

**"AMERICA AND ASIA:
RESTORING U.S. LEADERSHIP IN THE PACIFIC"
SENATE MAJORITY LEADER BOB DOLE
REMARKS PREPARED FOR DELIVERY
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Thank you, Dave for that kind introduction. Dave Abshire and I go back a long way. I remember a trip overseas just after being elected Majority Leader in 1985. At the height of the Cold War, I stayed at Dave's house in Brussels when he was Ambassador to NATO. In fact, Dave's tenure at NATO marked the beginning of the CSIS ambassadorial "chair" in Brussels. We talked about deploying Pershing II missiles, about Soviet expansionism, and about strengthening military deterrence on the inter-German frontier. Dave has a lot of vision, but it is safe to say neither of us envisioned the most important debate NATO would face a decade later is how best and how soon to incorporate Poland, Hungary, the Czech Republic and other countries into the NATO security umbrella.

But it's not the changing face of Europe that brings us here today. I believe America's global future will be an important issue in this election year. I believe the American people care deeply about how America is viewed in the world. I believe President Clinton's foreign policy track record of weakness, indecision, doubletalk, and incoherence has diminished American credibility and undermined American interests. Failures of leadership in Asia such as coddling North Korea, lacking a strategic policy toward China, and the conspicuous absence of the President from the debate over Most Favored Nation status for China have eroded American power and purpose in the Pacific.

Asia has been transformed by remarkable political, economic, and social changes in the past two decades. You know the facts: Today, the eight largest armed forces in the world are deployed in Asia. In Asia, unlike other regions, military spending is increasing after the end of the Cold War. 60% of the world's population lives in Asia. In East Asia, per capita incomes have quadrupled in 25 years in spite of rapidly growing populations, and economies are developing rapidly throughout the continent. Early in the next century, five of the six largest economies in the world will be in Asia. Democratic institutions have taken root from South Korea to Taiwan, and older democracies demonstrate their continued viability and vitality. No wonder that many predict we are about to enter "The Pacific Century."

No matter what you call the next 100 years, the fact is that American leadership, and American purpose and power will remain indispensable to the political and economic progress of the entire international community--including, of course, Asia.

I am here today to share the principles and policies that a Dole Administration would advance in our relationship with Asia. Before I do so, however, I would like to offer a

brief critique of how the Clinton Administration has mishandled relations with this strategic region.

Two myths have recently taken hold about President Clinton's foreign policy. The first myth is just because President Clinton has done some things right in the past few months, he is a capable foreign policy President. The second myth is that because the President and I believe in international engagement, free trade and peace in the Middle East, there are not major differences between us concerning America's global future. As the next six months will make very clear, both myths are devoid of truth. Our differences are vast and fundamental -- from expansion of NATO and deployment of ballistic missile defenses to overreliance on the United Nations and decisive action against the enemies of the United States. And recent efforts to "re-invent" the President's foreign policy image amount to little more than damage control -- not competence or vision.

When President Clinton took office, America was flush with the twin victories of the four decade-long Cold War and the four day ground war in the Persian Gulf. We were seen as the undisputed leader of the free world.

Under President Clinton's watch, however, North Korean forces have exercised defiantly in the Demilitarized Zone, China has launched missiles into the Taiwan Strait, and the "Russia card" is now a feature of Chinese diplomacy. The bottom line is that American credibility in Asia is low and still declining, and American interests are challenged throughout the region.

President Clinton Failures's in Asia

As a direct result of the weak leadership, vacillation and inconsistency which are the hallmarks of Clinton Administration foreign policy, the world's sole superpower finds itself drifting and defensive, with an uncertain course and an untrusted voice in the Pacific Basin. Three critical episodes demonstrate how President Clinton's foreign policy in Asia has disillusioned our allies and emboldened our enemies.

Candidate Clinton harshly criticized President Bush for coddling Chinese dictators. Candidate Clinton promised: "We will link China's trading privileges to its human rights record and its conduct of weapons sales."

But like his promises to balance the budget in five years, and provide a middle class tax cut, Candidate Clinton's new China policy had an unusually short shelf life once he became President Clinton-- collapsing in about six months under the weight of its own naive and contradictory purposes.

After considerable confusion and embarrassment, and after substantially damaging America's international credibility, the President had arrived at an argument that was

identical to the Bush Administration's position on MFN which President Clinton had condemned as immoral.

