

Ensuring Democracy and Prosperity In the Americas

Secretary Albright

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Remarks to the Council of the Americas, Washington, DC, May 4, 1999.

Thank you very much, David, for that introduction; and thank you all for the welcome. I'm very glad to be here again with Mr. Mosbacher, Mr. McNamara, Ambassador Pryce, Charles Preble, and very glad that we were all able to get together this morning and that they were able to get this very impressive group together. I have been told that the meetings have gone exceptionally well, as have the discussions, and I really look forward to getting a very full report.

I do want to say that we have done something really revolutionary in the State Department, and Acting Assistant Secretary Romero has been influential in this. We have decided that Canada belongs in the Western Hemisphere. It is maybe the most revolutionary thing I've done at the State Department. But it did take us roughly a century and a half to have that happen. But it is official, and I thought you'd want to know.

Now, it's no secret that there is an awful lot going on in the world today. And as Mr. Rockefeller said, a little later I will leave with the President for Belgium and Germany, where we will meet with NATO leaders and visit with some of those victimized by Milosevic's reign of terror in Kosovo.

While there, we will make clear once again that the United States and NATO will not rest until the ethnic cleansing stops, Belgrade's troops leave, and the refugees are allowed to return home. I know that Kosovo is not the Council of the Americas business, but the issues at stake affect us all and the lives at risk concern all of us. So I hope we will have your backing now and in the difficult weeks to come.

Despite Kosovo and other crises scattered around the globe, I very much wanted this opportunity to speak with you. Earlier this year when I gave my annual "state of the

world" testimony on Capitol Hill, I did not begin with Europe and Asia, as it is customary for Secretaries of State to do. I began, instead, with the Americas. I did so because I believe that nothing is more important to the future security, prosperity, and freedom of people in the United States than our partnerships in this hemisphere. Obviously, our countries are not without problems, which I will soon discuss, but I hope we will never let those problems cause us to lose sight of our strengths.

Today, from Canada's new territory of Nunavut to Patagonia's lighthouse at the end of the world, we are a region at peace with each other. With a single exception—who plays baseball better than we do—we are a hemisphere of democracies, albeit in varying stages of development.

We are a community that, despite some disagreements, is working together to deal with challenges that affect us all—from crime and disease to illegal immigration and the degradation of our environment. And as in any real community, we are people who help one another.

Where democracy is in peril, we are determined to respond collectively. Where borders are in dispute, we join forces to help find a peaceful solution—as Argentina, Brazil, Chile, and the United States recently did in aiding Peru and Ecuador. And when disasters strike, such as the hurricanes in Central America and the Caribbean last fall, we do all pull together.

On that point, I want to emphasize that the President and I are doing all we can to persuade Congress to grant the additional funds we've requested for hurricane relief. The emergency in Kosovo does not justify giving short shrift to the emergency in the Americas. Precious time has already

been lost in helping farms and communities prepare for the rainy season's return and in giving families the faith they need to rebuild their lives at home. So I hope you agree that Congress should approve the funds to help our neighbors, and it should do so in full, without unacceptable offsets—and they should do it now.

We have much to be proud of in this hemisphere, but pride in the present is no guarantee of the future. Our challenge is to build on our strengths and to move steadily closer to the objectives that our leaders have established through the Summit of the Americas process.

This is a challenge to public officials like me but also for you. For the business community has been a driving force behind economic reform and constructive change throughout our region. This is especially true of the Council of the Americas and the Association of American Chambers of Commerce of Latin America.

You are stakeholders in the future, and you understand that if we are to achieve the kind of hemispheric community we truly desire, we must aim high. We need real, not hollow, democracy. We must create prosperity for the hardworking many, not just the privileged few. And we must ensure a rule of law that protects everyone equally, not so-called justice that can be bought and sold.

Over the past year, economies in Latin America have been shaken by the financial crisis that rocked parts of Asia and then Russia, as investors became nervous about emerging markets. But the region is resilient because of its deep commitment to market reform. The economic fundamentals are sound. For the decade, average growth has

been robust, and inflation is lower than at any time in the last 50 years. This provides the basis for a strong revival in Brazil and other affected countries.

