PRESIDENT WILLIAM J. CLINTON
YOUNG PRESIDENT'S ORGANIZATION BRIEFING
TALKING POINTS
MAY 19, 1997

NEC

Acknowledgments: Secretary Rubin, Secretary Glickman, Director ~~of the National Economic Council~~ Sperling; Pat Powers, Young President's Organization Chairman; Warren Rustand, World President's Chairman; Ken Adelman, Public Policy Seminar Co-Chair.

I'm happy to see all of you here in Washington for your 10th Annual Public Policy Seminar. Over 1200 CEO's have participated in this program over the past 10 years . . . I know first hand the impact of your good work, as two of my close friends and advisors, Mack McLarty and Phil Lader, are former members of this organization.

Our economy is now the envy of the world. Results of the strategy we put in place 4 ½ years ago are beyond debate: 12 million new jobs, the highest economic growth in a decade, the lowest unemployment in 24 years, the lowest inflation in 30 years, the largest decline in income inequality since the 1960's. And the deficit has been cut already by 77 percent. Business has already grown by 10.5 percent per year since 1993 --- the fastest for any Administration since Kennedy. By continuing to cut the deficit we will keep interest rates low and continue to boost business investment

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We will give America a balanced budget that is in balance with our values; that protects Medicare and Medicaid, education and the environment; one that gives tax relief to working families, and that prepares our people for the 21st Century. 5 million American children will have health care; $35 B in tax relief for higher Ed., HOPE scholarship, $10K deduction, largest increase in Pell Grants in 3 decades, funds America Reads; 500 toxic waste sites will be cleaned up; immigrants who legally come to America will be treated fairly, middle class families will have tax relief to help sell a home, raise their children and send those children to college. In each of these ways this budget agreement honors our values.

This budget will move people from welfare to work by providing tax incentives to businesses to hire welfare recipients. I challenge all of you to take part in our effort.

B Another key element of our economic strategy is to increase exports through trade agreements

Our administration has concluded more than 200 separate trade agreements, ~~**and**~~ Now, **exports are at a record high.** ~~We lead the world in high technology and agricultural exports, and we broke seven years of global gridlock.~~ This is a record to build on, not rest on. I have called upon Congress to give me ~~the~~ fast track authority to negotiate new trade agreements, ~~called fast track negotiating authority~~. With fast track authority, we can open trade in areas where American firms are leading, we can negotiate new agreements and open new markets. We will create opportunities for our workers and our businesses in the global economy. America cannot lead if we don't act.

By being here and being involved, you are helping to forge the essential partnership between the private sector and government. We must work together and learn from one another so that we can make tremendous progress and provide our citizens with the tools they need to improve their lives. Thank you.

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Thank you.

5/19/97 10:30 a.m.

PRESIDENT WILLIAM JEFFERSON CLINTON
INSERT ON CHINA MFN
REMARKS TO YOUNG PRESIDENTS ORGANIZATION
THE WHITE HOUSE
MAY 19, 1997

¶ I want to talk to you today about how America can ~~see~~ take advantage of this moment of hope & prosperity.

Before I begin, let me say a few words about China. How America's relationship with China evolves -- and how China defines its greatness as a nation in the future -- will have as great an impact on your lives and the lives of your children as any relationship we have. The continued emergence of China as a great power that is stable politically and open economically, that respects human rights and the rule of law, and that becomes a full partner in building a secure international order is profoundly in America's interest.

With that in mind, I have decided to extend unconditionally Most Favored Nation trade status to China -- as every President, Democrat or Republican, has done for the past XX years. America is best served by a China that is open, stable, prosperous and secure -- not by an isolated, unpredictable nation that refuses to play by the rules of international behavior. Extending to China the same normal trade treatment we give to virtually every country on earth is the best way to draw China further into the world -- and best way to secure America's future.

Some people would hold our trade relationship with China hostage to our disagreements on human rights, the spread of weapons technology or the future of Hong Kong. Their motivation is right -- but their answer is wrong. MFN renewal is not a referendum on China's policies -- it is a vote for America's interests and ideals.

Revoking MFN would cut off our contact with the Chinese people, not increase China's respect for human rights. It would eliminate, not facilitate, cooperation on weapons proliferation. It would drastically weaken Hong Kong -- which handles over 50% of U.S.-China trade and depends on normal trade relations -- just when its economic strength is vital to ensure autonomy from Beijing. It would close one of the world's most remarkable emerging markets to our exports -- a market that already supports 170,000 American jobs. And it would inject uncertainty into a region in the midst of profound change -- and whose stability turns on the role China plays.

Extending MFN is part of our broader policy of engagement with China -- working together where we can, working through our differences constructively where we must. Real cooperation is both possible and productive. We worked closely with China to extend the nuclear non-proliferation treaty... to conclude a historic accord that bans the testing of nuclear weapons... to freeze North Korea's nuclear weapons program... to advance the prospects for a lasting peace on the Korean peninsula. And increasingly, we are finding common ground in the fight against common threats like drug trafficking, terrorism, alien smuggling and environmental decay.

Engagement does not mean endorsement. Where we disagree with China we will say so -- and act to produce results, not rhetoric. We pressed China to stop the sale of ring magnets to Pakistan -- and it has. We insisted China protect the intellectual property rights of American videotape and compact disc makers -- and it is. We warned China to stop provocative military exercises in the Strait of Taiwan -- and it did.

I am determined that America avoid the temptation of reacting reflexively to the ups and downs of our relationship with China. Encouraging China's emergence as a constructive and strong member of the international community will take time, patience and above all consistency. We cannot dictate China's direction -- but we can influence the path it chooses. Over time, as contacts across borders, among people and between governments increase... as markets expand and information flows... as China plays it rightful role in the world... the roots of an open society will gain strength and grow. And that will be good for China, for America and for the world.