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THE SINGAPORE LECTURE
WESTIN STAMFORD HOTEL
JANUARY 4, 1991
1 P.M.

PRIME MINISTER GOH, SENIOR MINISTER LEE, THANK YOU FOR THAT VERY KIND INTRODUCTION. LET ME TAKE THIS OPPORTUNITY TO SAY A FEW WORDS ABOUT THESE TWO GENTLEMEN.

MINISTER LEE, A QUARTER CENTURY AGO, YOU LED THIS SMALL ISLAND OF CULTURAL AND ETHNIC DIVERSITY, OF LIMITED PHYSICAL RESOURCES, TO INDEPENDENCE. THEN, THROUGH YOUR VISION AND YOUR FORCE OF INTELLECT AND WILL, YOU FORGED SINGAPORE'S NATIONHOOD. YOU STOOD COURAGEOUSLY IN A LIFE AND DEATH STRUGGLE AGAINST THE COMMUNISTS -- AND YOU PREVAILED. YOU LED YOUR NATION AND YOUR REGION IN THE QUEST FOR PEACE AND PROSPERITY. FUTURE GENERATIONS WILL HONOR THE NAME OF LEE KWAN YEW. AND AS YOU KNOW WELL FROM YOUR VISITS TO MY HOME IN KENNEBUNKPORT, I AM PLEASED TO KNOW YOU AS A FRIEND.

PRIME MINISTER GOH, I SALUTE YOU FOR YOUR WISDOM AND YOUR VIGOR IN CARRYING SINGAPORE FORWARD ON ITS PATH TO THE FUTURE. I PLEDGE AMERICA'S STEADFAST FRIENDSHIP AS YOU LEAD SINGAPORE IN FACING THE CHALLENGES OF THE COMING GENERATION. AND I AM ALSO PLEASED THAT YOU, LIKE MANY OF YOUR COUNTRYMEN, CAME TO MY COUNTRY FOR PART OF YOUR EDUCATION. THESE, TOO, ARE TIES THAT BIND US TOGETHER.

IT'S AN HONOR TO DELIVER THIS LECTURE, FOLLOWING SUCH ACCOMPLISHED LEADERS AS BRIAN MULRONEY, HELMUT SCHMIDT, RUDD LUBBERS, BOB HAWKE, MAHATHIR BIN MOHAMAD AND VALERY GISCARD D'ESTAING AND SUCH DISTINGUISHED THINKERS AS HENRY KISSINGER AND MILTON FRIEDMAN. AND LET ME ACKNOWLEDGE: A. V. LIVENTALS [CHAIRMAN, MOBIL OIL SINGAPORE], LEE HEE SENG [DEPUTY CHAIRMAN AND BOARD OF TRUSTEES, ISEAS], AND DR. RICHARD HU [CHAIRMAN, MONETARY AUTHORITY OF SINGAPORE AND FINANCE MINISTER].

THE ADDRESSES IN THIS SERIES REFLECT THE CHANGES IN OUR WORLD. YOUR FIRST LECTURERS FOCUSED ON THE IDEOLOGICAL AND MILITARY STRUGGLE BETWEEN SOCIALISM AND DEMOCRATIC CAPITALISM -- AND ESPECIALLY BETWEEN THE UNITED STATES AND WHAT WE USED TO CALL THE SOVIET UNION.

THINK OF THAT PHRASE FOR A MOMENT -- "WHAT WE USED TO CALL THE SOVIET UNION." WHEN CITIZENS PULLED DOWN THE HAMMER AND SICKLE TEN DAYS AGO, AND HAULED UP A NEW TRICOLOR OF FREEDOM OVER THE KREMLIN, THE SOVIET UNION CEASED TO EXIST -- AND THE PROSPECT OF A NEW WORLD OPENED BEFORE US.

THAT ACT CULMINATED A DECADE OF LIBERATION -- A TIME IN WHICH WE WITNESSED THE DEATH THROES OF TOTALITARIANISM, AND THE TRIUMPH OF SYSTEMS OF GOVERNMENT DEVOTED TO INDIVIDUAL LIBERTY, DEMOCRATIC PLURALISM, FREE MARKETS AND INTERNATIONAL ENGAGEMENT.

AS THIS STRUGGLE HAS DRAWN TO A CLOSE, THESE LECTURES HAVE SHIFTED THEIR FOCUS FROM MILITARY CONFRONTATION TO MATTERS OF ECONOMIC COOPERATION.

OUR NEW WORLD HAS LITTLE USE FOR OLD WAYS OF THINKING ABOUT THE ROLES AND RELATIONS OF NATION-STATES. THE COLD WAR CATEGORIES -- NORTH-SOUTH, EAST-WEST, CAPITALIST-COMMUNIST -- NO LONGER APPLY. THE FUTURE SIMPLY BELONGS TO NATIONS THAT CAN REMAIN ON THE CUTTING EDGE OF INNOVATION AND INFORMATION; NATIONS THAT CAN DEVELOP THE GENIUS AND HARNESS THE ASPIRATIONS OF THEIR PEOPLE.

INDIVIDUALS WIELD POWER AS NEVER BEFORE. AN INNOVATOR EQUIPPED WITH IDEAS AND THE FREEDOM TO TURN THEM INTO INVENTIONS CAN CHANGE THE WAY WE LIVE AND THINK. GOVERNMENTS THAT STRIVE ONLY TO MAINTAIN A MONOPOLY OF POWER, RATHER THAN TO STRENGTHEN THE FREEDOM OF THE INDIVIDUAL, WILL FALL BY THE WAYSIDE, SWEEPED AWAY BY THE TIDES OF INNOVATION AND ENTREPRENEURSHIP.

LIBERATING TECHNOLOGIES -- TELEPHONES, COMPUTERS, FACSIMILE MACHINES, SATELLITE DISHES AND OTHER DEVICES THAT TRANSMIT NEWS, INFORMATION AND CULTURE IN EVER GREATER VOLUMES AND AT EVER GREATER SPEEDS -- HAVE DISABLED THE WEAPONS OF TYRANNY.

THE OLD WORLD OF SPLINTERED REGIONS AND IDEOLOGIES HAS BEGUN TO GIVE WAY TO A GLOBAL VILLAGE UNIVERSALLY COMMITTED TO THE VALUES OF INDIVIDUAL LIBERTY, DEMOCRACY, AND FREE TRADE -- AND UNIVERSALLY OPPOSED TO TYRANNY AND AGGRESSION.

IF WE ARE TO REALIZE THE OPPORTUNITIES OF THIS NEW ERA, WE MUST ADDRESS THREE INTERTWINED CHALLENGES: THE NEW REQUIREMENTS OF PEACE AND SECURITY, THE CHALLENGE OF PROMOTING DEMOCRACY, AND THE CHALLENGE OF GENERATING GREATER ECONOMIC GROWTH AND PROSPERITY AROUND THE WORLD.

CONSIDER FIRST THE CHALLENGE OF PEACE AND SECURITY. THE WORLD HAS LEARNED -- THROUGH TWO WORLD WARS, AND MOST RECENTLY, THROUGH SADDAM HUSSEIN'S NAKED AGGRESSION -- THAT THE DOGS OF WAR CAN BE UNLEASHED ANY TIME WOULD-BE AGGRESSORS DOUBT THE COMMITMENT OF THE POWERFUL TO THE SECURITY OF THE POWERLESS.

AS A NATION THAT STRADDLES TWO GREAT OCEANS -- A NATION TEMPERED BY PAINFUL WARTIME EXPERIENCE -- THE UNITED STATES REMAINS COMMITTED TO ENGAGEMENT IN THE ATLANTIC COMMUNITY AND THE ASIA PACIFIC REGION -- AND WE ARE UNALTERABLY OPPOSED TO ISOLATIONISM. THAT'S MY VOW TO YOU, AS LONG AS I AM PRESIDENT.

A QUARTER CENTURY AGO, MANY FEARED THAT FREE NATIONS WOULD FALL LIKE DOMINOES TO THE SUBVERSION OF COMMUNISM. NOW, WE CAN SAY WITH PRIDE AND A ROBUST SENSE OF IRONY THAT THE TOTALITARIAN POWERS -- THE POWERS THAT FOMENTED CONFLICT THE WORLD OVER -- HAVE BECOME THE DOMINOES OF THE 1990'S.

THIS END TO THE COLD WAR GIVES THE UNITED STATES AN OPPORTUNITY TO RESTRUCTURE ITS MILITARY. BUT I WANT TO ASSURE YOU AND ALL OF OUR MANY FRIENDS IN THIS PART OF THE WORLD, THAT THE CLOSING OF BASES IN THE PHILIPPINES WILL NOT SPELL THE END TO AMERICAN ENGAGEMENT. WE WILL MAINTAIN A VISIBLE, CREDIBLE PRESENCE IN THE ASIA-PACIFIC REGION WITH OUR FORWARD DEPLOYED FORCES, AND THROUGH BILATERAL DEFENSE ARRANGEMENTS WITH NATIONS OF THE REGION.

THAT IS WHY I AM PLEASED TO ANNOUNCE THAT THIS MORNING THE UNITED STATES HAS REACHED AGREEMENT WITH THE GOVERNMENT OF SINGAPORE TO EXPLORE IN DETAIL HOW WE CAN TRANSFER A NAVAL LOGISTICS FACILITY FROM SUBIC BAY IN THE PHILLIPINES TO SINGAPORE IN THE NEXT YEAR. WE APPRECIATE SINGAPORE'S FAR-SIGHTED APPROACH TO THE SECURITY REQUIREMENTS OF A NEW ERA.

THE UNITED STATES DOES NOT MAINTAIN OUR SECURITY PRESENCE AS AN ACT OF CHARITY. YOUR SECURITY AND PROSPERITY SERVE OUR INTERESTS BECAUSE YOU CAN BETTER HELP BUILD A MORE STABLE, MORE PROSPEROUS WORLD. AN UNSTABLE ASIA BURDENED WITH REPRESSION DOES NOT SERVE OUR INTERESTS. NOR DOES AN ASIA MIRED IN POVERTY AND DESPAIR. WE NEED YOU AS FREE AND PRODUCTIVE AS YOU CAN BE, AND WE UNDERSTAND THAT OUR SECURITY PRESENCE CAN PROVIDE A FOUNDATION FOR OUR MUTUAL PROSPERITY AND SHARED DEFENSE.