As Ambassador Barshefsky discussed this morning, negotiations for a free trade area of the Americas are underway. We have asked Congress to give the President fast track authority to help us complete those negotiations by the year 2005, and we're also urging Congress to approve the Caribbean Basin Trade Enhancement legislation to help promote commerce and create jobs.

Economic liberalization and free trade are essential elements in our hemisphere's economic architecture,

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and we are determined to keep them on the front burner. But alone, they are not sufficient to achieve our goals.

Throughout the region, we must move to a higher level of democratic development. We have to do more to foster a robust civil society and a broad middle class in all our countries. We have to have the assistance of the business sector not only in helping economies to grow but in helping societies to become better by enabling more and more people to share in the progress.

I'm sure that you would agree that we must work toward these objectives not simply because it is right to do so, but also because it is smart. Neither democracy nor prosperity can endure unless they are broadly based. The policies of free markets and open investment, which are the keys to sustained growth, are vulnerable to challenge if too many people feel shut out or left behind. As we have seen in

parts of Asia, a booming economy can shift rapidly into reverse if problems of cronyism, corruption, and lack of accountability are not addressed.

Complacency is the enemy of democracy, and if we do not ensure that the process of globalization goes forward with a human face, we run a grave and unnecessary risk. In some countries, we may see public confidence in democracy erode, and we may see basic institutions of society lose their legitimacy. We may see support grow for an array of failed remedies from the past, such as protectionism and giveaway social programs that cannot be funded without spurring inflation. We may even see instability and turmoil leading to the return of authoritarian leaders.

None of this needs to happen. But much of it may, unless we address the gaping inequality in our hemisphere between those who have and those who have not, between those with the access and skills to

make it in the new world economy or those denied that access or not yet equipped with those skills. As President John Kennedy said in his inaugural address almost two score years ago, “If a free society cannot help the many who are poor, it cannot save the few who are rich.”

Last April at the Santiago Summit, our leaders endorsed a series of initiatives designed to respond to precisely this problem. Their emphasis was not on spending more but rather on investing more wisely. There were initiatives, for example, to strengthen local governments and thereby broaden opportunities for political participation. There were strategies to formalize property rights, including the assets of the poor, such as a house or farm. There were programs to reinforce the rule of law, including creation of hemispheric justice studies centers. There was support for the Inter-

American Convention Against Corruption, whose ratification for the United States we are urging our Senate to approve this year. And there were proposals, in which USAID is actively participating, to increase support for microenterprise, which is particularly important to the economic empowerment of women.

But even with better access to credit, it is often unnecessarily difficult to start a small business. In this decade, governments have done much to privatize and decontrol large sectors such as aluminum and steel and communications and power. But in many nations, the system for licensing and regulating small business remains extremely time-consuming and complex. This makes it harder for those without a lot of money to make money and for those at the bottom of the income ladder to begin the climb up.

Among the other initiatives also, the presidents took special care—and I particularly remember this discussion about the importance of providing better education in the primary and secondary level. I think that this fits very much into generally how we have to work together across the board. But because, I think, there is this difficulty of letting access at the lower levels, we have to really work more together. And as a result, because we have not, a bad situation grows no better.

The Americas continue to have the world's most unequal distribution of income. During the lost decade of the 1980s, that gap grew significantly wider, including in the United States, and it has continued to increase in most countries, even with the resumption of overall economic growth.

The Inter-American Development Bank, the IDB, estimates that in Latin America currently, the top twentieth of the population receives one-fourth of the income, which is more than in Africa or Asia. The poorest 30% receive only 8% of the income, a lower proportion than anywhere else.

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Bank studies also show that in many countries, unsound labor, tax, and financial policies perpetuate and reinforce these disparities. It's sobering and saddening that today, on the threshold of the 21st century, one in every three people in Latin America and the Caribbean must live on less than \$2.00 a day. This is a human tragedy. It is also a threat to stability and political freedom. Citizens across the social spectrum need to see that democracy and the market system are improving their lives. Ensuring this will be the central challenge of America during the coming decade.

In addressing that challenge, President Clinton had it right when he said at the Santiago Summit, “There is no priority more important than giving our children an excellent education. The fate of nations in the 21st century turns on what all citizens know and whether all citizens can quickly learn.”

