

News from Senator

BOB DOLE



(R - Kansas)

SH 141 Hart Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE
MAY 16, 1989

CONTACT: WALT RIKER
(202) 224-5358

Speech to
US-USSR Trade and Economic Council
May 17, 1989

A COUPLE OF YEARS AGO, WHEN THE GORBAHCEV ERA WAS JUST DAWNING, MARGARET THATCHER SHOCKED A LOT OF PEOPLE IN THE WEST BY DECLARING THAT GORBACHEV WAS SOMEONE "WE CAN WORK WITH."

THE INITIAL SHOCK HAS PASSED, REPLACED BY IMAGES OF THE GENERAL SECRETARY "WORKING" AMERICAN CROWDS IN THE BEST TRADITIONS OF -- WELL, OF BOB DOLE; BY TV SHOTS OF GORBACHEV AND PRESIDENT REAGAN, ATTACHING THEIR SIGNATURES TO THE INF TREATY; BY PICTURES OF SOVIET TROOPS AND TANKS, ROLLING NOT INTO -- BUT OUT OF -- AFGHANISTAN.

THE INITIAL SHOCK HAS PASSED, AND IN ITS PLACE HAS EMERGED A GROWING REALIZATION THAT MARGARET THATCHER WAS RIGHT. WE DO HAVE A NEW STYLE OF SOVIET LEADER. AND WE NOT ONLY CAN WORK WITH HIM; WE BETTER WORK WITH HIM. BECAUSE HE CONTINUES TO MOVE WITH WHIRLWIND ENERGY -- CATALYZING MAJOR CHANGES IN THE SOVIET SYSTEM AND SOVIET POLICIES; DESTROYING LONG-HELD IDEAS, AND IN SOME CASES MYTHS, ABOUT OUR SOVIET ADVERSARY; AND HAVING AN ENORMOUS IMPACT ON THE GLOBAL STAGE -- INCLUDING IN THE CAPITALS OF THE COUNTRIES WE CALL OUR CLOSEST ALLIES AND BEST FRIENDS.

GORBACHEV: FACE TO FACE

GORBACHEV'S SOVIET UNION REPRESENTS A UNIQUE KIND OF CHALLENGE FOR US AMERICANS -- A CHALLENGE MADE UP OF EQUAL PARTS OF NEW OPPORTUNITIES, AND POTENTIAL PERILS.

THAT CAME HOME TO ME STARKLY AND PERSONALLY WHEN I VISITED THE SOVIET UNION LAST YEAR, FOR THE SIGNING OF THE INF TREATY. ON THAT OCCASION, I HAD THE OPPORTUNITY TO SIT NEXT TO MR. GORBACHEV FOR SEVERAL HOURS AT DINNER. LET ME TELL MY COUNTRYMEN HERE WHO HAVE YET HAD THAT OPPORTUNITY: THE MAN IS A HANDFUL.

HE IS CHARMING. HE IS SMART. ABOVE ALL, HE IS TOUGH.

HE WANTS TO MAKE THE SOVIET UNION THE MOST POWERFUL AND PROSPEROUS NATION ON EARTH. HE HAS A STRATEGY -- A GAMEPLAN -- TO DO IT. AND HE HAS THE TALENT AND DETERMINATION TO GIVE HIM A SHOT AT SUCCEEDING -- DESPITE THE DAUNTING CHALLENGES HE, TOO, FACES.

AND, LET ME ADD, HE BELIEVES -- I AM CONVINCED HE GENUINELY BELIEVES -- THAT FOR THE FORSEEABLE FUTURE, AT LEAST, ONE CENTRAL ELEMENT OF HIS STRATEGY FOR HELPING THE SOVIET UNION MUST BE FINDING WAYS TO LOWER TENSIONS, AND INCREASE COOPERATION WITH THE WEST.

