we must adjust our force structure in the region to reflect post Cold War realities, we must not ignore the fact that important tensions remain: in Korea; in Burma, where socialist despotism holds sway; in China and other communist regimes that resist the worldwide movement toward democracy, and in some cases lend comfort, support and even arms to our enemies.

We should have learned in the Gulf that we cannot always anticipate ~~potential~~ sources of future trouble. We shall try to retain the flexibility and credibility necessary to defend our vital interests. At the same time, we will not overstay our welcome.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept portions of Asia, much as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Others have accepted the challenge of democracy, some nations taking tentative first steps; others, standing on the verge of full-fledged pluralism. These include Cambodia, Laos, Malaysia, Micronesia, the Philippines, Singapore, South Korea, and Taiwan.

The United States will support democracy wherever it can, understanding that nations must adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, we have entered an era of justified optimism. The future seems full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in stable, free society: economic prosperity.

As I noted at the outset, the Asia-Pacific region has become an exciting source of innovation and growth. ~~No nation can ignore~~ <sup>benefits the entire</sup> ~~the~~ ~~incredible~~ ~~vitality~~ ~~of~~ ~~this~~ ~~region~~ ~~or~~ ~~afford~~ ~~to~~.  
*world economy.*

The United States will remain engaged with the Asia Pacific because we must -- and because we want to.

Yes, we <sup>sometimes</sup> disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade.

~~Contrary to the opinions of some in this country, free trade requires efforts by all parties involved.~~ The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic isolationism. Japan continues to play a leadership role, as does Australia, the leader of the Cairns group. *insert*

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, especially among those who seem more interested in finding scapegoats than in thinking about constructive economic reform. Some in Japan have become equally scornful of the United States, much to the chagrin of their fellow citizens.

The fact is that Japan, which half a century ago <sup>was our bitter</sup> ~~became a focal point of American hatred,~~ <sup>enemy</sup> has become one of our closest and most treasured allies. We continue working with our Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. ~~I especially look forward to spending time with my old friend,~~

*Japan's new* Prime Minister Miyazawa ~~—significantly,~~ <sup>is</sup> a man steeped in

*my old friend Kiichi*

This future could be even more spectacular through cooperative efforts to curb the environmental side-effects of economic growth.

7

Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have led to a series of internal adjustments that help move us toward an era of *more open markets and diminished friction.* free trade. The Asia Pacific Economic Council ~~also~~ encourages growth and trade. *throughout the region.*

The United States can no more afford to close its doors to the Asia Pacific ~~Region~~ than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future. *But* only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty. *freedom.*

*we will reach for this future*

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We place a higher tax on capital gains than any other industrialized economy. We subject our own entrepreneurs to incredible pressure. Our allies want us to unchain American dreamers -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while also cultivating the seeds of economic growth.

We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime.

And perhaps most important of all, we have an obligation to ourselves and our children to create schools that will prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and we must create schools that meet that challenge.

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become.

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization;

Security cooperation;

A shared commitment to democracy and human rights;

Educational and scientific innovation;

~~Concern~~  
Respect for the environment;

And an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while forging a common culture and mission.

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

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America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight

to build a world united in its determination to help men and women make the most of themselves.

I look forward to traveling soon to Asia, to advance these important principles, and to create work opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. In that way lies national ~~suicide~~ <sup>stagnation</sup> and international chaos.

We tried isolationism once, and it enabled two world wars to erupt.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. If we try to shrink into an isolationist cocoon, we will invite poverty and war. As President, I will continue building ties with our allies, because those ties ultimately mean peace at home and jobs for American men and women.

When we engage in trade <sup>of both goods and ideas</sup> and ~~culture~~, we embrace the excitement of the age. We learn more about ourselves and our planet, and we make more of both.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. Every American interested in building a more secure, prosperous nation applauds you. I certainly do -- and I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the  
United States of America.

# # # #

*Moore*

The United States will remain engaged with the Asia Pacific because we must -- and because we want to.

Yes, we disagree on important trade issues, but the key players in the region have committed themselves to the cause of free and fair trade.

Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The General Agreement on Tariffs and Trade remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism, which is nothing more than economic

*the Asian Pacific Economic Cooperation Group also encourages growth and trade from p7)*

isolationism. [Japan continues to play a leadership role, as does Australia, the leader of the Cairns group.]

*Delete Japan is not playing leadership role.*

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, especially among those who seem more interested in finding scapegoats than in thinking about constructive economic reform. Some in Japan have become equally scornful of the United States, much to the chagrin of their fellow citizens.