Unfortunately, as I said, the knowledge gap today is huge. According to recent data, one-fourth of adults in Latin America and the Caribbean have had no education at all; the majority have less than 5 years. The average educational level has been rising, but the annual rate of increase is low—less than 1% over the past two decades. This compares to 3% in East Asia.

Not surprisingly, children from poor families tend to go to lower-quality schools and drop out sooner. Children from wealthy families go to the best schools and graduate far more often. This is true in much of the world, and it may be unrealistic to expect we could end all disparity. But leaders in the

Americas are committed to narrowing the gap by building from the bottom up. And as I said, the personal discussions among the leaders on this subject, I thought, was really most encouraging.

In Santiago, they vowed that by the year 2010, all children—rural and urban, female and male, indigenous or other—will have access to and be expected to complete a program of quality primary education. At least 75% should have access to secondary education. To these ends, programs are now underway to improve teacher training, establish standards, and make the tools of knowledge—from textbooks to cutting edge technology—more available.

Clearly, you who are leaders in human resource management have the capacity to speed and improve the educational reform process. Your involvement can make schools more relevant to your own need for well-trained workers and to society's need for well-informed and responsible citizens. I know that many of you are already involved, and I ask you to continue and deepen your engagement.

One hundred and fifty years ago, Simon Bolivar said that he wanted the Americas to be measured by no other standard than “her freedom and glory.” Today, that vision of a continent bound together by liberty and a passion for justice is closer to reality than ever before. But we are not there yet. The Summit of the Americas process has generated an inspiring set of objectives toward which we all may

work: stronger democratic institutions; respect for human rights; education for all; prosperity for the many; security for those who abide by the law and fairness for everyone under the law.

As business people, you know that it is a lot easier to establish goals than it is to achieve them. But today, I ask your help—your continued help—as we strive to move forward, step by step, on all the fronts. I want to work closely with you, and I promise that our door will always be open to hear your ideas and to help if we can when problems arise.

That's what I expect from everyone in the Department of State, from all of our embassies and consulates abroad. I

want more than just routine courtesies; I want a real interchange of experience among us, a true dialogue, and a sustained advocacy on how to achieve our common aims. As I travel around, I always do make a point of talking with our economic counselors. I also try to meet with representatives of the business communities and AMCHAM wherever I am, because I do believe that our work together is the only way to pursue our various interests.

This morning, at a time of turbulence and uncertainty in many parts of the world, I do pledge to you my own

best efforts, and I ask your help in furthering this partnership for freedom, security, and prosperity throughout the Americas. Let us achieve the goals we've set for the benefit not of some, but of all our citizens, and thereby secure the future for our own children and establish an example for friends around the world.

As I look around this room, I know that there are countless of you who are dedicated to that, and no one more so than David Rockefeller, who has just been an astounding leader in all the fields that I have mentioned. I have to say, he was a great dinner partner last night.

Thank you all very, very much. ■

U.S. and NATO Policy Toward The Crisis in Kosovo

Secretary Albright

Testimony before the Senate Foreign Relations Committee,
Washington, DC, April 20, 1999.

Good afternoon, Mr. Chairman and Senators. I am pleased to appear before you concerning U.S. and NATO policy toward the crisis in Kosovo. My intention is to lay out concisely America's stake in the outcome of this crisis; the events that brought us to this point; the status of our military, diplomatic, and humanitarian efforts; and our vision for the future.

As you know, Mr. Chairman, the potential dangers of the situation in Kosovo have been recognized throughout this decade. Slobodan Milosevic first vaulted to prominence by exploiting the fears of ethnic Serbs in this province. A decade ago, he catered to those fears by robbing Kosovo Albanians of their cherished autonomy. For years thereafter, the Kosovo Albanians sought to recover their rights by peaceful means. And in 1992, after fighting had broken out elsewhere in the Balkans, President Bush issued a warning against Serb military repression in Kosovo.

Meanwhile, President Milosevic was the primary instigator in three wars, attacking first Slovenia, then Croatia, and finally triggering a devastating and prolonged conflict in Bosnia. Early last year, he initiated a more

extensive and violent campaign of repression against ethnic Albanians in Kosovo. One result was a humanitarian crisis, as tens of thousands of people fled their homes. A second consequence—unforeseen by him—was the strengthening of the Kosovar Liberation Army—KLA—which contributed to the unrest by committing provocative acts of its own.