In less than two years, China -- and the world -- saw a complete reversal of administration policy with an intermediate stop at indecision. The Chinese leadership, our allies, and our adversaries learned an important lesson: the President of the United States does not always mean what he says.

The greatest immediate security threat in Asia is the Stalinist regime in North Korea, armed to the teeth, determined to develop weapons of mass destruction and the means to deliver them. When the North Korea nuclear threat became too obvious to ignore, President Clinton said, "North Korea cannot be allowed to develop a nuclear bomb." Just three weeks later, his Secretary of Defense revealed on national television that North Korea may already possess such a weapon.

American interests and the principles of sound diplomacy dictated a clear course: working with our South Korean allies, and other affected Asian countries on a coordinated response to this serious security challenge from the North. Instead, President Clinton chose to give North Korea what it had always sought -- direct talks with the U.S. over the objections of South Korea. President Clinton failed to hold North Korea to its 1991 commitments to resume bilateral North-South talks and to work with South Korea for a nuclear-free peninsula. His accommodation of North Korea, and his neglect of our ally's well-founded concerns, set a pattern that has continued to this day: appeasing the North, slighting the South, and ignoring the strategic consequences.

When it became clear that their preference for accommodating North Korea was only increasing North Korea's appetite for further concessions, the Clinton Administration -- with Congressional support -- concluded the time had come for international sanctions. The intervention of former President Carter signalled what has become a frequent and unique feature of Clinton Administration statecraft: the franchising of American foreign policy. The effort to seek international sanctions on North Korea was abandoned, and President Clinton proudly announced an "Agreed Framework" on the nuclear issue. As negotiated by his administration, the Agreed Framework:

- codified North Korea's temporary compliance with existing treaty obligations;
- overlooked North Korea's existing nuclear weapons program and materials;
- was mute on resuming North-South talks;
- promised billions in aid and technology for North Korea's future nuclear development;
- pledged the provision of light water reactors to North Korea which can produce weapons-grade nuclear materials;
- ignored the threat of forward-deployed North Korean forces; and
- assured continued, direct U.S. engagement with North Korea.

Within months, press accounts revealed that U.S. oil supplies, shipped as part of the Agreed Framework, had been diverted to the North Korean military. It became clear that the generous rewards for North Korea's nuclear brinkmanship aggravated South Korean doubts about American reliability, encouraged further aggressive North Korean challenges to alliance solidarity, and invited other rogue states to "cash in" on their nuclear ambitions.

The Agreed Framework showed, as I said on the day of its announcement, "that it is always possible to get agreement if you give enough away." Clearly, President Clinton had not learned a basic lesson of diplomacy, a lesson which Presidents Reagan and Bush knew so well: a bad deal is often much worse than no deal. Once again, our allies and our adversaries learned important lessons: the President does not always mean what he says; threats and inflexibility can lead to American concessions; and the concerns of American allies may be ignored to accommodate our enemies.

A third failure of the Clinton Administration in Asia was its handling of a visa for Taiwanese President Lee. In May 1993 President Lee was denied permission to remain overnight in Hawaii. When President Lee was invited in 1995 to speak at his college reunion in Cornell, the Clinton Administration announced he would not be granted a visa. The U.S. did not challenge the Chinese assertion that granting a visa would undermine the "One China" policy. Secretary of State Christopher assured his Chinese counterpart that a visa would not be issued. Days later, however, the White House did another about face and announced a visa would be issued. China reportedly learned of the decision through the news media.

President Clinton could easily have avoided the entire episode if President Lee had been treated decently in 1993. In 1995, the Chinese could have been quietly informed a visa would be issued, and assured of the private nature of the visit. Instead, the Administration lamely tried to blame non-binding Congressional resolutions for this 180 degree policy turn. The aftermath left the United States with the worst of all worlds: lack of credibility; a reputation for inconsistency in the face of mild pressure; and antagonism from China over diplomatic doubletalk as much as policy substance.

These events illustrated how President Clinton squandered the rich foreign policy legacy he inherited by making inconsistency, confusion, and incoherence the common features of American diplomacy.

Each of these mistakes, and others like them, have direct and lasting consequences today. When America goes to our allies to ask their support, they wonder: will American policy change tomorrow? When America warns our adversaries to change course, they wonder: will bluster and inflexibility force a change in American policy tomorrow? When President Clinton says America will remain engaged in Asia, Asians wonder: will America be there tomorrow?