BUT WE ALSO NEED YOUR SUPPORT IN ADDRESSING THE NEW THREATS OF THIS NEW ERA -- REGIONAL CONFLICTS AND WEAPONS PROLIFERATION. SO I AM PLEASED THAT THE ASEAN NATIONS ARE WORKING WITH US TO CRAFT NEW AND FLEXIBLE ARRANGEMENTS TO ENSURE THE COMMON DEFENSE. ACCESS AGREEMENTS AND INCREASED ASEAN-US DIALOGUE CAN HELP US WORK COOPERATIVELY TO PROMOTE STABILITY IN THIS REGION. BY WORKING COOPERATIVELY, WE BETTER SHARE THE SECURITY RESPONSIBILITIES OF THE POST-COLD WAR ERA.

STRONG, CREDIBLE SECURITY AGREEMENTS ENABLE US TO MEET THE SECOND CHALLENGE, THE CHALLENGE OF DEMOCRACY -- A CHALLENGE OF SHARED INTERESTS AND IDEALS.

AGAIN, ASEAN IS HELPING TO SPREAD POSITIVE POLITICAL CHANGE, IN WAYS THAT REFLECT THE VALUES, ASPIRATIONS, AND CULTURES OF THE NATIONS IN THIS REGION. ASEAN IS TRYING TO HELP THE FORMER COMMUNIST STATES IN INDOCHINA REINTEGRATE THEMSELVES IN A WORLD THAT RESPECTS FREE MARKETS AND FREE PEOPLE. THOSE EFFORTS ARE STARTING TO PRODUCE HOPEFUL RESULTS.

JUST A FEW WEEKS AGO AMERICAN DIPLOMATS ARRIVED IN PHNOM PENH FOR THE FIRST TIME IN 16 YEARS. WE OWE THAT BREAKTHROUGH TO YEARS OF EFFORT BY MANY NATIONS. BUT, THE CAMBODIAN PEACE ACCORD SIGNED BY SECRETARY BAKER IN PARIS LAST OCTOBER COULD NOT HAVE EXISTED WITHOUT THE HELP AND COOPERATION OF ASEAN. THIS HISTORIC AGREEMENT OFFERS THE VERY REAL HOPE OF NATIONAL RECONCILIATION TO THE LONG-SUFFERING PEOPLE OF CAMBODIA. ADDITIONALLY, WHEN THE PARIS CONFERENCE AGREED ON A PEACE SETTLEMENT FOR CAMBODIA, MY GOVERNMENT OFFERED TO REMOVE OUR TRADE EMBARGO AS THE UN ADVANCE MISSION BEGAN TO IMPLEMENT THE SETTLEMENT. TODAY I AM PLEASED TO ANNOUNCE THE LIFTING OF THAT EMBARGO. WORKING WITH OTHERS, WE NEED TO TURN ATTENTION TO THE ECONOMIC RECONSTRUCTION OF THAT DEEPLY WOUNDED LAND, SO ITS NEW POLITICAL RECONCILIATION HAS A HOME FROM WHICH TO GROW.

WE ARE NOW NORMALIZING OUR TIES WITH LAOS AND HAVE BEGUN TO MOVE WITH VIETNAM ALONG A PATH MARKED BY IMPLEMENTATION OF THE PARIS ACCORDS, AND FOR THE SAKE OF MANY, MANY AMERICAN FAMILIES, THE SATISFACTORY RESOLUTION OF OUR CONCERNS ABOUT POW/MIA'S.

THE KEY POINT IS THIS: AFTER BEING STRONG, DETERMINED, AND PATIENT, WE FINALLY CAN ENTERTAIN REALISTIC HOPES OF BUILDING LASTING TIES OF INTEREST AND AFFECTION WITH INDOCHINA. ORGANIZATIONS SUCH AS ASEAN, WHICH PROMOTE SECURITY, MORE OPEN POLITICAL SYSTEMS, AND OPEN MARKETS, FORM THE BUILDING BLOCKS FOR WHAT I HAVE CALLED THE NEW WORLD ORDER.

THIS MOVEMENT TOWARD DEMOCRACY LEADS US TO THE THIRD CHALLENGE FOR THE FUTURE, THE CHALLENGE OF ECONOMIC GROWTH AND BUILDING A WORLD OF OPEN AND FAIR TRADE.

EVERYONE AGREES THAT POLITICAL RIVALRY AND MILITARY ADVENTURISM THREATEN INTERNATIONAL STABILITY. BUT NO ONE SHOULD DOUBT THAT ECONOMIC ISOLATIONISM -- PROTECTIONISM -- CAN BE AT LEAST AS THREATENING TO WORLD ORDER. THE PROTECTIONIST WARS OF THE 1920'S AND 1930'S DEEPENED THE GREAT DEPRESSION, AND SET IN MOTION CONFLICTS THAT HASTENED THE SECOND WORLD WAR.

ON THE OTHER HAND, DURING THE PAST HALF CENTURY, ENGAGEMENT AND TRADE HAVE PRODUCED UNPRECEDENTED PEACE AND PROSPERITY -- HERE, IN SINGAPORE; THROUGHOUT FREE ASIA; IN EUROPE AND THE UNITED STATES. THIS PROSPERITY ALSO HAS LED NATURALLY TO DEMOCRACY -- A FACT THAT ILLUSTRATES THE INDIVISIBLE RELATIONSHIP BETWEEN SECURITY, DEMOCRACY AND INDIVIDUAL LIBERTY.

THE UNITED STATES WILL REMAIN ENGAGED ECONOMICALLY, ESPECIALLY IN THIS PART OF THE WORLD. THE ASIAN-PACIFIC REGION HAS BECOME THE WORLD'S ECONOMIC DYNAMO. OUR TRADE WITH SINGAPORE HAS INCREASED TENFOLD DURING THE PAST 16 YEARS. WE NOW EXPORT MORE TO SINGAPORE THAN TO ITALY OR SPAIN; MORE TO INDONESIA THAN TO THE WHOLE OF EASTERN EUROPE. THE ECONOMIES HERE CONTINUE TO GROW AT AN ASTONISHING RATE, WHILE ENJOYING IMPRESSIVE INCOME EQUALITY AND GENERAL PROSPERITY.

THE ASEAN COUNTRIES, ALONG WITH OTHER NATIONS IN THE REGION, HELPED INITIATE THE ASIA-PACIFIC ECONOMIC COOPERATION PROCESS TWO YEARS AGO. APEC OFFERS A POWERFUL VEHICLE FOR SUSTAINING FREE, MARKET-BASED TRADE, FOR ADVANCING THE CAUSE OF REGIONAL AND GLOBAL TRADE LIBERALIZATION, AND FOR STRENGTHENING THE COHESION AND INTERDEPENDENCE OF THE ASIA-PACIFIC REGION.

THIS IS IMPORTANT TO US. MOST OF AMERICA'S RECENT ECONOMIC GROWTH HAS COME FROM EXPORT INDUSTRIES. EACH BILLION DOLLARS' WORTH OF U.S. EXPORTS SUPPORT MANY THOUSANDS OF GOOD AMERICAN JOBS.

A DELEGATION OF EXECUTIVES FROM MAJOR AMERICAN BUSINESSES -- FROM THE AUTOMOBILE INDUSTRY TO COMPUTER AND ELECTRONICS FIRMS, TO FOOD AND ENERGY COMPANIES -- HAS JOINED ME IN ORDER TO EXPRESS OUR NATIONAL COMMITMENT TO FREE AND FAIR TRADE. OUR EXECUTIVES WILL LEARN MORE ABOUT OPPORTUNITIES HERE, AND THEY WILL ALSO WORK TO HELP OTHER FIRMS COMPETE FAIRLY THROUGHOUT THE WORLD.

THE UNITED STATES IS TRYING TO ESTABLISH AN ECONOMIC OPERATING FRAMEWORK TO FACILITATE AND ENCOURAGE THESE TIES. THIS PAST OCTOBER WE AGREED TO A NEW TRADE AND INVESTMENT FRAMEWORK AGREEMENT WITH SINGAPORE. I PROPOSE THAT WE COMPLEMENT THAT AGREEMENT BY NEGOTIATING A BILATERAL INVESTMENT TREATY. WHEN COMBINED WITH OUR GLOBAL EFFORTS THROUGH GATT, AND OUR REGIONAL INITIATIVES THROUGH APEC, THIS COMPREHENSIVE APPROACH CAN ENABLE US TO MEET THE ECONOMIC CHALLENGES OF THE POST-COLD WAR ERA.

AMERICANS BELIEVE IN FREE AND OPEN TRADE. NATIONS CAN ACHIEVE ASTONISHING LEVELS OF PROSPERITY WHEN THEY EMBRACE THE CHALLENGE OF THE MARKETPLACE.

THE GENERAL AGREEMENT ON TARIFFS AND TRADE CAN PLAY AN ESPECIALLY CRUCIAL ROLE IN EXPANDING FREEDOM'S ECONOMIC FRONTIERS. THAT'S WHY ON EACH STOP OF THIS TRIP I'M CALLING FOR URGENT ACTION ON BEHALF OF THE INTERNATIONAL TRADING SYSTEM. I AM URGING THE WORLD'S TRADING NATIONS TO JOIN WITH US IN MAKING GATT DIRECTOR DUNKEL'S PROPOSED DRAFT AGREEMENT THE BASIS FOR A SUCCESSFUL CONCLUSION OF THE URUGUAY ROUND. WHILE ALL OF US HAVE PROBLEMS WITH PORTIONS OF THAT DRAFT, NONE OF US CAN AFFORD TO LET THE PROGRESS IT REPRESENTS SLIP AWAY. NOW IS THE MOMENT FOR A STRONG COLLECTIVE RESPONSE. I PARTICULARLY URGE THE DYNAMIC TRADING NATIONS OF THIS REGION TO HELP US TO CONVINCE ALL GATT PARTICIPANTS TO BUILD THE MOMENTUM TO ACHIEVE THIS AGREEMENT. A SUCCESSFUL CONCLUSION TO THE URUGUAY ROUND CAN PREPARE THE WAY FOR EVEN GREATER TRADE LIBERALIZATION IN YEARS TO COME -- AND GREATER PROSPERITY FOR EVERYONE.

GATT ENSURES THAT THE WORLD WILL CONTINUE MOVING TOWARD BROAD ECONOMIC INTEGRATION -- AND NOT TOWARD TRADE BLOCS. I DON'T HAVE TO POINT OUT TO AN AUDIENCE IN SINGAPORE THAT THERE'S A HUGE DIFFERENCE BETWEEN A FREE TRADE ZONE -- AN OASIS OF FREE TRADE -- AND A TRADE BLOC THAT ATTEMPTS TO HOLD THE REST OF THE WORLD AT BAY. WE RESOLUTELY OPPOSE EFFORTS TO CREATE ECONOMIC "FORTRESSES" -- ANYWHERE.