With our allies and partners, including Russia, the United States sought to end this cycle of violence by diplomatic means. Last October, President Milosevic agreed to a ceasefire, to the withdrawal of most of his security forces, and to the entry of a verification mission from the OSCE.

It soon became clear, however, that Milosevic never had any intention of living up to this agreement. Instead of withdrawing, his security forces positioned themselves for a new offensive. Early this year, they perpetrated a massacre in the village of Racak. And at Rambouillet, Belgrade rejected a plan for peace that had been accepted by the Kosovo Albanians, and that included provisions for disarming the KLA and safeguarding the rights of all Kosovars, including ethnic Serbs.

Even while blocking our diplomatic efforts, Milosevic was preparing a barbaric plan for expelling or forcing

the total submission of the Kosovo Albanian community. First, his security forces threatened and then forced the withdrawal of the OSCE mission. Then, a new rampage of terror began.

We have all seen the resulting images of families uprooted and put on trains, children crying for parents they cannot find, refugees recounting how loved ones were separated and led away, and ominous aerial photos of freshly upturned earth.

Behind these images is a reality of people no different in their fundamental rights or humanity than you or me—of children no different than yours or mine—cut off from their homes, deprived of their families, robbed of their dreams. And make no mistake, this campaign of terror was the cause, not the result, of NATO action. It is a Milosevic production.

Today, our values and principles, our perseverance and our strength, are being tested. We must be united at home and with our allies overseas. The stakes are high. To understand why that is, we need, as President Clinton has repeatedly urged, to consult the map. Kosovo is a small part of a region with large historic importance and a vital role to play in Europe's future.

The region is a crossroads where the Western and Orthodox branches of Christianity and the Islamic world meet. It is where World War I began, major battles of World War II were fought, and the worst fighting in Europe since Hitler's surrender occurred in this decade.

Its stability directly affects the security of our Greek and Turkish allies to the south and our new allies Hungary, Poland, and the Czech Republic

There must be a verifiable stop to Serb military action against the people of Kosovo. Belgrade's military, police, and paramilitary forces must leave so that refugees can return. An international military presence must be permitted. And the people of Kosovo must be given the democratic self-government they have long deserved.

As President Clinton has said, as long as Milosevic refuses to accept these conditions, NATO's air campaign

In addition to the internally displaced, more than half a million Kosovars have fled the region since the latest violence began. Of these, the vast majority are now in Albania and Macedonia, where the terrain is rugged, the weather harsh, and the infrastructure limited. Feverish efforts are underway to build camps and provide services. With local officials, the UNHCR, WHO, UNICEF, our allies and partners, and nongovernmental organizations, we are struggling to save lives, maintain health, and restore hope.

Thus far, we have contributed \$150 million to this effort. Yesterday, the President submitted an emergency supplemental request that includes \$386 million in additional State Department and USAID humanitarian assistance funds and \$335 million in Defense Department humanitarian assistance. Last week, NATO approved Operation Allied Harbor, under which 8,000 troops will work with relief agencies in Albania to establish camps, deliver aid, and ensure security. The U.S. Information Agency is participating in an effort to provide internal communications facilities at refugee camps in order to help reunify families.

Many of the refugees streaming out of Kosovo have reported Serb war crimes and crimes against humanity. These reported abuses include the widespread and systematic destruction of entire settlements, the burning of homes, the seizure of civilians for use as human shields and human blood banks, the rape of ethnic Albanian women and girls, and the systematic separation and execution of military-aged men.

For example, there have been reports of the killing of 60 men in Kacanik; and of the burial of 24 people at Glavnik, 30 in Lapastica, 150 in Drenica, 34 in Malisevo, 100 in Pristina; and other suspected mass burials at Pusto Selo and Izbica, where refugees reported that victims were first tortured and then burned to death. There should be no misunderstanding. When it comes to the commission of

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to the north. Kosovo itself is surrounded by small and struggling democracies that are being overwhelmed by the flood of refugees. Milosevic's ruthless policies are creating.

Today, this region is the critical missing piece in the puzzle of a Europe whole and free. That vision of a united and democratic Europe is critical to our own security. And it cannot be fulfilled if this part of the continent remains wracked by conflict.