It is time to restore American leadership in Asia and throughout the world. No more overnight reversals, no more conflicting signals, and no more strategic incoherence. Our future security depends on American leadership that is respected, American leadership that is trusted, and, when necessary, American leadership that is feared.

Korean Peninsula

The global Cold War is over but the 38th parallel in Korea is still a very dangerous place. More than 36,000 Americans are stationed in Korea -- risking their lives to enforce the peace that 54,000 Americans -- and more than 3 million Koreans -- died building. Our strategic goals in Korea should be clear: strengthening deterrence to preclude a Second Korean War, and creating the conditions to facilitate peaceful unification of the Korean Peninsula.

Until the Clinton Administration showered them with aid, bilateral diplomacy, and technology, North Korea's rulers stood as isolated symbols of Stalinism, as fossils of totalitarian decay. It has the 5th largest army in the world within yards of American forces and within miles of Seoul. Last month, North Korean forces violated the Demilitarized Zone in a brazen challenge on the eve of South Korean parliamentary elections and President Clinton's visit. North Korea has stated its intention to deploy intercontinental ballistic missiles. North Korea has one intermediate range missile operational, and more in development. North Korea has sold military technology to Iran, Libya and Syria. With customers like these, North Korean manufactured missiles can strike cities in Japan, France, Italy, Israel, Greece and Turkey. North Korean missiles under development could strike North America, Russia, and the capitals of Europe and the Pacific Rim.

Last month, President Clinton announced a four party peace initiative in Korea involving the U.S., China and the two Korea's. The initiative surprised the Chinese. No mention was made of resuming North-South talks. North Korea has not responded. The Administration also undertook "missile nonproliferation" talks with North Korean leaders despite the regime's blatant violations of existing arms control agreements. Indeed, discussing non-proliferation with North Korea is like discussing religious tolerance with the Hezbollah. Preaching the virtues of non-proliferation to a government that has no interest in it serves little purpose.

The President's policy toward North Korea seems to be dialogue for the sake of dialogue -- no strategic vision, no operational plan, and no tactical coordination. He is following an old adage: "if you don't know where you are going, all roads lead there." President Clinton should ~~cease~~ bilateral contacts with North Korea on proliferation and on diplomatic normalization until North Korea resumes direct discussions with South Korea -- as it committed to do five years ago.

Pacific Democracy Defense Program

President Clinton should apply to East Asia what he recently discovered about Israel: missile defense is essential to our allies' security. Secretary of Defense Perry recently said a ballistic missile threat to Americans was "more than a decade away." I would challenge that optimistic assertion. Moreover, if the President had visited American forces in Korea on his recent trip, he would have discovered the ballistic missile threat to Americans was -- literally -- only minutes away.

It's time for President Clinton to do more than just take credit for what President Reagan and Bush initiated with Israel to address the ballistic missile threat. It's time for the U.S. to work with Japan, and to work with South Korea, as well as other Asian allies on the development, testing, and deployment of ballistic missile defenses -- a "Pacific Democracy Defense Program." Our three countries have territory or military forces under direct threat of missile attack today. Our three countries have the resources and experience to work on missile defense programs today. And with American leadership, our three countries can have the political will and technological means to defend our territory and our people tomorrow.

Japan and Korea face a clear and present danger from ballistic missiles, and should be our top priority under the Pacific Democracy Defense Program. It is time to move past paper studies to deployment decisions. It is time to announce our willingness to license exports of systems such as THAAD -- Theater High Altitude Air Defense -- and in the interim make operational prototypes available to our allies. It is time to invite interested friends to send military personnel to train with U.S. army units already formed for THAAD launch. Finally, I call upon President Clinton to implement the law and move ahead with Navy "Upper" and "Lower Tier" missile defenses so that we can always be in the right place at the right time. With American leadership and American know-how, we can create Pacific Democracy Defense network that provides protection for people and territory from the Aleutians to Australia.

Japan

The most important security relationship America has in Asia is with Japan. With a solid security alliance between the U.S. and Japan, there can be peace and stability in Asia -- without such an alliance, there most likely will not. President Clinton came into office with an ambitious agenda for democracy in Asia, but overlooked the importance of the security alliance with Asia's oldest democracy. Just before the 1995 APEC summit in Osaka, the world was assured by a senior Clinton Administration official that there was "no chance" President Clinton would not attend the summit because his absence would "deal a body blow" to U.S.-Japan relations, and to APEC itself. President Clinton did not attend -- although he did find time to travel to Ireland less than two weeks later.