ON THE OTHER HAND, WE WHOLEHEARTEDLY ENDORSE FREE-TRADE AGREEMENTS. OUR NORTH AMERICAN FREE TRADE AGREEMENT WILL BECKON ALL NATIONS TO MAKE THE BEST OF THE RESOURCES AND OPPORTUNITIES THAT THE UNITED STATES, CANADA AND MEXICO HAVE TO OFFER. NAFTA IS NOT A THREAT TO ASIA. IT WOULD NOT ENCOURAGE THE DIVISION OF THE WORLD INTO TRADING BLOCS. INSTEAD, OUR INCREASED GROWTH CAN STIMULATE MORE TRADE WITH ASIA. AND WE SUPPORT EFFORTS TO BUILD FREE TRADE AGREEMENTS ELSEWHERE, INCLUDING AMONG THE ASEAN NATIONS.

CONSIDER YOUR OWN EXPERIENCE. A REGIME OF FREE TRADE HAS ENABLED SINGAPORE TO BECOME ONE OF THE FOUR TIGERS OF ASIA, AND ONE OF THE FASTEST DEVELOPING NATIONS ON EARTH. WHEN OTHER NATIONS' ECONOMIES FALTER, YOU SUFFER. THE WORLDWIDE ECONOMIC SLOWDOWN HAS SLOWED YOUR RATE OF ECONOMIC GROWTH THIS YEAR -- ALTHOUGH MOST NATIONS WOULD BE OVERJOYED TO SETTLE FOR SIX-PERCENT GROWTH. SINGAPORE HAS ONE OF THE MOST OPEN ECONOMIES ON EARTH, AND I APPRECIATE SINGAPORE'S LEADERSHIP IN PRESSING FOR EVEN GREATER MARKET FREEDOM AROUND THE WORLD.

BUT WE ALSO NEED TO CONSIDER THE FULL IMPORT OF ECONOMIC DEVELOPMENT. AN ECONOMY IS THE AGGREGATE OF WORK, INGENUITY AND OPTIMISM OF A NATION. THE TERM "ECONOMY" ENCOMPASSES WHAT MILLIONS OF PEOPLE DO WITH THEIR LIVES. THEREFORE, WHEN WE TALK ABOUT STRENGTHENING ECONOMIES, ABOUT GROWTH, ABOUT OPPORTUNITY, WE MEAN MUCH MORE THAN SIGNING TRADE PACTS. WE MEAN BUILDING BETTER LIVES FOR OUR PEOPLE.

AMERICANS UNDERSTAND THAT NO NATION WILL PROSPER LONG WITHOUT A FIRST-RATE EDUCATIONAL SYSTEM. I HAVE ENCOURAGED AMERICANS TO MOUNT A REVOLUTION IN EDUCATION, WHICH WE CALL THE AMERICA 2000 EDUCATION STRATEGY. AMERICA 2000 CHALLENGES CITIZENS TO SET HIGH STANDARDS FOR THEIR SCHOOLS, AND IT ENCOURAGES ALL AMERICANS TO JOIN FORCES IN CREATING WORLD-CLASS SCHOOLS. MEANWHILE, WE WILL CONTINUE TO STRENGTHEN OUR UNIVERSITY SYSTEM, THE WORLD'S FINEST -- AND THE HOST TODAY TO OVER 200,000 STUDENTS FROM ASIA. PERHAPS ONE MAY BE A FUTURE PRIME MINISTER. [[I AM CERTAIN SHE WILL BE A GOOD ONE.]] AND OUR APEC EDUCATIONAL PARTNERSHIP INITIATIVE IS SEEKING TO LINK THESE EDUCATIONAL TIES TO OUR MUTUAL ECONOMIC INTERESTS.

ONCE WE HAVE GIVEN STUDENTS BASIC SKILLS, WE MUST GIVE THEM THE FREEDOM TO MAKE THE MOST OF THE KNOWLEDGE THEY HAVE ACQUIRED. TAX CUTS AND DEREGULATION IN THE 1980'S HELPED UNLEASH THE GREATEST PEACETIME ECONOMIC RECOVERY IN AMERICAN HISTORY. WHILE IN MY COUNTRY REDUCING THE TAX ON CAPITAL GAINS IS CONTROVERSIAL, MOST OF OUR COMPETITORS IMPOSE VERY LOW TAXES ON CAPITAL GAINS. SOME, LIKE SINGAPORE, DON'T TAX CAPITAL GAINS AT ALL. WE CAN LEARN FROM YOU -- WE CAN CREATE A CLIMATE EVEN MORE CONDUCIVE TO RISK, TO INNOVATION, TO THE BOLD EXPLORATION OF NEW TECHNOLOGIES AND IDEAS -- AND I'M CONFIDENT THAT WE WILL.

BEYOND THAT, THE NATIONS OF THE WORLD WANT TO ENJOY THE BLESSINGS OF GROWTH WITHOUT DESTROYING THE ENVIRONMENT. YET WE NEED TO ACHIEVE ENVIRONMENTAL PROTECTION WITHOUT DENYING DEVELOPING NATIONS THE OPPORTUNITY TO DEVELOP. THE UNITED STATES HAS ENVIRONMENTAL EXPERTISE AND STATE-OF-THE-ART ENVIRONMENTAL TECHNOLOGY. THE ASIAN NATIONS HAVE ENVIRONMENTAL CHALLENGES.

I AM PLEASED TO ANNOUNCE TODAY THAT AID, THE US TRADE DEVELOPMENT PROGRAM, THE OVERSEAS PRIVATE INSURANCE CORPORATION, AND OUR EXIMBANK HAVE DEVELOPED A CREATIVE APPROACH IN PARTNERSHIP WITH THE REGION TO ADDRESS YOUR ENVIRONMENTAL CONCERNS WHILE PROMOTING THE EXPORT OF U.S. EQUIPMENT AND TECHNOLOGY. THIS WILL BE GOOD FOR ASIA'S ENVIRONMENT AND GOOD FOR AMERICAN JOBS.

IN CONCLUSION, THE NATIONS COMMITTED TO DEMOCRACY AND FREE MARKETS HAVE BROUGHT THE WORLD TO A NEW ERA, ONE THAT PROMISES UNPRECEDENTED FREEDOM FROM VIOLENCE AND DEPRIVATION. BUT THIS WORLD WILL NOT SIMPLY HAPPEN. IT WILL REQUIRE HARD WORK, TOUGH NEGOTIATION, SACRIFICE, AND THE COURAGE OF OUR CONVICTIONS. IF WE CAST OUR LOT WITH THE FORCES OF ENLIGHTENMENT AND FREEDOM OVER THE COUNSELS OF DEFEATISM AND IGNORANCE, WE WILL BUILD A BETTER WORLD -- A WORLD BOUND BY COMMON INTERESTS AND GOALS.

LIKE YOU, AMERICANS WANT A WORLD AT PEACE, ONE IN WHICH NO BLOOD MUST BE SHED FOR THE IDEALS WE ALL SHARE. SO WE WILL MAINTAIN A VIGOROUS SECURITY PRESENCE IN ORDER TO PREVENT DESPOTS AND TYRANTS FROM UNDERMINING THE TRIUMPHS OF FREEDOM AND DEMOCRACY.

LIKE YOU, AMERICANS WANT TO LIVE IN A WORLD ENRICHED AND ENLIVENED BY INTERNATIONAL TRADE -- IN GOODS, IN IDEAS, IN CULTURES, AND IN DREAMS FOR THE FUTURE. WE WANT THE OPPORTUNITY TO COMPETE AGGRESSIVELY IN THE INTERNATIONAL MARKETPLACE. AND AT THE SAME TIME OUR CONSUMERS WANT ACCESS TO THE BEST GOODS AND SERVICES THAT YOUR ECONOMIES HAVE TO OFFER. WE WANT TO LIVE IN A WORLD MADE BETTER BY THE GENIUS AND ACHIEVEMENT OF EVERY CULTURE. SO WE WILL ADVANCE THE PROSPECTS FOR MORE OPEN TRADE.

AND LIKE YOU, AMERICANS WANT A WORLD UNITED AND ENLIGHTENED BY FREEDOM AND JUSTICE, BY POLITICAL PLURALISM, AND BY THE UNIVERSAL COMMITMENT TO INDIVIDUAL LIBERTY AND PROSPERITY. SO WE WILL STAND FAST BY OUR PRINCIPLES -- AND REMAIN CONFIDENT, STRONG, AND VIGILANT.

SINCE 1784, WHEN AN AMERICAN TRADING SHIP, THE EMPRESS OF CHINA, SAILED FOR CANTON FROM NEW YORK, THE UNITED STATES HAS TRIED TO BUILD STRONG TIES OF COMMERCE WITH ASIA. WE REMAIN COMMITTED TO THAT VISION.

TOGETHER, THE UNITED STATES AND ITS ASIAN-PACIFIC ALLIES CAN BUILD A WORLD FILLED WITH ECONOMIC TIGERS -- NATIONS GROWING RAPIDLY; PIONEERING NEW INTELLECTUAL, COMMERCIAL AND CULTURAL TERRAIN; SPREADING THE BLESSINGS OF FREE MARKETS, DEMOCRACY AND PEACE. MY TRIP THROUGH ASIA THIS WEEK MARKS A NEW START. THE NEXT STEP IS UP TO US ALL.

THANK YOU AGAIN. MAY GOD BLESS YOU AND THE UNITED
STATES OF AMERICA.

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THE WHITE HOUSE
WASHINGTON

December 23, 1991

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST
FROM: TONY SNOW
SUBJECT: SINGAPORE LECTURE SERIES

I. SUMMARY

On Saturday, January 4, 1992, at 12:15 p.m. in the Raffles Ballroom of the Westin-Stamford Hotel, you will deliver remarks to approximately 2,500 Singaporean and American business leaders as part of the Singapore Lecture Series. You will be introduced by Senior Minister Lee Kuan Yew.

II. DISCUSSION

Your remarks (19 minutes, on prompter) focus on the progress and promising future of the Southeast Asia region -- and what that means for Americans and the region regarding matters of trade and international peace.

SNOW/NIX
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DRAFT THREE
December 27, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Goh, Senior Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series reflect the changes in our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." When citizens pulled down the hammer and sickle last week, and hauled up a new tricolor of freedom over the Kremlin, the Soviet Union ceased to exist -- and the prospect of a new world blossomed before us.