Further, Belgrade's actions constitute a critical test of NATO, whose strength and credibility have defended freedom and ensured our security for five decades. To paraphrase Senator Chuck Hagel, today, there is a butcher in NATO's backyard, and we have committed ourselves to stopping him. History will judge us harshly if we fail.

For all of these reasons, NATO's decision to use force against the Milosevic regime was necessary and right. And the conditions the alliance has set for ending its campaign are clear, just, and firm.

will continue, and we will seek to destroy as much of Belgrade's military capabilities as we can. Each day, Milosevic's capacity to conduct repression will diminish.

It is evident that the efforts of our courageous military forces are having a significant impact on Milosevic's options and abilities, but that impact is not yet sufficient. We must maintain the pressure until an acceptable outcome is achieved. At the same time, we will continue to help those in the region cope with the humanitarian disaster Milosevic has created.

We do not know with any certainty how many people are now homeless inside Kosovo, but officials estimate as many as 800,000. Belgrade has made a terrible situation worse by interfering with efforts to provide food and other basic necessities. We are exploring every possible option for helping these people before it is too late. And we welcome efforts by Greek NGOs and the International Committee of the Red Cross to open up a relief lifeline, which we hope will move desperately needed supplies to the population at risk.

war crimes or crimes against humanity, "just following orders" is no defense. In the prosecution of such crimes, there is no statute of limitations. And the International War Crimes Tribunal has rightly indicated that it will follow the evidence no matter where it leads.

The tribunal has already put Milosevic and 12 other FRY or Serbian officials on notice that forces under their command have committed war crimes and that failure to prosecute those responsible can give rise to criminal charges against them. The United States has publicly identified nine military commanders whose forces may have been involved in the commission of such crimes. By helping to document refugee accounts, and by compiling and sharing other evidence, we are and will continue to assist the tribunal in its effort to hold perpetrators accountable.

Mr. Chairman, in dealing with Kosovo prior to the last week of March, we were engaged in diplomacy backed by the threat of force. Since that time, we have used diplomacy to back NATO's military campaign. Our diplomacy has several objectives. The first is to ensure that NATO remains united and firm. To this end, I met with alliance foreign ministers in Brussels last week. And the President will meet with his counterparts here in Washington at the NATO Summit on Friday and Saturday. To date, we have been heartened by the broad participation and strong support the military campaign has received. In one way or another, every ally is contributing.

Our unity has been strengthened by the knowledge that Milosevic refused a diplomatic settlement and by revulsion at his campaign of ethnic cleansing. No country in NATO wanted to have to use force against Serbia. But no country in NATO is willing to stand by and accept in Europe the expulsion of an entire ethnic community from its home.

Our second diplomatic objective has been to help leaders in the countries directly affected to cope with the humanitarian crisis and to prevent a

wider conflict. To this end, I have been in regular contact with my counterparts from the region. Their leaders will participate as partners in the NATO Summit. And the President's supplemental request includes \$150 million in emergency and project assistance to these nations and to democratic Montenegro.

Our third objective is to work constructively with Russia. We want to continue to make progress in other areas of our relationship and to bring Russia back into the mainstream of international opinion on Kosovo. When I met with Foreign Minister Ivanov last week, he was clear about Russia's opposition to the NATO air campaign. But we did agree on the need for an end to the violence and repression in Kosovo, the withdrawal of Serb forces, the return of refugees and internally displaced persons, and unimpeded access for humanitarian aid.

Where we continue to have differences is over the kind of international presence required to achieve these objectives. As I told Foreign Minister Ivanov, after Milosevic's depredations in Kosovo, refugees will not be able to return home unless the protective force is credible, which requires that its core must come from NATO. As in Bosnia, however, we think that Russia could and should play an important role in that force, and we would welcome the participation of NATO's other partner countries, as well.

Our fourth diplomatic objective has been to ensure that NATO's message is understood around the world. We are engaged in a vigorous program of public diplomacy and have provided information on a regular basis to nations everywhere.

We have been encouraged by strong statements from the European Union and UN Secretary General Kofi Annan, and by the participation in relief efforts of diverse countries such as Egypt, Jordan, and Ukraine.

Moreover, last week, the UN Human Rights Commission in Geneva voted 44 to 1 to condemn Belgrade's campaign of ethnic cleansing in Kosovo and called upon Serb authorities to

accept a peace agreement. Supporters of this resolution came from every continent.