The fact is that Japan, which half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. We continue working with our Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in

*Telecom*

Progress has been made in the U.S.-Japan Structural Impediments Initiative in reducing barriers to trade and investment, but new liberalization commitments are needed.

Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

[Our Structural Impediments Initiative talks have led to a series of internal adjustments that help move us toward an era of free trade.] [The Asia Pacific Economic Council also encourages growth and trade.]

*Moved to page 6*

The United States can no more afford to close its doors to the Asia Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride and take up the tough, rewarding task of promoting worldwide economic liberty. *This means that each of us needs to open our trade and financial markets.*

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We place a higher tax on capital gains than any other industrialized economy. We subject our own entrepreneurs to incredible pressure. Our allies want us to unchain American dreamers -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions within our own country. We must take purposeful action to reduce that deficit, while also cultivating the seeds of economic growth.

*Initiate*

THE WHITE HOUSE  
WASHINGTON

November 8, 1991

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST  
FROM: TONY SNOW **TS**  
SUBJECT: ASIA SOCIETY DINNER

I. SUMMARY

On Tuesday, November 12, at 7:35 p.m., at the Waldorf-Astoria in New York City, you will deliver remarks (20 minutes, on prompter) to an audience of approximately 800 people at the Asia Society's 1991-92 Annual Dinner. The audience will consist primarily of business leaders, scholars, and diplomats. You will be introduced by Asia Society chairman and former Deputy Secretary of State John Whitehead.

II. DISCUSSION

Your remarks highlight the future of U.S.-Asia relations and assert our continued commitment to the Asia-Pacific region. In particular, you offer reassurances regarding matters of trade, security and democracy.

Snow/Nix  
Asia  
Draft Two  
November 8, 1991

PRESIDENTIAL ADDRESS: THE ASIA SOCIETY  
WALDORF-ASTORIA HOTEL  
NEW YORK, NEW YORK  
TUESDAY, NOVEMBER 12, 1991  
7:35 P.M.

*Defensive begin:  
see P. 10 PP  
(ASTA)*

[INTRODUCTORY ACKNOWLEDGMENTS -- Chairman John Whitehead and wife, Nancy; President Robert Oxnam; and Vice Chairman Peter Aaron]

As you know, I have just returned from a trip to Rome and the Hague. There, I worked and other Western leaders worked to build a post Cold-War world characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk about those same topics tonight, but with the accent on Asia.

But first, for audiences here and in Asia, I think it's important to discuss once again why we will not travel to the region later this month. As President, I must serve the entire nation in the domestic and foreign arenas. Sometimes those obligations clash. Congress could not complete its work on schedule this year, forcing me to remain in Washington indefinitely -- and also forcing us to postpone our important trip to the Asia Pacific region.

Make no mistake, however: I will not turn my back on my responsibility to do the nation's business here and abroad, and

*no barrier  
between f+d policy  
(5)*

in times of economic pain, I certainly will not give up an opportunity to work with our allies to create new markets, new jobs and new opportunities for American workers. I will not surrender a chance to help our agricultural industries, our manufacturing industries and our service industries by building greater bonds of trade and commerce.

And I certainly will not permit us to retreat into a kind of Fortress America, which will doom us to irrelevance and poverty. I remain deeply committed to building closer ties with the Asia Pacific region. Although much of our Nation's heritage comes from Europe, our future points equally toward Asia.

Asia has transformed itself in the space of a generation into the most rapidly growing region on the face of the earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the Eighties: The Australian economy grew 41 percent; Japan's grew nearly 52 percent; Malaysia almost 60 percent; Hong Kong, 89 percent; Singapore, 93 percent; Taiwan, 116 percent and South Korea, 150 percent.

The Asia-Pacific region has become our largest and fastest growing trade partner. We conduct more than 300 billion dollars worth of two-way trade annually. Together, we generate nearly half the world's GNP. American firms have invested more than 61 billion dollars in the region, and that figure will grow. Asians have invested more than 95 billion dollars in the United States. In everything from automobiles to microchips, from baseball to

*Keep straight*  
*annual*  
*Make specific*  
*use comparisons (S)*  
*Regr Poster*

Australian rules football, our ties of mutual interest grow closer each day.

( A few years ago, it was a cliché to refer to the 20th Century as the American Century and the 21st as the Pacific Century. ) I don't have a crystal ball, but I'm willing to bet that the 21st Century will take a somewhat different form. I predict that America will remain the world's greatest economic, political, military and moral power. But at the same time the nations of the Asia Pacific region, having risen with our help, will join us as equal partners in building democracy and freedom.