President Clinton has belatedly discovered the importance of our security relationship with Japan. Expanding defense cooperation with Japan as part of Pacific Democracy Defense Program will strengthen our alliance, and serve our mutual interests. While

President Clinton deserves credit for renewing and strengthening those ties on his recent trip, the Administration's amateurish and ineffective posturing on trade disputes had strained those ties, and necessitated the President's recent attempt at damage control.

In 1995, the Clinton Administration provoked a trade war, lost it, and then declared victory -- even though President Clinton received nothing. The Clinton Administration chose uncoordinated and contradictory tactics and did not work with forces in Japan favoring deregulation, competition and economic reform. The result has been an increase in both the bilateral trade deficit and in Japanese trade nationalism.

The merchandise trade deficit with Japan last year was \$60 billion, \$10 billion higher than when President Clinton took office. Sustained trade deficits with Japan constitute a transfer of wealth and jobs from America. This trend must be reversed. Japan must open its sanctuary market and level the playing field. We must start by resolving ongoing commercial disputes that cost U.S. companies millions of dollars in lost sales. If negotiated solutions are not reached, swift action under existing U.S. trade laws will be required. If our trade disputes are not resolved, American public support for the U.S.-Japan security relationship will inevitably decline -- to the detriment of both countries.

Southeast Asia

Southeast Asia is a region of special importance to America. We have sacrificed too much treasure and spilled too much blood there to forsake our interest in the peaceful political and economic development of the region. Two of our long-term treaty allies, Thailand and the Philippines, are members of ASEAN, one of the most successful regional compacts on the globe. Importantly, Southeast Asia looks to us for close and enlightened partnership in their efforts to fully develop into modern economic and political states. American leadership will prove indispensable to the region's integration into the global community of free market states, and to their capacity to protect our shared security and economic interests in a stable Asian order. The United States should clearly and credibly commit to working with ASEAN on regional security issues. This commitment and its coherent implementation would supply a badly-needed dose of American leadership in a region where it has been in short supply.

Vietnam has recently joined ASEAN, and Laos and Cambodia are to follow. This is a welcome development. We hope that such expansion will lead to greater regional stability and cohesion. We should use our influence intelligently to see that all the nations of ASEAN make common purpose the servant of common interests. It is no secret that I did not agree with President Clinton's decision to normalize relations with Vietnam. I felt he could have and should have received more in return from Vietnam. The decision has been made but the case is not closed. There are many outstanding issues in our relationship with Vietnam, but shared economic and other interests can only be realized after the -- as yet unachieved -- fullest possible accounting for our missing servicemen. Vietnam must understand that further progress on the POW/MIA issue will remain our highest bilateral priority.

Russia

We too often forget that Russia is an Asian power, straddling the Eurasian landmass. Russia has a role in Asia, Russia has interests in Asia, and Russia has territorial disputes in Asia. The growing *rapprochement* between Russia and China is more than a cause for concern -- it is cry for responsible American leadership and sound American policy.

U.S.-China Relations

The United States has no relationship more complex in the world than the one we have with China nor one with ultimately greater historical consequences. The list of concerns and problems in our relationship is long, and growing: transfers of weapons and technology to Pakistan and rogue states like Iran and North Korea; military pressure on Taiwan; unilateral claims to exclusive jurisdiction over far-flung islands and seabed resources in the South China Sea; continued military buildup of air, sea and land forces; border disputes with almost all neighbors; widespread violations of internationally-recognized human rights; coercive abortion practices; repressive policies in Tibet; intellectual property rights violations; and restrictions on market access. Yet, incredibly, in the face of all these urgent challenges, President Clinton told Chinese President Jiang last year that the greatest threat China posed to American security was China's pollution potential.

Now don't get me wrong, I want the Chinese to have clean air. But this type of strategic incoherence in Sino-American relations has contributed to the conviction shared by allies and adversaries alike that American leadership in Asia is fragmented, contradictory, and uncertain. China is not Haiti, and cannot be bullied by an American President. China is not Somalia, where our interests are peripheral. China is the most important international challenge the U.S. faces as we enter the 21st century.