We have also tried to pierce the veil of propaganda and ignorance with which Milosevic has tried to shroud the people of the former Yugoslavia. Radio Free Europe, Radio Liberty, and other broadcasts are reaching the country 24 hours a day. As President Clinton and other NATO leaders have made clear, our actions are directed against Belgrade's policies, not against the region's people. And our effort to broadcast the truth is designed to counteract Belgrade's big lie that the refugees from Kosovo are fleeing NATO and not the Serb forces.

In the days and weeks to come, we will press ahead with our military, diplomatic, and humanitarian strategies. Our purpose will be to steadily bring home to Milosevic the reality that this confrontation must end on the terms we have stated.

Our desire is to begin as soon as possible the vital work of returning, reuniting, and rebuilding in Kosovo. But we are not interested in a phony settlement based on unverifiable assumptions or Milosevic's worthless word. The only settlement we can accept is one we have the ability to verify and the capability to enforce.

Even as we respond to the crisis in Kosovo, we must also concern ourselves more broadly with the future of the region. The peaceful integration of Europe's north, west, and center is well-advanced or on track. But, as I said earlier, the continent cannot be whole and free until its southeast corner is also stable.

Some say violence is endemic to this region and that its people have never and will never get along. Others say that stability is only possible under the crushing weight of a dominant empire such as the Ottoman, Hapsburg, and communist regimes that once held sway.

I am no prophet. Certainly, the scars of the past are still visible. Certainly, the wounds opened by the current devastation will take much time

to heal. But the evidence is there in the testimony of average people whether in Zagreb or Tirana, Sarajevo or Skopje, that they are far more interested in plugging into the world economy than in slugging it out with former adversaries.

If you look at the region today, you will see Greeks and Turks operating side by side as NATO allies; you will see Macedonians and Albanians and Montenegrins answering the humanitarian call. You will see Christians and Muslims and Jews united in their condemnation of the atrocities being committed.

In Bosnia, NATO and its partners are working with ethnic Serbs, Croats, and Bosniaks to implement the Dayton accords. And through our own Southeast European Cooperative Initiative, you will see leaders and citizens from throughout the region engaged in joint efforts and cooperative planning.

The problems that have plagued the Balkans—of competition for resources, ethnic rivalry, and religious intolerance—are by no means restricted to that part of the world. Nor does the region lack the potential to rise above them.

During the NATO Summit, the President and our partners will discuss the need for a coordinated effort to consolidate democracy in Southeast Europe, promote economic integration, and provide moral and material support to those striving to build societies based on law and respect for the rights and dignity of all.

Our explicit goal should be to transform the Balkans from the continent's primary source of instability into an integral part of the European mainstream. We do not want the current conflict to be the prelude to others; we want to build a solid

foundation for a new generation of peace—so that future wars are prevented, economies grow, democratic institutions are strengthened, and the rights of all are preserved.

This will require a commitment from us. It will require the involvement of the European Union and the international financial institutions. It will require a continued willingness on the part of local leaders to work together on behalf of the common good. And it will require, ultimately, a change in leadership in Belgrade so the democratic aspirations of the Serb people may be fulfilled and the isolation of the former Yugoslavia can come to an end.

Finally, Mr. Chairman, I would like to add just a few words about the crisis in Kosovo and the future of NATO, for the challenge we currently face has dramatized the need for precisely the kind of adaptations the alliance has already initiated, and which we will take to a new level at the summit here in Washington later this week.

In Kosovo, we are responding to a post-Cold War threat to alliance interests and values. We are seeing the need for military forces that are mobile, flexible, precise, and interoperable. We are seeing the value to the alliance of its new members and partners. And we are reaffirming the unshakable strength of the transatlantic bond.

Having said that, I want to emphasize that although we are focused now on Kosovo, the future of NATO is a much larger issue. The current fighting notwithstanding, NATO's core mission remains collective self-defense.

NATO's relationship to Russia is a key to Europe's future security and will be determined by many factors in addition to Kosovo. The alliance must

be ready to respond to the full spectrum of missions it may face, including the perils posed by weapons of mass destruction. And the United States will continue to welcome efforts to strengthen the European pillar of our alliance in a way that bolsters overall effectiveness and unity.