We'd be here forever if I tried to tick off our interests and activities, country-by-country. So instead I will address the three central issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse set of political and strategic alliances. Our custom-made agreements provide a strong foundation for future security.

Let me give you a few examples. The ASEAN Nations, Japan, Australia and the U.N. Security Council's permanent members forged a Cambodian peace process that promises free elections in a nation previously rent by tyranny and genocide.

This promise of peace opens the final chapter of the Indochina conflict. We envision normal relations with Vietnam as soon as we resolve our concerns about Cambodia and the problem of POW/MIAs. Today, I am happy to announce that we will upgrade our relations with Laos. In an apt sign of the healing process

We are now eng. in a process of turning conflict in the C. which preoccup. the US for yrs. step-by-step into coop. Resolution of the Can. traq. began in Paris. We envision

Too anti-Asian (S)  
Am. will remain large + powerful  
Asia and = partner (S)

Patterns  
Cooperation  
arg. + relationships  
of we seek to build the peace  
recently

[

crowd  
lang

normal relations. w/ Viet. step-by-step  
as we resolve Cam. + the problem  
of POW-MIA's.

between America and Indochina, we soon will place an ambassador in Vientiane.

*Rep. of Korea*

The government of South Korea has moved quietly to build better ties with ~~its neighbor to the North~~, while boldly challenging the North to abandon its nuclear weapons program, which threatens regional peace.

*Last bad (S) guy, phrase*

We welcome ~~bilateral efforts among~~ the Japanese, Soviets, Chinese and Koreans ~~to reduce the tensions caused by~~ North Korea's unsafeguarded nuclear program, and we will continue our own efforts. But we also will deter aggression by maintaining a ~~significant~~ conventional military presence in the South.

*In laying the foundation of peace thru our global partnership,* we have worked closely with Japan in the area of foreign aid: we are the world's two foremost providers of such aid. We

also cooperate on matters of development assistance, environmental protection, trade, arms control, refugees and regional peace, and we certainly wish Japan well in its justified efforts to regain control of the Northern Territories.

*not Scowcroft (this is)*

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. ~~They have supported more than 50,000 U.S. military forces in Japan with 3 billion dollars in annual host nation contributions. Japan contributed nearly 13 billion dollars to the multinational forces for the Gulf War, 10 billion dollars of which went to the United States. This required new taxes, but Japan chose the right course in supporting the coalition against aggression.~~

*(S)*

*In Japan are supported + it was not easy Japan deserves praise for doing so. Important relationships with China that we must stay involved. That's how we can encourage positive change*

To the South,

5

Australia casts a shadow far larger than its population and size would suggest. It always ~~has served~~ <sup>take pride</sup> as a trustworthy ally and defender of democracy, and it increasingly serves as an indispensable (link to Asia and the Pacific.) <sup>pol., civ., + econ presence</sup> ~~throughout~~ <sup>throughout</sup> the Pacific.

We can help ensure future peace in the region and defend our interests through a range of military arrangements. <sup>A mix of</sup> ~~Bilateral~~ <sup>such as</sup> alliances, access agreements and Five-Power defense arrangements ~~give us the flexibility we need.~~ <sup>our allies + friends</sup>

While we must adjust our force structure in the region to reflect post Cold-War realities, ~~we must not ignore the important~~ <sup>Let us not forget that sources of instab.</sup> ~~tensions that remain:~~ <sup>we are not less committed to the</sup> in Korea; in Burma, where <sup>a kind of</sup> socialist <sup>protection of our</sup> ~~despotism holds sway,~~ <sup>allies + interests</sup> despite the heroic efforts of freedom <sup>there (or in Asia)</sup> fighters like Nobel Laureate Aung San Suu Kyi; in China and other communist regimes that resist the worldwide movement toward political pluralism -- and that sometimes lend comfort, support and even dangerous weapons to <sup>PROLIFERATION</sup> ~~our adversaries.~~

<sup>Engage in proliferation of</sup> Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept across Asia, just as it has liberated other previously enslaved parts of our world. I have mentioned some of the exceptions: Burma, China, North Korea, Vietnam. Many, many others have accepted democracy's call.

The United States will support democracy wherever it can, understanding that nations adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, the future seems full of hope, and

even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

This brings us to the third focal point, and a crucial ingredient in a stable, free society: economic prosperity.

No nation can ignore the incredible vitality of this region -- or afford to. The United States will remain engaged with the Asia-Pacific because we must -- and because we want to. Yes, we disagree on <sup>some</sup> important trade issues, but the key players in the region <sup>are necessarily</sup> ~~have committed themselves~~ to the cause of free and fair trade because our fates have become inextricably linked.