That act culminated a decade of liberation -- a time in which we witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement.

As this struggle has drawn to a close, these lectures have shifted their focus from military confrontation to matters of economic cooperation.

Today, we stand at the dawn of a new era in international relations -- an era filled with its own dangers and challenges, but bright with possibilities the likes of which we never have seen.

This world has little use for our old ways of thinking about the roles and relations of nation-states. The old categories -- North-South, East-West, capitalist-communist -- no longer apply. We define national power more in terms of economic and intellectual prowess than in terms of sheer military might. The future belongs not necessarily to the nations with the greatest armies, as to nations that can remain on the cutting edge of innovation and information; nations that can develop the genius and harness the ambitions of their people.

Individuals wield power as never before. An innovator equipped with ideas and the freedom to turn them into inventions can change the way we live and think. Governments that strive only to maintain a monopoly on force, rather than to strengthen the freedom and power of the individual, will fall by the wayside, swept away by entrepreneurial and intellectual tides.

Liberation technologies -- telephones, computers, satellite dishes and other devices that transmit news, information and culture in ever greater volumes and at ever greater speeds -- have disabled the old weapons of tyranny.

The old world of splintered regions and ideologies has begun to give way to a global village universally committed to the values of individual liberty, democracy, free trade, and universally opposed to aggression and tyranny.

This world poses three intertwined challenges: the challenge of peace and security, the challenge of democracy, and the challenge of market freedom.

Consider first the challenge of peace and security.

The world has learned -- through two world wars, and most recently, through Saddam Hussein's naked aggression -- that isolationism invites provocation and war.

As a nation that straddles two great oceans, the United States remains committed to engagement in the Atlantic Community and the Asia Pacific region -- and unalterably opposed to isolationism.

Engagement serves the interests of long-term peace. More than 58,000 Americans died in Vietnam. Tens of thousands of bear physical and psychological scars for their service. Although doubters of the age tried to demean their sacrifice, you understood their achievements. I know that many in Singapore argue that our engagement in Vietnam granted this nation a quarter century's head-start on its future.

A quarter century ago, we feared that free nations would fall like dominoes. Now, we can say with satisfaction, relief and a robust sense of irony that the totalitarian powers, the

powers that fomented war all over the globe, have become the dominoes of the 1990s.

This end to the Cold War gives the United States an opportunity to restructure its military. The closing of bases in the Philippines will not spell the end to American engagement. We will maintain a visible, credible presence in the Asia-Pacific region with our forward deployed forces, and through bilateral defense arrangements with nations of the region.

We don't maintain this presence out of charity. Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests. They will help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you as free and productive as you can be, and we understand that our security presence can provide a foundation for our mutual prosperity.

But we also need your support in devising arrangements that suit our mutual interests. I'm happy that the ASEAN nations have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US dialog about issues of mutual concern can help us work in harmony to promote stability in this region.

Strong, credible security agreements enable us to meet the second challenge, the challenge of democracy -- a challenge of shared interests and ideals.

Again, ASEAN has played a crucial role in spreading democracy, in ways that reflect the values, aspirations, and cultures of the nations in this region. ASEAN has worked hard to drag Burma away from the dark shadows of dictatorial tyranny; it has helped former communist states in Indochina to join a new order for the ages. I am happy to say that those efforts already have produced hopeful results.

Just a few weeks ago American diplomats arrived in Phnom Penh for the first time in 16 years. We owe that breakthrough to many of the nations represented here today.

By the same token, the Cambodian peace accord signed by Secretary Baker in Paris last October would not have existed without the help and cooperation of ASEAN. This historic agreement offers the very real hope of peace and freedom to the long-suffering people of Cambodia.

We have normalized our ties with Laos and have begun normalizing relations with Vietnam. With your help, we hope to resolve our remaining concerns with Vietnam -- the full implementation of the Paris Accords, and for the sake of many, many American families, the satisfactory resolution of our concerns about POW/MIAs.

The key point is this: We finally can entertain realistic hopes of building lasting ties of interest and affection with

Indochina. Organizations such as ASEAN, which promote security, democracy and open markets, form the building blocks for what I have called the New World Order.

This victory for democracy leads us to the third challenge for the future, the challenge of building a world of open and fair trade.

Everyone agrees that political and military isolationism threaten to destabilize the world. But no one should doubt that economic isolationism -- protectionism -- can be at least as devastating.

The protectionist wars of the 1920s and 1930s deepened the Great Depression, and set in motion conflicts that hastened the Second World War. The collapse of the international economic system enabled demagogues to sell the poisons of socialism and state control -- and to enslave whole nations for decades.

During the past half century, on the other hand, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. This prosperity also has led naturally to democracy -- a fact that illustrates the indivisible relationship between security, democracy and individual liberty.

Consider the recent history of China. Economic reforms in 1978 set off a decade of rapid economic growth -- with average annual growth rates of ten percent. This prosperity also fostered hopes of democracy -- hopes that were crushed brutally in Tienanmen Square. Since that horrifying moment, Chinese

democracy has suffered -- and so has the Chinese economy. This is only natural. People who fear for their futures aren't likely to engage in the kinds of activities -- hard work, savings, education, planning -- that keep an economy and a society moving.

In any event, the United States will remain engaged economically, especially in this part of the world. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate, while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

Our trade with Singapore has increased tenfold during the past 16 years. We exported more to Singapore last year than to Italy or Spain; more to Indonesia than to the whole of Eastern Europe. And our trade with ASEAN nations now approaches our total trade volume with Germany.

The ASEAN countries, along with other nations in the region, initiated the Asia-Pacific Economic Cooperation process two years ago. APEC offers a powerful vehicle for sustaining free, market-based trade, for advancing the cause of regional and global trade liberalization, and for strengthening the cohesion and interdependence of the Asia-Pacific region.

This is important to us. Most of America's recent economic growth has come from export industries. Each billion dollars' worth of merchandise exports can support more than 19,000 good

American jobs. Each billion dollars worth of agricultural exports can support more than 25,000 jobs.

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade. Our executives will learn more about trade opportunities here, and they will also work to help our companies compete fairly throughout the world.

But we should not think of economic development too narrowly. An economy is nothing more than the collected work, ingenuity and optimism of a nation. The term "economy," encompasses what millions of people do with their lives. Therefore, when we talk of strengthening economies, we mean much more than signing trade pacts. We mean building better lives for everyone through policies that make us more competitive in the international marketplace.

Americans understand that no nation will prosper long without a first-rate educational system. In recent years, our primary and secondary educational system has not kept pace with the world. I have encouraged Americans to mount a revolution in education, which we call the America 2000 Education Strategy. America 2000 challenges citizens to set high standards for their schools, and it encourages all Americans to join forces in creating world-class schools. Meanwhile, we will continue to strengthen our university system, the world's finest -- and the host today to 205,000 students from Asia.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

Above all, I believe in open and fair trade. Nations can achieve astonishing levels of prosperity when they submit themselves to the bracing competition of the marketplace. While

many countries maintain trade barriers for cultural or political reasons, those barriers make no more sense than the wall that once divided the city of Berlin.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. There's a huge difference between a free trade zone -- an oasis of free trade -- and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic "fortresses" -- anywhere.

On the other hand, we wholeheartedly endorse free-trade agreements. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer. And we support efforts to build free trade agreements elsewhere.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-

percent growth. Singapore has one of the most open economies on earth, and I appreciate Singapore's leadership in pressing for even greater market freedom around the world.

Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lot with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lot with the forces of freedom; we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

I know I have covered an enormous amount of ground in my talk. So let me describe in concrete terms what the United States seeks -- in its own interests -- from the new world we will build.

Americans want a world at peace, one in which no American will have to shed blood for the ideals we all share. Americans want to maintain a vigorous security presence in order to prevent despots from fomenting war, and to stall tyrants who want to roll back the triumphs of freedom and democracy.

Americans want to live in a world enriched and enlightened by international trade -- in goods, in ideas, in cultures, and in

dreams for the future. We want to live in a world made better by the geniuses and achievements of every culture.

Americans want the opportunity to compete aggressively in the international marketplace. Workers in Seattle and Seacaucus want the chance to compete for business in Singapore and beyond. At the same time American consumers want access to the best goods and services that your companies have to offer.

Americans want a world united and enlivened by free trade and fair trade; by a universal commitment to individual liberty, political pluralism, and greater individual prosperity and personal fulfillment.

Since 1784, when the Empress of China sailed for Canton from New York, the United States has tried to build strong ties of commerce with Asia, while working to prevent hegemonic powers from stalling freedom's progress. We remain committed to that vision.

Together, the United States and its Asian-Pacific allies can build a world filled with economic tigers -- nations growing rapidly; pioneering new intellectual, commercial and cultural terrain; spreading the blessings of liberty, democracy and free markets. My trip through Asia this week marks a start: The next step is up to us all.

Thank you again. May God bless you and the United States of America.

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DRAFT TWO
December 27, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Goh, Senior Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series reflect the changes in our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." When citizens pulled down the hammer and sickle last week, and hauled up a new tricolor of freedom over the Kremlin, the Soviet Union ceased to exist -- and the prospect of a new world blossomed before us.

That act culminated a decade of liberation -- a time in which we witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement.

As this struggle has drawn to a close, so has the focus of the Singapore Lectures. The talks have moved gradually away from military confrontation and toward matters of economic cooperation.

Today, we stand at the dawn of a new era in international relations -- an era filled with its own dangers and challenges, but bright with possibilities the likes of which we never have seen.

This world has little use for our old ways of thinking about the roles and relations of nation-states. The old categories -- North-South, East-West, capitalist-communist -- no longer apply. We define national power more in terms of economic and intellectual prowess than in terms of sheer military might. The future belongs not necessarily to the nations with the greatest armies, as to nations that can remain on the cutting edge of innovation and information; nations that can develop the genius and harness the ambitions of their people.

Individuals wield power as never before. An innovator equipped with ideas and the freedom to turn them into inventions can change the way we live and think. Governments that strive only to maintain a monopoly on force, rather than to strengthen the freedom and power of the individual, will fall by the wayside, swept away by entrepreneurial and intellectual tides.

Liberation technologies -- telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds -- have

disabled the old weapons of tyranny. ~~It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile, because information lets individuals control their own destinies.~~

The old world of splintered regions and ideologies has begun to give way to a global village universally committed to the values of individual liberty, democracy, free trade, and global determination to stamp out aggression and tyranny.