AND LET ME STRESS AGAIN: HE WANTS TO DO THAT NOT BECAUSE HE HAS ANY SPECIAL AFFECTION FOR US -- BUT BECAUSE HE SEES IT AS THE BEST WAY TO ACHIEVE SOVIET NATIONAL GOALS.

INTERESTINGLY, I KEEP HEARING PEOPLE WANTING TO DEBATE THE QUESTION: IS IT IN OUR INTEREST -- AMERICAN INTEREST -- TO HELP GORBACHEV? BY HELPING HIM, DO WE NURTURE A MORE OPEN, LESS BELLIGERENT SOVIET STATE; MORE AMENABLE TO WORKING WITH US, LESS INCLINED TO RISK ASSAULTS UPON US? OR, BY HELPING HIM, ARE WE REALLY JUST HELPING MAKE AN ENEMY -- AN EVEN STRONGER ENEMY?

THE RACE INSIDE THE KREMLIN

AS FAR AS I'M CONCERNED, GORBACHEV HAS IT RIGHT, FROM HIS PERSPECTIVE -- AND THE PEOPLE WHO ASK THESE KINDS OF QUESTIONS HAVE IT WRONG, FROM THE AMERICAN PERSPECTIVE.

THROUGH OUR POLICIES AND ACTIONS, WE CAN HAVE SOME IMPACT ON WHETHER OR NOT GORBACHEV SUCCEEDS. BUT, FUNDAMENTALLY, WHAT HAPPENS INSIDE THE SOVIET UNION WILL DECIDE HIS FATE.

IN MY VIEW, GORBACHEV'S FATE DEPENDS ON THE OUTCOME OF A DARING AND DANGEROUS RACE OF WHICH HE, HIMSELF, WAS THE STARTER; A CONTEST BETWEEN, ON THE ONE HAND, THE POLITICAL REFORMS AND SOCIAL REFORMS HE INSTIGATED, WITH THE RISING EXPECTATIONS THOSE REFORMS HAVE IGNITED; AND, ON THE OTHER HAND, THE CAPACITY OF THE SOVIET SYSTEM -- WITH ITS FIRST CLASS TECHNOLOGY, SECOND RATE BUREAUCRACY, AND THIRD WORLD ECONOMY -- TO MEET THOSE EXPECTATIONS.

IT'S GOING TO BE A TIGHT, TENSE RACE. AND WE CAN AFFECT THE OUTCOME ONLY AT THE MARGINS.

SO I THINK THAT TRYING TO FINE-TUNE OUR POLICIES TO MAKE GORBACHEV LOOK GOOD -- OR ALTERNATIVELY, TO TRY TO SABOTAGE HIS SUCCESS -- JUST WON'T WORK; AND, ANYHOW, MISSES THE POINT. WE OUGHT TO DECIDE ON OUR POLICIES AND ACTIONS USING THE SAME CRITERIA GORBACHEV IS USING, AND WE HAVE ALWAYS USED: WHAT IS BEST FOR THE UNITED STATES OF AMERICA? HOW DO WE DEAL WITH THE SOVIET UNION IN A WAY THAT MAXIMIZES OUR CHANCES TO ACHIEVE OUR NATIONAL GOALS.

OBVIOUSLY, THAT DOESN'T MEAN WE ARE BLIND AND DEAF TO WHAT IS HAPPENING INSIDE THE SOVIET UNION. ON THE CONTRARY, OUR PERCEPTIONS AND CONCLUSIONS ABOUT THE SOVIET STATE -- ITS MOTIVES, ITS GOALS, ITS CAPACITIES -- PROVIDE THE FRAMEWORK FOR DEVELOPING A STRATEGY OF US-SOVIET RELATIONS. BUT WE DON'T DEVELOP OUR POLICIES WITH THE PRIMARY AIM OF CHANGING THE SOVIET UNION, OR HELPING GORBACHEV CHANGE IT; BUT WITH THE MOTIVE OF EXPLOITING THE CHANGES THAT ARE OCCURRING IN WAYS THAT HELP US.