*Be more specific* -- Contrary to the opinions of some in this country, free trade requires efforts by all parties involved. The Asia-Pacific Economic Cooperation Group encourages growth and trade. The Uruguay Round of GATT talks remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism. We call upon Japan <sup>and Korea</sup> to work with us in breaking down old barriers to trade and opening up markets in manufacturing, services and agriculture -- for all our benefit.

Too often, trade disputes bring out the worst in people. Japan-bashing has become a minor sport in the United States, and some in Japan have become equally scornful of the United States. Both our nations must reject those who would rather seek scapegoats than <sup>resolve their own problems</sup> ~~pursue lasting prosperity~~.

The fact is that Japan, which nearly half a century ago became a focal point of American <sup>animosity (?)</sup> hatred, has become one of our closest and most treasured allies. We continue working with our

Japanese allies to open agricultural, financial and manufacturing markets, and in creating opportunities for businesses of both nations. I especially look forward to spending time with my old friend, Prime Minister Miyazawa -- significantly, a man steeped in Western and Eastern culture, and superbly equipped to build bridges of culture and trade between our two great Nations.

Our Structural Impediments Initiative talks have helped lower barriers to trade and investment, but we need to give those talks new life *and advance the cause of liberalization.* *Create a better climate in Jap. for US Bus.*

The United States can no more afford to close its doors to the Asia-Pacific Region than Asian nations can afford to close their doors to us. Our regions have become the most powerful engines for economic growth on earth. Together, we can build an even more prosperous and spectacular future -- but only if we set aside petty pride *small political concerns* and take up the tough, rewarding task of promoting worldwide economic liberty. We seek no trade blocs; we oppose new trade barriers. We seek a vibrant international economic system that unites markets on every continent.

We in the United States also must take a hard look at ourselves and pursue measures to improve our own economy. We levy an unacceptably high effective tax rate on capital gains. We subject our own entrepreneurs to incredible pressure. Our allies want *delite* us to unchain our innovators -- and so do I.

We run an enormous and growing budget deficit, which seems to serve no greater purpose than to inflame political divisions

*Compare cap gains with Asian countries*

*visit Kaifu*

within our own country. We must take purposeful action to reduce that deficit, while nourishing the seeds of economic growth.

*to compete internationally*  
 We must modernize our banking industry; strengthen the competitiveness of our industrial base. We must work with our allies to build a stable and sound monetary regime.

And perhaps most important of all, we must build human capital. We have an obligation to prepare future generations for life in the 21st Century. The integrated global economy will demand more of us than it ever has before, and our schools must meet that challenge.

We have seen in recent years that technological change can do much more than make our lives more comfortable. It can sweep away the debris of totalitarianism, and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communications. We may carp about what we see on the evening news, but information media have done more to destroy despotism than weapons ever could. No nation can import high-tech conveniences but shut off information and ideas. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons.

As we compete with our allies in this area, we must remember that information feeds intellect, and the better our children's educational preparation, the freer this world will become.

Let me close today by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region:

Progressive trade liberalization / Security cooperation /  
A shared commitment to democracy and human rights / Educational  
and scientific innovation / Respect for the environment / And an  
appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. We have grown great because we have welcomed people from every continent and country, and we have tried to make use of their distinct talents, while constructing a common culture.

As children, many of us traced our fingers along a globe, to distant lands our ancestors called home. We felt special then, feeling part of two worlds -- one, of an old and important culture; the other, the American life of freedom and opportunity.

Today, our Asian population is growing more rapidly than any other, and immigrants from every Asian island and country have enriched all our lives. Our Administration is proud to have more Asian-Americans than any previous administration, and two women of Asian descent serve in top administration positions: Elaine Chao, as director of the Peace Corps, and Pat Saiki, the administrator of the Small Business Administration.

America's genius lies in its openness, its tolerance, and its diversity. Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our

Asian friends even greater ties of trade and culture. We will teach them, and they shall teach us. And together, we will fight to build a world united in its determination to help men and women make the most of themselves.

P.1  
I look forward to traveling soon to Asia, to advance these important principles, and to ~~create work~~ <sup>expand market</sup> opportunities for tens of thousands of American workers and businesses. The notion that we can separate domestic and foreign policy rests upon the stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. In that way lies national ~~suicide~~ <sup>stagnation</sup> and international chaos.

We tried isolationism once, and we ended up fighting two bloody world wars.

We tried economic isolationism -- protectionism -- and we helped set off a worldwide depression. As President, I will continue building ties with our allies, because those ties mean peace at home and jobs for American men and women.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity and understanding. I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you. May God bless our Asian-Pacific friends and the United States of America.

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