This world poses three intertwined challenges: the challenge of peace and security, the challenge of democracy, and the challenge of market freedom.

Consider first the challenge of peace and security.

The world has learned -- through two world wars, and more recently, through Saddam Hussein's attempt to seize Kuwait -- that tyrants will respond to isolationism, or the mere appearance of isolationism, to sow the seeds of global war.

As a nation that straddles the two great oceans, the United States remains committed to engagement in the Atlantic Community and in the Asia Pacific region.

Yet we also will change our own approach to security in response to the incredible changes in the world around us.

Although we will close all our bases in the Philippines within the year, we will maintain a visible, credible presence ~~here by~~ ^{w/} ~~means of~~ our forward deployed forces, and ~~by means of~~ ^{by} our bilateral defense arrangements with nations in the Asia-Pacific region.

We don't maintain this presence out of charity. Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests. They will help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you as free and productive as you can be, and we understand that our security presence can provide a foundation for our mutual prosperity.

Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free. I know that many in Singapore argue that our engagement in Vietnam granted this nation a quarter century's head-start on its future.

Now, we need your support in devising arrangements that suit our mutual interests. I'm happy that the ASEAN nations have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US dialog about

issues of mutual concern can help us work in harmony to promote stability in this region.

Strong, credible security agreements enable us to meet the second challenge, the challenge of democracy.

Again, ASEAN has played a crucial role in spreading democracy, in ways that reflect the values, aspirations, and cultures of the nations in this region. ASEAN has worked hard to drag Burma away from the dark shadows of dictatorial tyranny; it has helped former communist states in Indochina to join a new order for the ages. I am happy to say that those efforts already have produced hopeful results.

Just a few weeks ago American diplomats arrived in Phnom Penh for the first time in 16 years.

The Cambodian peace accord signed by Secretary Baker in Paris last October would not have existed without the help and cooperation of ASEAN. ^{That historic accord document} The United States remains firmly committed to this accord, which offers the hope of peace and freedom to the long-suffering people of Cambodia.

We have normalized our ties with Laos and have begun normalizing relations with Vietnam. With your help, we hope to resolve our remaining concerns with Vietnam -- the full implementation of the Paris Accords, and the satisfactory resolution of our concerns about POW/MIAs.

The key point is this: We finally can entertain realistic hopes of building firm ties of interest and affection with

Indochina, and of inviting the nations of Indochina into what I have called the New World Order.

This victory for democracy leads us to the third challenge for the future, the challenge of building a world of free and fair trade.

No one should doubt that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s deepened the Great Depression, and set in motion conflicts that hastened the Second World War. The collapse of the international economic system enabled demagogues to sell the poisons of socialism and state control -- and to enslave entire nations for half a century.

During the past half century, on the other hand, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. This prosperity also has led naturally to democracy -- a fact that illustrates the indivisible relationship between security, democracy and individual liberty.

Consider the recent history of China. Economic reforms in 1978 set off a decade of rapid economic growth -- with average annual growth rates of ten percent. This prosperity also fostered hopes of democracy -- hopes that were crushed brutally in Tienanmen Square. Since that horrifying moment, Chinese democracy has suffered -- and so has the Chinese economy. This is only natural. People who feel gloomy about their futures aren't likely to engage in the kinds of activities -- hard work,

savings, education, planning -- that keep an economy and a society moving.

In any event, the United States will remain engaged economically, especially in this part of the world. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate, while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. ^{And} Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

The ASEAN countries, along with other nations in the region, initiated the Asia-Pacific Economic Cooperation process two years ago. APEC offers a powerful vehicle for sustaining free, market-based trade, for advancing the cause of regional and global trade liberalization, and for strengthening the cohesion and interdependence of the Asia-Pacific region.

~~This is good for the United States, and this approach~~
~~already has paid good dividends for us.~~ ^{The United States} We exported more to Singapore last year than to Italy or Spain and more to Indonesia than to the whole of Eastern Europe. Our two-way trade with Singapore has increased tenfold in the past 16 years. And our trade with ASEAN nations now approaches our total trade volume with Germany.

This is important to us. Most of America's recent economic growth has come from export industries. Each billion dollars' worth of manufactured goods that we export can support 20,000

good American jobs. Each billion dollars worth of agricultural exports can support more than 25,000 jobs.

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade. Our executives will learn more about trade opportunities here, and they will also work to help our companies compete fairly throughout the world.

But we should not think of economic development too narrowly. An economy is nothing more than the collected work, ingenuity and optimism of a nation. The term "economy," encompasses what millions of people do with their lives. Therefore, when we talk of strengthening economies, we mean much more than signing trade pacts. We mean building better lives for everyone through policies that make us more competitive in the international marketplace.

Americans understand that no nation will prosper long without a first-rate educational system. In recent years, our primary and secondary educational system has not kept pace with the world. I have encouraged Americans to mount a revolution in education, which we call the America 2000 Education Strategy. America 2000 challenges citizens to set high standards for their schools, and it encourages all Americans to join forces in creating world-class schools. Meanwhile, we will continue to strengthen our university system, the world's finest -- and the host today to 205,000 students from Asia.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

That's why I believe in free and fair trade. Nations can achieve astonishing levels of prosperity when they submit themselves to the bracing competition of the marketplace. While

many countries maintain trade barriers for cultural or political reasons, those barriers make no more sense than the wall that once divided the city of Berlin.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer.

There's a huge difference between a free trade zone -- an oasis of free trade -- and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic "fortresses" -- anywhere. On the other hand, we wholeheartedly endorse free-trade agreements -- including an ASEAN free trade agreement.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-

percent growth. You have one of the most open economies on earth, and I appreciate your working with the United States to address the minor disagreements we have today.

Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world competition, we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

I know I have covered an enormous amount of ground in my talk. So let me describe in concrete terms what the United States seeks -- in its own interests -- from the new world we will build.

Americans want a world at peace, one in which no American will have to shed blood for the ideals we all share. Americans want to maintain a vigorous security presence in order to prevent hegemonic mischief, in order to prevent despots from sowing the

seeds of global war; in order to prevent tyrants from attempting to roll back the triumphs of freedom and democracy.

Americans want to live in a world enriched and enlightened by international trade -- in goods, in ideas, in cultures, and in dreams for the future. We want to live in a world made better by the geniuses and achievements of every culture.

Americans want the opportunity to compete aggressively in the international marketplace. Workers in Seattle and Seacaucus want the chance to compete for business in Singapore and beyond. At the same time American consumers want access to the best goods and services that your companies have to offer.

Americans want a world united and enlivened by free trade and fair trade; united and enlivened by a universal commitment to individual liberty, to political pluralism, to building greater prosperity and personal fulfillment.

I come here to ask your help in building the world we all want -- not by appealing to fears and hatreds, but by appealing to the best in us all; not by demanding special favors, but by insisting on fair competition.

We can build a world filled with economic tigers -- nations growing rapidly; pioneering new intellectual, commercial and cultural terrain; spreading the blessings of liberty, democracy and free markets. My trip through Asia this week marks a start: The next step is up to us all.

Thank you again. May God bless you and the United States of America.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 12/24/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 12/26/91 2:00P

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE

SINGAPORE WESTIN - JANUARY 7, 1992 - 1:00 p.m.

SUBJECT: _____

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" 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"/>	DELAND	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	FINDLAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SNOW	<input type="checkbox"/>	<input checked="" 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 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

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

91 DEC 24 P1:25

Snow/Nix
Sing
Draft One
December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series have changed along with our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, your focus has changed -- away from military confrontation and toward matters of economic cooperation.

Now, we must accept the challenge of building a new commonwealth of freedom, an international system dedicated to the

ideals of liberty, and determined to learn the awful lessons this century has taught us.

With the exception of confrontation on the Korean Peninsula, the Cold War has drawn to a close. The Soviet Union collapsed because it no longer could maintain its stature through raw military force, and because it could not keep pace with a world that had outgrown the dogmas and prejudices of state socialism.

[Liberation technologies -- telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds -- have disabled the old weapons of tyranny. It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile, because information lets individuals control their own destinies.]

Ignorance is the handmaiden of tyranny. We must strive in all our endeavors to educate our citizens, and give them the most effective protection for individual liberty: an independent, educated mind. This includes learning more about the diverse and rich cultures of the Asia-Pacific region. No nation will prosper long if it fails to learn from other cultures and learn how to communicate effectively and sympathetically with others.]

As we look toward the 21st Century, we should heed three critically important lessons of the 20th century.

First, isolationism breeds war. Twice this Century the nations of the world retreated into provincialism, and twice those retreats led to bloody world wars. If we wish to avoid

future total war and gory regional conflict, we must understand that vigilance will prevent despots from seizing opportunities to hurl the world into war.

Second, we have learned that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s set off the Great Depression. They enabled demagogues to sell the poisons of socialism and state control.

Third, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. The future belongs to the free, to those who protect it through their vigilance and expand its horizons through their engagement with the rest of the world.

The United States intends to build upon these lessons as it prepares for the next century. We have no intention of disengaging from the rest of the world. Engagement offers our people their greatest hopes for future freedom, future peace, future prosperity. I come to Asia because I want to build a better future for us all, beginning with an international marketplace that supports good jobs for people in all lands. Naturally, I care most about American jobs. But I also understand that we cannot expand our frontiers unless our trading partners also enjoy real growth and can create real opportunity.

Our engagement will take three forms, reflecting the three lessons I mentioned above.

First, we will defend our interests all over the world -- including this region. The United States straddles the two great

oceans -- Atlantic and Pacific. As a Pacific Nation, we intend to become more engaged than ever with our friends and neighbors in Asia.

I know that our withdrawal from bases in the Philippines has led some people to speculate that we will retreat again into isolationism. That's just not true. Those bases, suited to Cold War realities, no longer served the United States or our Philippines hosts.

Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests because they help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you as free and productive as you can be.

But we also need your support for our presence here. As a member of ASEAN, you can help us devise a security strategy that defends your interests without weakening your sovereignty. I'm happy that you have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US dialog about issues of mutual concern can help us work in harmony to promote stability in this region.

We also appreciate ASEAN's commitment to building vigorous democratic institutions and encouraging citizen participation in government.

In the past year the United States has re-established relations with Cambodia and Vietnam; together, the United States and its allies will support the forces of freedom in Burma, China and other nations that do not enjoy the full blessings of liberty. We believe that economic progress begets democracy: free elections and free markets go hand-in-hand.