China is on the threshold of becoming a great power, emerging from decades of self-imposed isolation and economic ruin. Deng's free market reforms have revolutionized the command economy Mao built. China now looks outward -- and upward. Twice before in this century, the world has faced the challenges of emerging powers, and twice before statesmen have failed the test: with Germany before World War I and with Japan before World War II. I do not want statesmen to fail the challenge posed by China. Our strategic goal should be clear: a China which does not threaten its neighbors, and a China which plays by the rules of the international system on non-proliferation and trade, a China which is peaceful, prosperous and free.

If our goal is clear, so too is the path to achieve it. We should prioritize our interests, communicate our priorities to the Chinese leadership, and implement our policy in a competent and consistent manner. The correct approach will include sustained, high-level attention to our relationship with China and coordination with our regional allies. The wrong approach will resort again to the scattershot method of the Clinton Administration: USTR and market access one week, the Defense Department and military cooperation the next, State Department and human rights the next, Commerce Department and export promotion

the next, the Arms Control and Disarmament Agency and proliferation the next. All while the President cites the environment as the greatest security threat from China.

We must be realistic about what we can achieve. China is in a protracted leadership transition. We can do little to influence that transition. What we can do is let this generation and future generations of Chinese leaders know they face a clear choice between the rewards of full membership in the international community and the heavy burden of political and military rivalry. Americans hope that China's leadership will choose cooperation, participation and prosperity.

Weapons Proliferation

The proliferation of weapons of mass destruction and their delivery vehicles is among the gravest threats to America's security interests -- especially when such weapons are transferred to outlaw states like Iran and North Korea. Traditional arms control solutions to proliferation have been inadequate. Today, more than 25 countries have or are in the process of developing weapons of mass destruction and the means to deliver them.

Non-proliferation must be a top priority in our bilateral relationship with China, but imposing sanctions which hurt us without reducing proliferation is no answer. When American non-proliferation law is violated, American sanctions should be imposed. But sanctions should be imposed intelligently not haphazardly. For example, restrictions on U.S. Export-Import Bank financing should be targeted to affect enterprises controlled by the People's Liberation Army involved in proliferation -- not every American business in China.

China's proliferation policies highlight the need to develop and deploy effective ballistic missile defenses to defend America, American forces and American allies -- this will not only deter, but reduce the incentives to produce ballistic missiles. And China's leadership must be convinced that undermining the stability of regional balances of power will carry an international price.

Taiwan

We must make our commitment to the peaceful resolution of differences between China and Taiwan clear. The Clinton Administration's policy of ambiguity only sends a signal of uncertainty -- to Taiwan, to China, and to our Asian allies. Our policy should be unmistakably resolute: if force is used against Taiwan, America will respond. That is the strategic bottom line in the Taiwan Relations Act, which I was proud to help shape. During debate on the critical section of the Act concerning efforts to address the future of Taiwan by other than peaceful means, I argued for clarity. On March 17, 1979, I said: "It was vital...to convey the assurance that specifically spelled out our Nation's commitment to aid the Republic of China in resisting aggression. Vaguely worded statements about general interests of the people concerned were not sufficient." I believed clarity was the right policy in 1979, and I know it is the right policy in 1996.

Aggressive military maneuvers and "missile diplomacy" did serious damage to China's international position. But there should be no doubt: China is deadly serious in its opposition to Taiwan's independence. We must be serious too -- serious about deterrence in the Strait of Taiwan, and serious about adherence to the Taiwan Relations Act. The March elections in Taiwan were an important milestone. President Lee deserves our congratulations as the first democratically-elected leader in Chinese history. And it deserves note that the party supporting moves toward Taiwan's independence received barely 20% of the votes.

China had seen an American administration reverse itself on MFN, on North Korea and on President Lee's visa. China's leadership had ample reason for concern that another American policy change on an issue of national importance could occur. China's bullying was designed, in part, to signal its seriousness to an American President who has all too often favored retreat over steadfastness and reversal over credibility.