I know that your Subcommittee on Europe will be conducting a hearing on these and related issues tomorrow, Mr. Chairman, and I am sure that Assistant Secretary Grossman and his counterpart from the Department of Defense will discuss them in greater depth than I have had the opportunity to do in my remarks this afternoon.

I also understand that the congressional leadership will host a reception this week for our visitors from NATO countries. I hope that you will thank them for their efforts and stress to them the importance of standing together and standing tall until the current confrontation is settled.

As the President and our military leaders have made clear, this struggle may be long. We can expect days of tragedy for us as well as for the people of the region. But we must not falter, and we cannot fail.

By opposing Slobodan Milosevic's murderous rampage, NATO is playing its rightful role as a defender of freedom and security within the Euro-Atlantic region. Because our cause is just, we are united. And because we are united, we are confident that in this confrontation between barbaric killing and necessary force; between vicious intolerance and respect for human rights; between tyranny and democracy; we will prevail. To that essential objective, I pledge the full measure of my own efforts and respectfully solicit both your wise counsel and support.

Thank you very much. ■

Assessing the Zhu Rongji Visit

Stanley O. Roth

Testimony by the Assistant Secretary for East Asian and Pacific Affairs before the Subcommittees on Asia and the Pacific and International Economic Policy and Trade of the House International Relations Committee, Washington, DC, April 21, 1999.

Mr. Chairman, thank you for the invitation to address this joint hearing of the Asia and the Pacific Subcommittee and the International Economic Policy and Trade Subcommittee on the subject of Premier Zhu Rongji's recent visit to the United States.

It is my understanding that USTR's Ambassador Barshefsky briefed you yesterday on the details and status of the WTO accession agreement. Consequently, I would like to focus my remarks this afternoon on the broader context of Premier Zhu's visit.

On April 7, the President gave a speech that explained in depth our approach to dealing with China. With your permission, I want to place the text of that speech into the record of this hearing.

In addition, last February, within a broader overview of U.S. policy toward Asia, I had the opportunity to discuss with you the Administration's policy toward China. I won't repeat myself here today, but am happy to respond to any questions you might have.

Premier Zhu's visit was an outgrowth of our 1997 agreement to regularize high-level contacts between

the United States and China. Discussions between leaders should be a normal, routine feature of relations between major countries like the U.S. and China, which serve to help us understand each other better and lay the groundwork for expanded cooperation.

As the President's extended 90-minute joint press conference with Premier Zhu indicates, the Administration's dialogue with Zhu touched on the full gamut of issues. Not surprisingly, given Zhu's expertise and interests, economic issues took a very high profile during his visit, but many other subjects were addressed as well.

Notably, we furthered our strategic dialogue by reviewing our ongoing cooperative efforts to enhance the security of both our nations through working together toward a stable peace on the Korean Peninsula and working with India and Pakistan to curb their nuclear competition and to meet certain non-proliferation benchmarks. We reviewed our mutual efforts to help stabilize the Asian economic situation, and China pledged to continue its constructive policies that have contributed significantly to international efforts to resolve Asia's financial difficulties.

We also pursued a range of bilateral issues. Although Premier Zhu's visit did not lead to any immediate improvement

in Chinese human rights practices, discussions with the Premier, consistent with the U.S. decision to seek action against China at the Geneva UN Human Rights Commission, left no doubt regarding the United States' strong resolve to pursue this issue.

With respect to Taiwan, the President reiterated the need for a peaceful resolution of cross-strait differences, while mentioning our continued adherence to a "one China" policy.

We also discussed the issue of Tibet, once again urging the Chinese authorities to establish a substantive dialogue with the Dalai Lama or his representatives. We reminded them of the commitments President Jiang had made during his visit.

The President also urged China to pursue the dialogue it has begun with the Vatican.

In the area of environment and energy, the U.S.-China Policy Forum on Environment and Development, spearheaded by the Vice President, was able to make significant progress. The Forum concluded:

- A Memorandum of Understanding calling for a \$100 million Clean Energy Program through the U.S. Export-

Import Bank to provide loans and loan guarantees for the sale of U.S. clean energy technology to China.

- EPA signed 10 agreements with China to strengthen cooperation on environment issues; these included a Statement of Intent for a Sulfur Dioxide Emissions Trading Feasibility Study to test the effectiveness in China of market-based emissions trading.