We will remain engaged economically as well. Again, this is a matter of common sense. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate, while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

For instance, we exported more to Singapore last year than to Italy or Spain and more to Indonesia than to the whole of Eastern Europe. Our two-way trade with Singapore has increased tenfold in the past 16 years.

That's important for Americans, because most of our recent economic growth has come from export industries. Each billion dollars' worth of manufactured goods that we export can support ^{19,000}~~18,000~~ good American jobs. Each billion dollars worth of agricultural exports can support more than ~~23,000~~ ^{25,000} jobs.

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade, and to create opportunities for our companies to compete fairly throughout the world.

But we should not think of economic development too narrowly. An economy is nothing more than the collected work, ingenuity and optimism of a nation. The term "economy," encompasses what millions of people do with their lives. Therefore, when we talk of strengthening economies, we mean much more than paring regulation and cutting taxes. We mean building better lives for everyone.

Americans understand that no nation will prosper long without a first-rate educational system. In recent years, our primary and secondary educational system has not kept pace with the world. I have encouraged Americans to mount a revolution in education, which we call the America 2000 Education Strategy. America 2000 challenges citizens to set high standards for their schools, and it encourages all Americans to join forces in creating world-class schools. Meanwhile, we will continue to strengthen our university system, the world's finest -- and the host today to 205,000 students from Asia.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to

build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and ^{we} ~~they~~ won't settle for being second-best, especially in economic competition.) *check*

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

That's why I believe in free and fair trade. Nations can achieve astonishing levels of prosperity when they submit themselves to the bracing competition of the marketplace. While many countries maintain trade barriers for cultural or political reasons, those barriers make no more sense than the barrier that once divided the city of Berlin. Sooner or later they will fall,

and we all ought to join forces to ensure that the walls fall sooner, rather than later.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer.

There's a huge difference between a free trade zone -- an oasis of free trade -- and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic "fortresses" -- anywhere. On the other hand, we wholeheartedly endorse free-trade agreements -- including [an] ASEAN free trade agreement.


Trade blocs represent a multinational form of protectionism. They create the possibility of new wars. It makes perfect sense for nations to cooperate with other nations in their region; it makes little sense to pit bloc against bloc and forfeit the gains of free trade.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and

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one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-percent growth. You have one of the most open economies on earth, and I appreciate your working with the United States to address the minor disagreements we have today.

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[Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free -- and granted you a quarter century's head-start on your own future. We will not dishonor their sacrifice by retreating now.]

Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world

competition, we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

Today, every nation must reassess its role in the world -- and nations are. Every nation must set its own course for the future -- and nations are. I come here to ask your help in building the world we all want -- not by appealing to fears and hatreds, but by appealing to the best in us all; not by demanding special favors, but by insisting on fair competition.

We will shape the post Cold War World. We must accept responsibility for putting our convictions into action during peacetime, just as we did in times of war.

I have full confidence that we can build a world filled with economic tigers -- nations growing rapidly; pioneering new intellectual, commercial and cultural terrain; spreading the blessings of liberty, democracy and free markets across the globe. My trip through Asia this week marks a start: The next step is up to us all.

Thank you again. May God bless you and the United States of America.

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 12/24/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 12/26/91 2:00

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE

SUBJECT: SINGAPORE WESTIN - JANUARY 7, 1992 - 1:00 p.m.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	=	✓	HORNER	=	=
SKINNER	=	✓	MCCLURE	✓	=
SCOWCROFT	✓	=	PETERSMEYER	=	=
DARMAN	✓	=	PORTER	✓	=
BRADY	=	✓	ROGICH	✓	=
BROMLEY	=	=	SMITH	✓	=
CARD	=	✓	BOSKIN	✓	=
DEMAREST	✓	=	DELAND	✓	=
FITZWATER	=	✓	FINDLAY	=	✓
GRAY	✓	=	SNOW	=	✓
HOLIDAY	✓	=		=	=

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

Too broad and at times too contrived. I'm not sure what the feel is. I'd refine this speech to the "Asia economic mission" theme of the trip and explain why Singapore is important to Leathe or Seacannon.

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

01 DEC 24 P1:25

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Draft One
December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series have changed along with our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, your focus has changed -- away from military confrontation and toward matters of economic cooperation.

Now, we must accept the challenge of building a new commonwealth of freedom, an international system dedicated to the

ideals of liberty, and determined to learn the awful lessons this century has taught us.

With the exception of confrontation on the Korean Peninsula, the Cold War has drawn to a close. The Soviet Union collapsed because it no longer could maintain its stature through raw military force, and because it could not keep pace with a world that had outgrown the dogmas and prejudices of state socialism.

Liberation technologies -- telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds -- have disabled the old weapons of tyranny. It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile, because information lets individuals control their own destinies.

Ignorance is the handmaiden of tyranny. We must strive in all our endeavors to educate our citizens, and give them the most effective protection for individual liberty: an independent, educated mind. This includes learning more about the diverse and rich cultures of the Asia-Pacific region. No nation will prosper long if it fails to learn from other cultures and learn how to communicate effectively and sympathetically with others.

As we look toward the 21st Century, we should heed three critically important lessons of the 20th century.

First, isolationism breeds war. Twice this Century the nations of the world retreated into provincialism, and twice those retreats led to bloody world wars. If we wish to avoid

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future total war and gory regional conflict, we must understand that vigilance will prevent despots from seizing opportunities to hurl the world into war.

Second, we have learned that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s set off the Great Depression. They enabled demagogues to sell the poisons of socialism and state control.

Third, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. The future belongs to the free, to those who protect it through their vigilance and expand its horizons through their engagement with the rest of the world.

The United States intends to build upon these lessons as it prepares for the next century. We have no intention of disengaging from the rest of the world. Engagement offers our people their greatest hopes for future freedom, future peace, future prosperity. I come to Asia because I want to build a better future for us all, beginning with an international marketplace that supports good jobs for people in all lands. Naturally, I care most about American jobs. But I also understand that we cannot expand our frontiers unless our trading partners also enjoy real growth and can create real opportunity.

Our engagement will take three forms, reflecting the three lessons I mentioned above.

First, we will defend our interests all over the world -- including this region. The United States straddles the two great

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oceans -- Atlantic and Pacific. As a Pacific Nation, we intend to become more engaged than ever with our friends and neighbors in Asia.

I know that our withdrawal from bases in the Philippines has led some people to speculate that we will retreat again into isolationism. That's just not true. Those bases, suited to Cold War realities, no longer served the United States or our Philippines hosts.

Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests because they help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you as free and productive as you can be.

But we also need your support for our presence here. As a member of ASEAN, you can help us devise a security strategy that defends your interests without weakening your sovereignty. I'm happy that you have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US dialog about issues of mutual concern can help us work in harmony to promote stability in this region.

We also appreciate ASEAN's commitment to building vigorous democratic institutions and encouraging citizen participation in government.

In the past year the United States has re-established relations with Cambodia and Vietnam; together, the United States and its allies will support the forces of freedom in Burma, China and other nations that do not enjoy the full blessings of liberty. We believe that economic progress begets democracy: free elections and free markets go hand-in-hand.

We will remain engaged economically as well. Again, this is a matter of common sense. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate, while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

For instance, we exported more to Singapore last year than to Italy or Spain and more to Indonesia than to the whole of Eastern Europe. Our two-way trade with Singapore has increased tenfold in the past 16 years.

That's important for Americans, because most of our recent economic growth has come from export industries. Each billion dollars' worth of manufactured goods that we export can support 18,000 good American jobs. Each billion dollars worth of agricultural exports can support more than 23,000 jobs.

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade, and to create opportunities for our companies to compete fairly throughout the world.

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build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and they won't settle for being second-best, especially in economic competition.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

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Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and

one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-percent growth. You have one of the most open economies on earth, and I appreciate your working with the United States to address the minor disagreements we have today.

~~Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free - and granted you a quarter century's head-start on your own future. We will not dishonor their sacrifice by retreating now.~~

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Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world

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I have full confidence that we can build a world filled with economic tigers -- nations growing rapidly; pioneering new intellectual, commercial and cultural terrain; spreading the blessings of liberty, democracy and free markets across the globe. My trip through Asia this week marks a start: The next step is up to us all.

Thank you again. May God bless you and the United States of America.

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THE WHITE HOUSE
WASHINGTON

December 26, 1991

MEMORANDUM FOR TONY SNOW

FROM: GENE C. SCHAERR *CCS*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: The Singapore Lecture
Singapore Westin Hotel - January 7, 1992

Counsel's Office has no legal objection to the Presidential remarks referenced above, but did note a few suggested changes.

Thank you for the opportunity to comment on this matter.

Attachment

cc: Phillip D. Brady
Assistant to the President
and Staff Secretary

WHITE HOUSE STAFFING MEMORANDUM

DATE: 12/24/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 12/26/91 2:00

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE

SINGAPORE WESTIN - JANUARY 7, 1992 - 1:00 p.m.

SUBJECT: _____

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	—	✓	HORNER	—	—
SKINNER	—	✓	MCCLURE	✓	—
SCOWCROFT	✓	—	PETERSMEYER	—	—
DARMAN	✓	—	PORTER	✓	—
BRADY	—	✓	ROGICH	✓	—
BROMLEY	—	—	SMITH	✓	—
CARD	—	✓	<u>BOSKIN</u>	✓	—
DEMAREST	✓	—	<u>DELAND</u>	✓	—
FITZWATER	—	✓	<u>FINDLAY</u>	—	✓
GRAY	✓	—	<u>SNOW</u>	—	✓
HOLIDAY	✓	—	_____	—	—

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

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

31 DEC 24 P1: 25

Snow/Nix
Sing
Draft One
December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

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Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, your focus has changed -- away from military confrontation and toward matters of economic cooperation.

Now, we must accept the challenge of building a new commonwealth of freedom, an international system dedicated to the

ideals of liberty, and determined to learn the awful lessons this century has taught us.

With the exception of confrontation on the Korean Peninsula, the Cold War has drawn to a close. The Soviet Union collapsed because it no longer could maintain its stature through raw military force, and because it could not keep pace with a world that had outgrown the dogmas and prejudices of state socialism.

Liberation technologies -- telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds -- have disabled the old weapons of tyranny. It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile, because information lets individuals control their own destinies.

Ignorance is the handmaiden of tyranny. We must strive in all our endeavors to educate our citizens, and give them the most effective protection for individual liberty: an independent, educated mind. This includes learning more about the diverse and rich cultures of the Asia-Pacific region. No nation will prosper long if it fails to learn from other cultures and learn how to communicate effectively and sympathetically with others.