LET ME SAY UP FRONT: IN MY VIEW, THE CHANGES OCCURRING IN THE USSR -- SOCIALLY, POLITICALLY, AND ECONOMICALLY -- ARE VERY REAL, AND ARE HAVING FAR-REACHING IMPACT ON SOVIET POLICIES AND ACTIONS. IN MANY CASES, WE CANNOT YET BE SURE THEY ARE PERMANENT -- PRUDENTLY, WE MUST TAKE THAT INTO ACCOUNT; WE HAVE SEEN THE PENDULUM SWING BACK AND FORTH BEFORE. BUT NEITHER CAN WE BE SO ENCUMBERED WITH PAST EXPERIENCE, AND PERSISTING MYTH, THAT WE FAIL TO SEE AND APPRECIATE REAL CHANGE.

NEW HORIZONS ON TRADE - AGRICULTURE

ONE IMPORTANT CHANGE IS THE RAPID GROWTH OF NEW OPPORTUNITIES FOR MUTUALLY BENEFICIAL ECONOMIC RELATIONS. INCREASED TRADE WITH THE SOVIET UNION IN NON-STRATEGIC GOODS IS IN AMERICA'S INTEREST -- PERIOD. A RATIONAL, EFFICIENT SYSTEM TO DETERMINE WHICH EXPORTS NEED TO BE CONTROLLED, FOR NATIONAL SECURITY REASONS, AND WHICH CAN BE FREELY EXPORTED TO THE SOVIET UNION AND OTHER COUNTRIES -- SUCH A SYSTEM SERVES AMERICA'S BUSINESS INTERESTS, WITHOUT COMPROMISING AMERICA'S SECURITY. AND TIED CREDITS OR OTHER APPROPRIATE INCENTIVES TO FACILITATE NON-STRATEGIC TRADE, PROVIDED ON A COMMERCIALY SENSIBLE BASIS, MAKES US STRONGER, EVEN AS IT MIGHT ALSO BENEFIT THE BUYER.

ABOUT TWO WEEKS AGO, IN WASHINGTON, WE WITNESSED ANOTHER IMPORTANT MILESTONE IN THE IMPLEMENTATION OF SUCH COMMON SENSE POLICIES. PRESIDENT BUSH, AT MY STRONG URGING AND THE ADVICE OF MANY WHO UNDERSTAND HOW IMPORTANT IT IS FOR AMERICA TO REMAIN COMPETITIVE IN AGRICULTURAL EXPORTS, DECIDED TO APPROVE THE USE OF OUR EXPORT ENHANCEMENT PROGRAM -- THE EEP -- TO COVER 1.5 MILLION METRIC TONS OF WHEAT SALES TO THE SOVIET UNION.

EXPORT ENHANCEMENT

THE SOVIET UNION NEEDS WHEAT; WE HAVE IT TO SELL. WHEAT FEEDS PEOPLE, IT DOESN'T KILL THEM. WHEAT EXPORTS ENHANCE THE ECONOMIC SECURITY OF AMERICA'S FARMERS, WITHOUT UNDERMINING THEIR GEOPOLITICAL SECURITY. AMERICAN WHEAT SALES TO THE SOVIET UNION EARNS DOLLARS AND CENTS FOR THE UNITED STATES -- AND MAKES GREAT SENSE FOR BOTH SIDES.

I WANT THE EEP PROGRAM TO BE USED PRUDENTLY, BUT EFFECTIVELY, TO BOOST AGRICULTURAL SALES TO THE SOVIET UNION, AND OTHER MARKETS WHERE WE ARE FACED WITH SEVERE, AND OFTEN UNFAIR, COMPETITION FROM OTHER EXPORTING NATIONS. FOR EXAMPLE, I BELIEVE WE COULD EXPAND THE EXISTING EEP PROGRAM FOR VEGETABLE OILS -- TO MEET WHAT WE UNDERSTAND IS A SUBSTANTIAL SOVIET INTEREST IN NEW PURCHASES.