Clearly, however, the most progress during Premier Zhu's visit was in the economic realm. The President and the Premier welcomed significant progress on a range of market access and protocol issues in our negotiations on China's accession to the WTO. Chinese and American negotiators are now meeting in Beijing to resolve remaining issues and hope to reach agreement on strong commercial terms as soon as possible. Ambassador Barshefsky is working toward a strong deal that would finally give our businesses access to the Chinese market—their businesses already have access to ours. It would also reinforce Premier Zhu's

own efforts to change China's economic system and open China up to the rest of the world.

Other economic issues led to more specific conclusions.

- We concluded an agreement on U.S.-China agricultural cooperation. The agreement lifts long-standing prohibitions on the export of U.S. citrus, grain, beef, and poultry to China.

- We concluded an aviation agreement which will double the number of passenger and cargo flights between the U.S. and China, authorize one new U.S. carrier to begin services in China's market, and remove all restrictions on U.S. gateway departure cities for U.S. airlines thereby enabling more U.S. cities to have direct service to China.

- We entered into a customs agreement which will expand and facilitate cooperation and information-sharing between U.S. and Chinese customs authorities. In addition, we signed a letter of intent for the Shanghai "Model Port Project," enabling Shanghai's customs services to cooperate with the U.S. Customs

Service to modernize that city's customs infrastructure and procedures in time for the 2001 APEC leaders meeting.

During Premier Zhu's visit, difficult issues such as the alleged Chinese efforts to acquire sensitive U.S. nuclear information were raised. The Administration has no illusions about China. With China, as with other countries, we must deal with differences, difficulties, or threats at the same time that we cooperate on issues of national interest. We welcome Premier Zhu's commitment to cooperate in investigating such issues.

Premier Zhu's visit was a critical opportunity to make progress on our efforts to open China's markets through its accession to the WTO, expand our bilateral economic interaction, and continue our strategic dialogue. We used the occasion of high-level meetings to address squarely our differences, build on common ground between us, and promote vital U.S. national interests. ■



TREATY ACTIONS

MULTILATERAL

North Atlantic Treaty

Agreement on the status of the North Atlantic Treaty Organization, National Representatives and International Staff. Done at Ottawa September 20, 1951. Entered into force May 18, 1954. TIAS 2992; 5 UST 1087; 200 UNTS 3. Signature: Czech Republic, April 26, 1999.

Further additional protocol to the agreement among the states parties to the North Atlantic Treaty and the other states participating in the Partnership for Peace regarding the status of their forces. Done at Brussels December 19, 1997.

Signatures: Denmark, January 30, 1998; The Netherlands, June 2, 1998; Belgium, November 9, 1998.

Acceptance: The Netherlands, February 24, 1999.¹

Ratification: Latvia, April 15, 1999.

Entry into force: April 15, 1999.²

BILATERAL

Colombia

Agreement extending the agreement of October 18, 1996 and July 1, 1997 relating to the air transport agreement of October 24, 1956, as amended. Effected by exchange of notes at Bogota February 12 and 22, 1999. Entered into force February 22, 1999.

Hungary

Agreement for cooperation in the Global Learning and Observations to Benefit the Environment (GLOBE) program, with appendices. Signed at Washington March 10, 1999. Entered into force March 10, 1999.

Latvia

Agreement extending the agreement of April 8, 1993, as extended, concerning fisheries off the coasts of the United States. Effected by exchange of notes at Riga February 13 and May 23, 1997. Entered into force March 1, 1999.

Mexico

Memorandum of understanding on procedures for cooperation regarding law enforcement activities. Signed at Merida February 15, 1999. Entered into force February 15, 1999.

The Netherlands

Agreement relating to air transport between the Netherlands Antilles and the United States of America, with annexes. Signed at Washington July 14, 1998. Entered into force February 16, 1999.

Nicaragua

Memorandum of understanding concerning scientific cooperation in the earth and mapping sciences, with annexes. Signed at Reston and Managua March 4 and 10, 1999. Entered into force March 10, 1999.

Russian Federation

Memorandum of understanding on cooperation in seismology and geodynamics, with appendix. Signed at Washington March 24, 1999. Entered into force March 24, 1999.

¹ For the Kingdom in Europe.

² Not in force for the U.S. ■