As we look toward the 21st Century, we should heed three critically important lessons of the 20th century.

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future total war and gory regional conflict, we must understand that vigilance will prevent despots from seizing opportunities to hurl the world into war.

Second, we have learned that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s ~~set of~~ the Great Depression. They enabled demagogues to sell the poisons of socialism and state control.

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The United States intends to build upon these lessons as it prepares for the next century. We have no intention of disengaging from the rest of the world. Engagement offers our people their greatest hopes for future freedom, future peace, future prosperity. I come to Asia because I want to build a better future for us all, beginning with an international marketplace that supports good jobs for people in all lands. Naturally, I care most about American jobs. But I also understand that we cannot expand our frontiers unless our trading partners also enjoy real growth and can create real opportunity.

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build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and they won't settle for being second-best, especially in economic competition.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

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Above all, we must maintain

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and we all ought to join forces to ensure that the walls fall sooner, rather than later.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer.

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Trade blocs represent a multinational form of protectionism. They create the possibility of new wars. It makes perfect sense for nations to cooperate with other nations in their region; it makes little sense to pit bloc against bloc and forfeit the gains of free trade.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and

one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-percent growth. You have one of the most open economies on earth, and I appreciate your working with the United States to address the minor disagreements we have today.

Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free -- and granted you a quarter century's head-start on your own future. We will not dishonor their sacrifice by retreating now.

Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world

competition, we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

Today, every nation must reassess its role in the world -- and nations are. Every nation must set its own course for the future -- and nations are. I come here to ask your help in building the world we all want -- not by appealing to fears and hatreds, but by appealing to the best in us all; not by demanding special favors, but by insisting on fair competition.

We will shape the post Cold War World. We must accept responsibility for putting our convictions into action during peacetime, just as we did in times of war.

I have full confidence that we can build a world filled with economic tigers -- nations growing rapidly; pioneering new intellectual, commercial and cultural terrain; spreading the blessings of liberty, democracy and free markets across the globe. My trip through Asia this week marks a start: The next step is up to us all.

Thank you again. May God bless you and the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 12/24/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 12/26/91 2:00p
 PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
 SINGAPORE WESTIN - JANUARY 7, 1992 - 1:00 p.m.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	—	✓	HORNER	—	—
SKINNER	—	✓	MCCLURE	✓	—
SCOWCROFT	✓	—	PETERSMEYER	—	—
DARMAN	✓	—	PORTER	✓	—
BRADY	—	✓	ROGICH	—	—
BROMLEY	—	—	SMITH	✓	—
CARD	—	✓	BOSKIN	✓	—
DEMAREST	✓	—	DELAND	✓	—
FITZWATER	—	✓	FINDLAY	—	✓
GRAY	✓	—	SNOW	—	✓
HOLIDAY	✓	—		—	—

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

*OK
 PS. for SR*

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

MEMORANDUM

DATE

THURSDAY, 12/26/91 2:00 p.m.

SUBJECT

JANUARY 7, 1992 - 1:00 p.m.

12/26
OMB's Comments
Jim Murr
x3060

				ACTION	FYI
SKINNER	=	✓		✓	=
SCOWCROFT	✓	=		=	=
DARMAN	✓	=		✓	=
BRADY	=	✓		✓	=
BROMLEY	=	=		✓	=
CARD	=	✓		✓	=
DEMAREST	✓	=		✓	=
FITZWATER	=	✓		=	✓
GRAY	✓	=		=	✓
HOLIDAY	✓	=		=	=
			MCCLURE	✓	=
			PETERSMEYER	=	=
			PORTER	✓	=
			ROGICH	✓	=
			SMITH	✓	=
			BOSKIN	✓	=
			DELAND	✓	=
			FINDLAY	=	✓
			SNOW	=	✓

REMARKS:

Please forward your comments directly to Tony Snow, Rm. 122, x2930, no later than 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

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

31 DEC 24 P1:25

Snow/Nix
Sing
Draft One
December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series have changed along with our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the ~~death throes~~ ^{demise} of totalitarianism and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, ^{our?} your focus has changed -- away from military confrontation and toward matters of economic cooperation.

Now, we must accept the challenge of building a new commonwealth of freedom, an international system dedicated to the

ideals of liberty, and determined to learn the awful lessons this century has taught us.

With the exception of confrontation on the Korean Peninsula, the Cold War has drawn to a close. The Soviet Union collapsed because it no longer could maintain its stature through raw military force, and because it could not keep pace with a world that had outgrown the dogmas and prejudices of state socialism.

Liberation technologies ~~in~~ telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds ~~in~~ have disabled the old weapons of tyranny. It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile ~~in~~ because information lets individuals control their own destinies.

Ignorance is the handmaiden of tyranny. We must strive in all our endeavors to educate our citizens ~~in~~ and give them the most effective protection for individual liberty: an independent, educated mind. This includes learning more about the diverse and rich cultures of the Asia-Pacific region. No nation will prosper long if it fails to learn from other cultures and ^{to} learn how to communicate effectively and sympathetically with others.

As we look toward the 21st Century, we should heed three critically important lessons of the 20th Century.

First, isolationism breeds war. Twice ⁱⁿ this Century the nations of the world retreated into provincialism, and twice those retreats led to bloody world wars. If we wish to avoid

future total war and gory regional conflict, we must understand that vigilance will prevent despots from seizing opportunities to hurl the world into war.

Second, we have learned that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s set off the Great Depression. They enabled demagogues to sell the poisons of socialism and state control.

Third, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. The future belongs to the free, to those who protect it through their vigilance and expand its horizons through their engagement with the rest of the world.

The United States intends to build upon these lessons as it prepares for the next century. We have no intention of disengaging from the rest of the world. Engagement offers our people their greatest hopes for future freedom, future peace, future prosperity. I come to Asia because I want to build a better future for us all, beginning with an international marketplace that supports good jobs for people in all lands. Naturally, I care most about American jobs. But I also understand that we cannot expand our frontiers unless our trading partners also enjoy real growth and can create real opportunity.

Our engagement will take three forms, reflecting the three lessons I mentioned above.

First, we will defend our interests all over the world -- including this region. The United States straddles the two great

oceans -- Atlantic and Pacific. As a Pacific Nation, we intend to become more engaged than ever with our friends and neighbors in Asia.

I know that our withdrawal from bases in the Philippines has led some people to speculate that we will retreat again into isolationism. That's just not true. Those bases, suited to Cold War realities, no longer served ^{the interests of} the United States or our Philippines hosts.

Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests because they help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you ^{to be} as free and productive as you can be.

But we also need your support for our presence here. As a member of ASEAN, you can help us devise a security strategy that defends your interests without weakening your sovereignty. I'm happy that you have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US dialog about issues of mutual concern can help us work in harmony to promote stability in this region.

We also appreciate ASEAN's commitment to building vigorous democratic institutions and encouraging citizen participation in government.

In the past year the United States has re-established relations with Cambodia and Vietnam; together, the United States and its allies will support the forces of freedom in Burma, China and other nations that do not enjoy the full blessings of liberty. We believe that economic progress begets democracy: free elections and free markets go hand-in-hand.

We will remain engaged economically as well. Again, this is a matter of common sense. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate^X while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

For instance, we exported more to Singapore last year than to Italy or Spain and more to Indonesia than to the whole of Eastern Europe. Our two-way trade with Singapore has increased tenfold in the past 16 years.

That's important for Americans^X because most of our recent economic growth has come from export industries. Each billion dollars' worth of manufactured goods that we export can support 18,000 good American jobs. Each billion dollars worth of agricultural exports can support more than 23,000 jobs.

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade~~y~~ and to create^{ing} opportunities for our companies to compete fairly throughout the world.

But we should not think of economic development too narrowly. An economy is nothing more than the collected work, ingenuity and optimism of a nation. The term "economy," encompasses what millions of people do with their lives. Therefore, when we talk of strengthening economies, we mean much more than paring regulation and cutting taxes. We mean building better lives for everyone.

Americans understand that no nation will prosper long without a first-rate educational system. In recent years, our primary and secondary educational~~system~~ has not kept pace with the world. I have encouraged Americans to mount a revolution in education, which we call the America 2000 Education Strategy. America 2000 challenges citizens to set high standards for their schools, and it encourages all Americans to join forces in creating world-class schools. Meanwhile, we will continue to strengthen our university system, the world's finest -- and the host today to 205,000 students from Asia.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to

build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and they won't settle for being second-best, especially in economic competition.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop ~~as they wish~~. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

That's why I believe in free and fair trade. Nations can achieve astonishing levels of prosperity when they submit themselves to the bracing competition of the marketplace. While many countries maintain trade barriers for cultural or political reasons, those barriers make no more sense than the barrier that once divided the city of Berlin. Sooner or later they will fall,

and we all ought to join forces to ensure that the walls fall sooner, rather than later.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer.

There's a huge difference between a free trade zone -- an oasis of free trade -- and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic "fortresses" -- anywhere. On the other hand, we wholeheartedly endorse free-trade agreements -- including an ASEAN free trade agreement.

Trade blocs represent a multinational form of protectionism. They create the possibility of new wars. It makes perfect sense for nations to cooperate with other nations in their region; it makes little sense to pit bloc against bloc and forfeit the gains of free trade.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia, and

one of the fastest developing nations on earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of economic growth this year -- although most nations would be overjoyed to settle for six-percent growth. You have one of the most open economies on earth, and I appreciate your working with the United States to address the minor disagreements we have today.

Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free -- and granted you a quarter century's head-start on your own future. We will not dishonor their sacrifice by retreating now.

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Thank you again. May God bless you and the United States of America.

#

THE WHITE HOUSE
WASHINGTON

Date: 12/26

TO: *Tony Snow*

FROM: **JOHN S. GARDNER**
Special Assistant to the President
and Assistant Staff Secretary

- Information
- Action
- Let's Discuss

*Nice speech. I've marked a few
minor but important points.*

Therese JG

*President?
I thought Goh was P.M.*

91 DEC 24 P1:25

31 DEC 27 A 8:35

Snow/Nix
Sing
Draft One
December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

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introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir ~~B~~ Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

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Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, your focus has changed -- away from military confrontation and toward matters of economic cooperation.

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? I thought this was all in
reaction to Smoot-Hawley, 1930
Roody

3

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Then why did we want to keep them? Why did every other country in ASEAN want us to stay? The bases predated the Cold War, were actually not used in Vietnam, and had many uses now (70% of U.S. ships in Gulf War fitted out at Subic).