THE BOTTOM LINE IS TRADE WITH THE SOVIET UNION BENEFITS THE UNITED STATES. WHEN THE SOVIETS BUY - FOR EXAMPLE - AMERICAN SHOVELS, TRACTORS, ELEVATORS, SCRAP ALUMINUM, PIZZA AND PEPSI, THAT'S GOOD FOR US. IT'S A MARKET IN WHICH WE HAVE A GROWING INTEREST - AND IF WE ARE GOING TO COMPETE, WE HAD BETTER BE PLAYING TO WIN BY BEING COMPETITIVE. NO DOUBT ABOUT IT, AGRICULTURE DOMINATES OUR CURRENT TRADING PARTNERSHIP, BUT IT IS NOT THE ONLY AREA WHERE WE HAVE THE CHANCE FOR EXPANDED EXPORTS.

OVERALL TRADE POLICY

AND -- HAVING BROACHED THE SUBJECT OF TRADE -- PERHAPS I COULD ALSO TAKE THIS OPPORTUNITY TO SAY JUST A FEW WORDS ABOUT BROADER TRADE QUESTIONS. I KNOW THAT ALL OF THE AMERICAN BUSINESSMEN HERE HAVE ECONOMIC INTERESTS THAT GO BEYOND THE SOVIET MARKET; AND I SUSPECT THAT MANY OF THE SOVIET BUSINESSMEN DO, TOO.

THE UNITED STATES REMAINS COMMITTED TO THE REMOVAL OF BARRIERS AND THE EXPANSION OF WORLD TRADE CONSISTENT WITH THE PRINCIPLES WHICH HAVE GUIDED SIMILAR EFFORTS UNDER THE GATT: NATIONAL TREATMENT -- IN OTHER WORDS, EQUAL INTERNAL TREATMENT OF FOREIGN AND DOMESTIC COMPETITORS; AND MOST FAVORED NATION STATUS BY WHICH NATIONS CAN COOPERATE TO LOWER TARRIFS AND OTHER BORDER CONTROLS.

IT ALL BOILS DOWN TO THIS: WE ARE TRYING TO EXPAND OUR EXPORTS USING EVERY FAIR TRADE PRACTICE AVAILABLE TO US. WHY? BECAUSE IT'S GOOD FOR AMERICA.

BUT I DON'T WANT TO LEAVE ANYONE WITH THE WRONG IMPRESSION. WE ARE A CAPITALIST COUNTRY, AND MOST OF THOSE HERE TONIGHT ARE BUSINESSMEN. BUT WE HAVE INTERESTS WITH THE SOVIET UNION THAT GO WAY BEYOND ECONOMICS. SO PERHAPS I SHOULD END UP WITH SOME COMMENTS ON OUR BROADER STRATEGIC AND POLITICAL RELATIONS, AND WITH DEVELOPMENTS I SEE IN THE SOVIET UNION IN THOSE AREAS.

WINDS OF CHANGE

THE WINDS OF CHANGE ARE BLOWING THERE, TOO.

IN FACT, THE SOCIAL AND POLITICAL LIBERALIZATION WE SEE IN THE SOVIET UNION ARE EVEN MORE STRIKING THAN THE ECONOMIC CHANGES. AND EVEN THE MOST HARD-NOSED ANALYSTS, I THINK, ARE STARTING TO SENSE THAT SO MANY "GENIES" OF CHANGE HAVE BEEN LET OUT OF SO MANY "BOTTLES" -- THAT, NO MATTER WHAT HAPPENS, THINGS WILL NEVER AGAIN BE QUITE THE SAME.