We should deal with Taiwan as it is: a long-time friend, and a political and economic success story that is the envy of much of the world. The Taiwan Relations Act clearly states the United States will provide weapons "necessary to enable Taiwan to maintain a sufficient self-defense capability." The United States is lawfully committed and morally obligated to help Taiwan maintain the capacity to deter any effort to determine its future through violence. There is no more clearly defensive and clearly necessary weapons system for Taiwan than effective missile defense. The current policy of not sharing information on missile threats or missile technology with Taiwan must be changed. The United States should work with Taipei on studying BMD needs -- as we already are doing with Seoul and Tokyo. Including Taiwan in the Pacific Democracy Defense Program would show seriousness about defending ourselves and our allies, and it would demonstrate our support for peaceful resolution of Taiwan's future. The United States should also reassess the decision not to provide Taiwan with advanced defensive weapons, such as the AMRAAM air-to-air missile, the shoulder-fired Stinger ground to air missile, coastal submarines and other anti-ship and anti-submarine weapon systems.

Hong Kong

Next year, 1997, will provide an invaluable opportunity for China. When Hong Kong returns to China's control at midnight, June 30th, statesmen, portfolio managers, generals and investors around the world will be watching. The economic and political choices Beijing makes in Hong Kong will be critical for determining how the world responds to China.

Most Favored Nation Status for China

The United States should be forthright about our commercial relations with China. President Clinton was right in 1994 when he finally decided extension of Most Favored Nation Status was the best way to promote our long-term interests in China, including greater respect for human rights and the rule of law. We should extend MFN to China, not because it is in our economic interest, but because it is in our national interest. To deny MFN for China would set back our relations more than two decades, and send a disastrous signal of

American withdrawal to our strategic allies throughout the Pacific Rim. Denying MFN would not free a single dissident, halt a single missile sale, prevent a single threat to Taiwan, or save a single innocent Chinese life.

President Clinton has never articulated a coherent strategy for dealing with China, nor how MFN extension fits into that strategy. Consequently, President Clinton faces a tough sell for MFN on Capitol Hill. He deferred decisions on intellectual property rights, Export-Import bank loans, and sanctions under non-proliferation law for too long. As we have seen in Bosnia, Iran, Cuba and elsewhere, when President Clinton is faced with a fork in the foreign policy road, he takes it. But he cannot continue to have it both ways on MFN for China. President Clinton needs to understand that extension of MFN is not automatic.

This is not the first time MFN has faced a challenge in Congress. Five years ago, and again the following year, we succeeded in maintaining normal trade relations with China only by the barest of margins. The key to success then was leadership. Then, the American President understood the stakes and devoted tremendous personal attention to the issue. I was proud to lead the Senate effort which overcame the arguments of Candidate Clinton, Senator Gore, Senator Sasser and others to ensure the national interest -- not the narrow, partisan political interest -- won the day.

Today, renewal of MFN is in serious doubt because presidential leadership is lacking. Perhaps President Clinton is counting on his veto pen. He has been eager to use it over the last year. It would not hurt for the President to make clear, at the very least, that he will veto legislation rejecting or conditioning MFN. In fact, it would be nice to see a veto for policy, rather than political reasons. But a veto strategy is no replacement for a geo-strategy. Idly allowing MFN to be rejected in Congress would be an abdication of presidential leadership. I had hoped that President Clinton would have already taken a "Great Leap Forward" on this issue by now. I hope he will end his conspicuous silence on the issue and explain what is at stake in our relationship with China -- to Congress and to the American people.

Trade Policy toward China

Extending MFN is not, in itself, a China policy, and it is not even a China trade policy. Over the last decade, U.S. exports to China have tripled, but Chinese exports to the U.S. have increased nearly ten-fold. Our current trade deficit is \$34 billion and climbing. China holds immense promise as a market for U.S. goods, services and agricultural products. But China is mortgaging that promise through protectionist policies. Intellectual property rights piracy, for example, costs American companies at the cutting edge of global competitiveness some \$2 billion annually.

China must live up to the trade agreements it has freely entered into -- whether on intellectual property, or on textiles and apparel. Because China is not today, we should move to a targeted and proportional response, including proposing an immediate list of sanctions under U.S. trade law. China enjoys liberal access to the U.S. market, but a wide

array of barriers inhibit American exporters. Market access and other Chinese trade practices demand a strategic approach -- not more of the same ad hoc, reactive policy practiced by President Clinton. It should not have taken yesterday's cabinet meeting for President Clinton to decide on imposing sanctions if IPR concerns are not addressed -- that decision should have been made before his administration imposed a May 15 deadline for action.