4

oceans -- Atlantic and Pacific. As a Pacific Nation, we intend to become more engaged than ever with our friends and neighbors in Asia.

I know that our withdrawal from bases in the Philippines has led some people to speculate that we will retreat again into isolationism. That's just not true. ~~Those bases, suited to Cold War realities, no longer served the United States or our Philippines hosts.~~

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Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to

tax rates
[not taxes, because
we think revenues
will rise!]
7

build on that record by seeking a dramatic reduction in capital gains ~~taxes~~. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and they won't settle for being second-best, especially in economic competition.

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*Don't this it likely to scare
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8

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Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world

competition, we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

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Thank you again. May God bless you and the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 12/24/91 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 12/26/91 2:00p

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN - JANUARY 7, 1992 - 1:00 p.m.

SUBJECT: _____

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HORNER	<input type="checkbox"/>	<input type="checkbox"/>
SKINNER	<input type="checkbox"/>	<input checked="" 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>DELAND</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FINDLAY</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>SNOW</u>	<input type="checkbox"/>	<input checked="" 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 2:00 p.m., THURSDAY, DECEMBER 26, with a copy to this office. Thank you.

RESPONSE:

Comments from Cabinet Affairs are attached.

*Thanks,
Eisen*

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and Staff Secretary
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December 23, 1991

PRESIDENTIAL ADDRESS: THE SINGAPORE LECTURE
SINGAPORE WESTIN HOTEL
JANUARY 7, 1991
1 P.M.

Prime Minister Lee, thank you for that very kind introduction. It's an honor to deliver this lecture, following such distinguished thinkers as Henry Kissinger and Milton Friedman and such accomplished leaders as Brian Mulroney, Helmut Schmidt, Rudd Lubbers, Bob Hawke, Mahathir Bin Mohamad and Valery Giscard D'Estaing. [additional acknowledgments]

The addresses in this series have changed along with our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism -- and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for a moment -- "what we used to call the Soviet Union." In the past decade we have witnessed the death throes of totalitarianism, and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets and international engagement. As this struggle has drawn to a close, your focus has changed -- away from military confrontation and toward matters of economic cooperation.

Now, we must accept the challenge of building a new commonwealth of freedom, an international system dedicated to the

ideals of liberty, and determined to learn the awful lessons this century has taught us.

With the exception of confrontation on the Korean Peninsula, the Cold War has drawn to a close. The Soviet Union collapsed because it no longer could maintain its stature through raw military force, and because it could not keep pace with a world that had outgrown the dogmas and prejudices of state socialism.

Liberation technologies -- telephones, computers, satellite dishes and other devices transmit news, information and culture in ever greater volumes and at ever greater speeds -- have disabled the old weapons of tyranny. It has become impossible to build walls of ignorance around any nation. Totalitarianism has become futile, because information lets individuals control their own destinies.

Ignorance is the handmaiden of tyranny. We must strive in all our endeavors to educate our citizens, and give them the most effective protection for individual liberty: an independent, educated mind. This includes learning more about the diverse and rich cultures of the Asia-Pacific region. No nation will prosper long if it fails to learn from other cultures and learn how to communicate effectively and sympathetically with others.

As we look toward the 21st Century, we should heed three critically important lessons of the 20th century.

First, isolationism breeds war. Twice this Century the nations of the world retreated into provincialism, and twice those retreats led to bloody world wars. If we wish to avoid

future total war and gory regional conflict, we must understand that vigilance will prevent despots from seizing opportunities to hurl the world into war.

Second, we have learned that economic isolationism -- protectionism -- can destroy us all. The protectionist wars of the 1920s and 1930s set off ^(Commence) the Great Depression. They enabled demagogues to sell the poisons of socialism and state control.

Third, engagement and trade have produced unprecedented peace and prosperity -- here, in Singapore; throughout free Asia; in Europe and the United States. The future belongs to the free, to those who protect it through their vigilance and expand its horizons through their engagement with the rest of the world.

The United States intends to build upon these lessons as it prepares for the next century. We have no intention of disengaging from the rest of the world. Engagement offers our people their greatest hopes for future freedom, future peace, future prosperity. I come to Asia because I want to build a better future for us all, beginning with an international marketplace that supports good jobs for people in all lands. Naturally, I care most about American jobs. But I also understand that we cannot expand our frontiers unless our trading partners also enjoy real growth and can create real opportunity.

Our engagement will take three forms, reflecting the three lessons I mentioned above.

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I know that our withdrawal from bases in the Philippines has led some people to speculate that we will retreat again into isolationism. That's just not true. Those bases, suited to Cold War realities, no longer served the United States or our Philippines hosts.

Your security and prosperity serve our interests, not simply because you share our basic ideals, not just because your market beckons, not just because you command one of the most strategic waterways on earth. Your wealth and health serve our interests because they help us build a world in which nations take full advantage of the productivity, genius and ambitions of other nations.

An unstable Asia doesn't help us. An unfree Asia doesn't help us. A poverty stricken Asia doesn't help us. We need you as free and productive as you can be.

But we also need your support for our presence here. As a member of ASEAN, you can help us devise a security strategy that defends your interests without weakening your sovereignty. I'm happy that you have helped us craft new and flexible methods for protecting America's security interests. Access agreements and ASEAN-US ^(discussions of Commerce) dialog about issues of mutual concern can help us work in harmony to promote stability in this region.

We also appreciate ASEAN's commitment to building vigorous democratic institutions and encouraging citizen participation in government.

In the past year the United States has re-established relations with Cambodia and Vietnam; together, the United States and its allies will support the forces of freedom in Burma, China and other nations that do not enjoy the full blessings of liberty. We believe that economic progress begets democracy: free elections and free markets go hand-in-hand.

We will remain engaged economically as well. Again, this is a matter of common sense. The Asian-Pacific region has become the world's economic dynamo. The economies here continue to grow at an astonishing rate, while enjoying impressive income equality and general prosperity. You have lifted yourselves up. Through hard work and dedication, you have transformed this region. Today, the United States conducts more trade with the Asian-Pacific region than with Europe.

For instance, we exported more to Singapore last year than to Italy or Spain and more to Indonesia than to the whole of Eastern Europe. Our two-way trade with Singapore has increased tenfold in the past 16 years.

That's important for Americans, because most of our recent economic growth has come from export industries. Each billion dollars' worth of manufactured goods that we export can support 18,000 good American jobs. Each billion dollars worth of agricultural exports can support more than 23,000 jobs.

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Handwritten: in separate address it says 20,000 Treasury

Handwritten: about 19,000 (Commerce)

A delegation of major American businesses -- from the automobile industry to computer and electronics firms -- has joined me in order to express our national commitment to free and open trade, and to create opportunities for our companies to compete fairly throughout the world.

But we should not think of economic development too narrowly. An economy is nothing more than the collected work, ingenuity and optimism of a nation. The term "economy," encompasses what millions of people do with their lives. Therefore, when we talk of strengthening economies, we mean much more than paring regulation and cutting taxes. We mean building better lives for everyone.

Americans understand that no nation will prosper long without a first-rate educational system. In recent years, our primary and secondary educational system has not kept pace with the world. I have encouraged Americans to mount a revolution in education, which we call the America 2000 Education Strategy. America 2000 challenges citizens to set high standards for their schools, and it encourages all Americans to join forces in creating world-class schools. Meanwhile, we will continue to strengthen our university system, the world's finest -- and the host today to 205,000 students from Asia.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980s unleashed the greatest peacetime economic recovery in American history. I have tried to

build on that record by seeking a dramatic reduction in capital gains taxes. After all, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We must create a climate conducive to risk, to innovation, to the bold exploration of new technologies and ideas -- and we will. Americans are proud people, and they won't settle for being second-best, especially in economic competition.

The nations of the world want to enjoy the blessings of growth without destroying our environment. Yet we must struggle to protect that environment without denying poorer nations the opportunity to develop as they wish. We must understand that regulations designed to protect the environment sometimes can strangle economies and hamper our efforts to develop technologies that would make our habitat even cleaner.

Politicians sometimes flatter themselves by pretending that they can regulate troublesome problems out of existence. Too often, however, those well-meaning efforts merely stall progress toward real and lasting solutions. Together, we all must work to discover the boundaries of prudent regulation -- and the best way to cultivate new jobs, new development, new economic growth.

That's why I believe in free and fair trade. Nations can achieve astonishing levels of prosperity when they submit themselves to the bracing competition of the marketplace. While many countries maintain trade barriers for cultural or political reasons, those barriers make no more sense than the barrier that once divided the city of Berlin. Sooner or later they will fall,

and we all ought to join forces to ensure that the walls fall sooner, rather than later.

The General Agreement on Tariffs and Trade will play a crucial role in expanding freedom's frontiers. A successful conclusion to the Uruguay Round can prepare the way for even greater trade liberalization in years to come -- and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration -- and not toward trade blocs. We in the United States have no desire to break into trade factions. Our North American Free Trade Agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada and Mexico have to offer.

There's a huge difference between a free trade zone -- an oasis of free trade -- and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic "fortresses" -- anywhere. On the other hand, we wholeheartedly endorse free-trade agreements -- including an ASEAN free trade agreement.

Trade blocs represent a multinational form of protectionism. They create the possibility of new wars. It makes perfect sense for nations to cooperate with other nations in their region; it makes little sense to pit bloc against bloc and forfeit the gains of free trade.

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Your history and ours testify to the power of vigilance and engagement. Americans fought in Vietnam a quarter century ago for freedom. More than 58,000 died; tens of thousands of others returned maimed -- physically and psychologically. Yet while doubters of the age tried to demean their sacrifice, you understood their achievements. Americans kept this region free -- and granted you a quarter century's head-start on your own future. We will not dishonor their sacrifice by retreating now.

Together, nations committed to democracy and free markets have brought the world to the brink of a new era, one that promises unprecedented freedom from violence and deprivation. But we can achieve that future only if we work together to create it. This world will not simply happen: It will require hard work, tough negotiation, sacrifice, and the courage of our convictions.

Yet if we cast our lots with the forces of freedom; if we cast our lots with the forces of enlightenment over the counsels of defeatism and ignorance; if we cast our lots with those who will test their goods and their ideas in the bracing market of world

competition, we will build a better world. We will build a world bound by common interests and goals; a world united in its determination to avoid depression and global war.

Today, every nation must reassess its role in the world -- and nations are. Every nation must set its own course for the future -- and nations are. I come here to ask your help in building the world we all want -- not by appealing to fears and hatreds, but by appealing to the best in us all; not by demanding special favors, but by insisting on fair competition.

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