-4-

BUT I REFER AGAIN TO THAT "RACE" THAT GORBACHEV HAS STARTED. WE DON'T REALLY KNOW WHICH SIDE WILL "WIN;" AND WE DON'T KNOW WHAT WILL HAPPEN IF THE RISING TIDE OF EXPECTATIONS SWEEPING THE SOVIET UNION IS FRUSTRATED. WILL THERE BE A REVERSION TO AN EARLIER STYLE OF SOVIET POLITICS AND POLICIES; OR WILL EVEN MORE PROFOUND SOCIAL UNREST AND CHANGE EMERGE.

WE WISH FOR THE BEST, BUT WE JUST DON'T KNOW. AND INEVITABLY, OUR UNCERTAINTY WILL CONDITION OUR VIEWS AND OUR ACTIONS TOWARD THE SOVIET UNION.

SO I WANT TO SPEAK DIRECTLY AND FRANKLY TO OUR SOVIET GUESTS. LET ME SUGGEST TO YOU THAT MUCH OF THE FUTURE OF OUR RELATIONSHIP LIES IN YOUR HANDS, AND IN THE HANDS OF YOUR NATIONAL LEADERS.

I DO KNOW HOW IMPORTANT, AND YES WRENCHING, THE DECISION MUST HAVE BEEN TO WITHDRAW FROM AFGHANISTAN. BUT I WONDER WHY YOU STILL PROVIDING MASSIVE AMOUNTS OF MILITARY AID TO A CLIENT STATE ON OUR SOUTHERN DOORSTEP, WHEN WE AND ALL THE OTHER NATIONS OF THE REGION ARE STRIVING TO FIND A PEACEFUL PATH IN CENTRAL AMERICA.

I APPRECIATE HOW SIGNIFICANT IT IS THAT NON-PARTY CANDIDATES CAN STAND FOR AND WIN ELECTION TO AN INCREASINGLY VOCAL AND INFLUENTIAL PARLIAMENT. BUT I STILL BELIEVE ALL PEOPLE HAVE THE RIGHT TO COMPLETE DEMOCRACY, AND WE WON'T BE SATISFIED UNTIL THE SOVIET PEOPLE FINALLY ACHIEVE THAT RIGHT.

JACKSON-VANIK REFORM?

I APPLAUD YOU FOR UNDERTAKING IMPORTANT REFORMS IN YOUR EMIGRATION POLICIES, BUT I URGE YOU TO PUT THOSE REFORMS INTO LAW, AND TO IMPLEMENT THOSE LAWS FAITHFULLY -- ONCE THOSE HUMANE AND ESSENTIAL STEPS ARE TAKEN, THEN THERE WILL BE MANY OF US WHO WILL BE PREPARED TO JOIN WITH PRESIDENT BUSH, IN HIS PLEDGE TO WORK FOR THE GREATER NORMALIZATION OF OUR TRADE RELATIONS -- STARTING WITH A JACKSON-VANIK WAIVER.

I SEE HOW FRIGHTENING IT IS WHEN PEOPLE IN MANY PARTS OF THE USSR LONG QUIESCENT SUDDENLY RISE TO VENT THEIR FRUSTRATIONS AND VOICE THEIR GRIEVANCES, BUT I HOPE YOU WILL SEE IT IS IN YOUR OWN INTEREST TO RESPOND FAVORABLY TO LEGITIMATE EXPRESSIONS OF NATIONAL, ETHNIC, AND CULTURAL IDENTIFICATION.

GLASNOST - AND DEADLY FORCE

AND I KNOW THAT A STATE HAS BOTH A RESPONSIBILITY TO MAINTAIN ORDER FOR THE SAFETY OF ITS CITIZENS, BUT I CANNOT HELP BUT BE REPELLED BY THE EXCESSIVE, DEADLY FORCE USED IN ONE SOVIET REPUBLIC, TO SUPPRESS WHAT MOST REPORTS SAY WERE PEACEFUL DEMONSTRATIONS.