American policy should be clear about Chinese membership on the World Trade Organization: China will enjoy the fruits of the WTO only after it demonstrates a willingness to play by the accepted rules of the GATT system. I hope the administration will work with the Congress on this issue so it will not be necessary for the Congress to work on legislation itself. This should not be a unilateral U.S. effort. For an administration which prides itself on "assertive multilateralism" the Clinton team has been woefully inadequate in building coalitions on international issues. Unfair Chinese trade practices affect Japan, South Korea, the European Union, ASEAN, Australia, and New Zealand, and each of these have parallel interests to the U.S. On these issues, as so many others, our allies in Australia and New Zealand are too often treated as afterthoughts. Purposeful U.S. trade policy would seek allies among these states in opening China's markets and conditioning Chinese membership in the WTO. There is no need to "go it alone" if the U.S. knows where it is going.

Human Rights and Democracy in China

Let us be clear: America has an interest in human rights, democracy and political pluralism in China. A "One China" policy does not mean a "One Party in China" policy. The issue of human rights and MFN is not whether you believe China should respect human rights -- it is how best to foster respect for human rights. Many argue that MFN should not be extended to China because of its terrible record on human rights. China's record on human rights and tolerance of political opposition is indefensible -- but China is by no means alone. There will be a debate on MFN for China this year, but not on MFN for Russia where 30,000 Chechens have been slaughtered, or on MFN for Syria which has no political freedom, occupies Lebanon, and provides safe haven for terrorists.

Trade is not a panacea, and freer trade does not always lead to democracy. In Cuba or North Korea, where government control is absolute, where the society is tightly closed, where no economic or political reforms have occurred, increased trade would only enrich the coffers of dictators and prolong the rule of despots. But in China, continued trade offers the prospect of continued change. Capitalism has already corroded central government control. Some provincial governments in China control resources in excess of most Third World states. Market forces will predominate as China needs to import food, energy, capital and technology. Democratic elections have been allowed at the municipal level -- and Communist officials have been voted out of office. As a 1995 International Republican Institute report points out, "The move towards village elections has already fundamentally altered local government structures for over eight hundred million Chinese peasants."

Make no mistake: economic liberalization has bloomed while the seeds of political liberalization have only begun to be planted. But as a rule of law emerges for commercial transactions, demands for individual rights will increase. Democracy breeds calls for more democracy. U.S. policy should encourage the fragile opening in China -- through continued exchange programs, through the National Endowment of Democracy, through Radio Free Asia, and through continued trade. Support for freedom and democracy with all the tools in our arsenal is what offers the best opportunity for the hopes and aspirations of the 1.2 billion Chinese people.

American Power and Purpose in the Pacific

American interests in peace, security, freedom and prosperity in Asia are greater now than they have ever been. The modernization taking place throughout the region can trace its roots back to the United States of America. It was America that produced the technology revolution beginning with the telephone, the automobile, and the television. It was America that produced the political revolution by guaranteeing individual rights, universal suffrage, freedom of the press and accountability of our leaders. And it is the American people who inspired the rest of the world to believe in the future. In Asia, as much as anywhere in the world, that belief has taken hold.

As much as we are valued for our political successes, our economic achievement, and for the power of our values, our influence in Asia also relies on Asia's respect for our unsurpassed military strength. If we are to extend that influence into the next century for the sake of our own interests and the peaceful progress of Asia, we must firmly oppose calls for our military retreat from Asia whether those calls originate in the capitals of our adversaries or right here in America. Our military presence and alliances in Asia are indispensable to our own security, and they must be maintained.

So now it falls to the United States to point the way forward, as the natural leader among the Pacific nations, to a future that will preserve our common interests. No more can we afford an inattentive, incoherent, vacillating and reactive posture from the leader of the Free World. Serious national interests call for serious national policy. A Dole Presidency will bring about two abrupt changes from the performance of the Clinton Administration: first, an Asia policy worthy of the name; and second, a coherent, well-managed effort to advance American power and purpose in the Pacific.

Influence is the coin of the realm in foreign policy. The United States will face challenges, problems, and perhaps even national security crises in Asia over the next four years. The only question is how high a price we will have to pay to resolve these problems. We must begin now to reassert our role as a security guarantor, an ally, a trading partner, and a good neighbor to the peoples of Asia -- in short, to live up to our unique role as a leader.

Under American leadership, the dramatic story of Asia's modernization and progress can be our own story as well. The dynamism of Asia's economy can be the fuel for our own economic miracle. The flourishing of democratic principles in the Pacific can be our pride, and the preservation of regional stability our legacy. So long as America leads, every century will be an American century.

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