I SAY THESE THINGS IN THE SPIRIT OF THE NEW WORD YOU HAVE BROUGHT INTO OUR VOCABULARY -- GLASNOST. I SAY IT AS ONE WHO SAYS -- AND SAID AGAIN HERE TONIGHT -- THAT WE WANT TO WORK WITH YOU, MORE AND MORE, IN MANY AREAS. I SAY IT BECAUSE I BELIEVE THAT SINCERITY, AND CANDOR, AND TRUTH -- IN THE LONG RUN WILL SERVE TO BRING US TOGETHER, NOT DRIVE US APART.

AND, FINALLY, LET ME CONCLUDE WITH A FEW REMARKS AIMED MOSTLY AT MY FELLOW AMERICANS.

THE SOVIET UNION REMAINS, STILL, OUR MOST DANGEROUS ADVERSARY. THAT MAY CHANGE SOMEDAY -- WE PRAY IT DOES -- BUT IT HASN'T CHANGED YET.

IT REMAINS HEAVILY ARMED; MUCH MORE HEAVILY ARMED THAN WE ARE, AND MUCH MORE HEAVILY ARMED THAN IT NEED BE, TO INSURE ITS OWN DEFENSE. ITS INTENTIONS IN MANY CORNERS OF THE WORLD REMAIN UNCLEAR; ITS ACTIVITIES IN SOME UNHELPFUL AND DESTABILIZING. THERE ARE STILL MANY, MANY MORE THINGS THAT DIVIDE US -- THAN JOIN US.

THE BOTTOM LINE - FREEDOM

THAT IS A VERY IMPORTANT PART OF THE REALITY OF OUR RELATIONSHIP TODAY. AND IT MUST SHAPE OUR DEFENSE POLICIES, OUR ARMS CONTROL POLICIES, OUR FOREIGN POLICIES. AMERICA MUST REMAIN MILITARILY AND POLITICALLY STRONG. WE MUST WORK HARD AT MAINTAINING THE STRENGTH AND UNITY OF THE WESTERN ALLIANCE. WE MUST STAND FOR FREEDOM, WHEREVER IT IS AT ISSUE. WE MUST NEVER BE TIMID ABOUT ASSERTING OUR LEGITIMATE RIGHTS AND DEFENDING OUR NATIONAL IDEALS -- AGAINST THE SOVIET UNION OR ANY OTHER NATION OR FORCE WHICH THREATENS THEM.

JUST AS I SAID IN MAKING THE CASE FOR CLOSER ECONOMIC RELATIONS WITH THE USSR, WE MUST DO ALL THESE THINGS BECAUSE THEY, TOO, ARE IN OUR INTEREST.

SO THAT IS MY MAIN MESSAGE TONIGHT. LET US JUST DO WHAT IS IN AMERICA'S INTEREST. IT IS IN OUR INTEREST TO FACE THIS NEW SOVIET CHALLENGE, BOTH ITS OPPORTUNITIES AND DANGERS, HEAD ON; EYES OPEN; FEET SQUARELY ON THE GROUND.

WE NOT ONLY CAN WORK WITH GORBACHEV'S SOVIET UNION, WE SHOULD. IT IS IN OUR INTEREST. AS I HAVE SPOKEN ABOUT AT LENGTH -- OUR ECONOMIC INTEREST. AND AS MANY OTHERS HAVE OBSERVED, IN OUR POLITICAL AND STRATEGIC INTEREST, TOO.

BUT MORE: WE NOT ONLY SHOULD WORK WITH GORBACHEV'S SOVIET UNION, WE MUST. BECAUSE IT IS THE WORLD'S OTHER SUPERPOWER -- THE ONE NATION ON EARTH WHOSE ENMITY COULD BRING AN END TO CIVILIZATION; THE ONE NATION ON EARTH WHOSE GOOD FAITH COOPERATION COULD BRING AN END TO THE THREAT OF GLOBAL WAR.