

CAMPAIGN TO PRESERVE U.S. GLOBAL LEADERSHIP REMARKS BY FIRST LADY HILLARY RODHAM CLINTON

**U.S. Chamber of Commerce
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Thank you. Thank you very much, Vance [Coffman, CEO of Lockheed Martin]. And thanks to all of you for being gathered in this magnificent hall for this important opportunity to pledge our support to the Campaign to Preserve U.S. Global Leadership.

I have to confess I've never been here before. I've never been in this beautiful setting. And as I was sitting next to Vance, listening to Lydia, I was struck by these battle flags or these wonderful banners that are flying -- that the best that I can see with my aging eyes -- have the names of explorers on them. I see Columbus and Cortez and Magellan and Ponce de Leon -- and it's a very fitting kind of way to demonstrate that what we are about as Americans toward the end of this century is what these great explorers in their own ways were about in previous centuries. We are charting new waters. We are navigating through some uncertain places, looking for ways to preserve and maintain and further American interest. While at the same time, creating conditions in this era of globalization that bring our world closer together, not just via the Internet, but with respect to shared values, common human interests, trade and security. And so I think our gathering today, in many respects, is historic. Because your commitment to this campaign is a way of saying that you want to be on the front lines of ensuring that American leadership is not just there in name, but in fact as well -- in this year and the years to come.

I want to thank everyone who is associated with this campaign. Particularly I want to thank Ambassador [Craig] Johnstone, Tom Donohue, and Joel Johnson for their leadership and for the Chamber's commitment to this campaign. Bringing together major corporations and businesses from all over our country, along with the not-for-profit philanthropic sector, and making a partnership is the way we get things done in this country. And so for those of you who are helping to forge this new partnership, let me thank you and congratulate you.

Joel Johnson has shown leadership in putting together this campaign and bringing together this remarkably diverse coalition for the Campaign's first ever Washington Day. And I want to thank him and the Chamber for co-sponsoring this event. This is a very significant contribution to the work of the Campaign. And it reflects the growing -- and critical -- support within the business community for higher levels of funding for our international commitments. I'm also pleased, of course, to see distinguished leaders in the international community like Lydia Marshall of CARE, Lonny Kaplan [of AIPAC], and all the others who are here as part of this partnership.

I know that you've also honored today Elizabeth Silverstein as this year's winner of the Global Leadership Award, and I'm delighted that Elizabeth could join us. Her efforts in the field of humanitarian development -- and particularly her efforts to encourage businesses to help educate policy makers about the importance of international affairs -- goes to the heart of what this campaign is all about.

I came to the realization of this need for such a concerted effort over the last several years, both because of what I saw as I traveled on behalf of our country and what I saw here at home. There was not the level of support in the business community or the partnership that we are seeing in action today that is necessary to make the statement that international assistance is critical across a broad range of issues. And so with a number of people, many of whom are in this audience and on this stage, I began talking about ways we could raise the visibility of America's international commitments and try to undo some of the myths about what it is we do commit in our budget to international affairs. And also to try to bring home some of the lessons that I've seen being taught and learned abroad about the connections between our investments abroad and our security, our economic growth, and other opportunities here at home.

Now I don't know that I would have predicted, however, that we would be gathered today, during the time that events are unfolding in Kosovo. But in a way it is a particularly fitting moment to be making the case for international engagement. We know very well that America's leadership depends on several important commitments. Military and security commitments, of course. But economic and trade and export commitments as well. Social development, humanitarian and moral commitments. All of those are at work in the efforts we have undertaken along with our NATO allies to bring an end to the terror and repression we have seen being acted out in Yugoslavia.

A leadership that does not act, but merely uses rhetoric or threats, pretty soon doesn't have the kind of substantive leadership that is required to lead. That's a lesson we learn in our lives. It's a lesson that we see throughout history and is a lesson that we see now being enacted in Yugoslavia. Slobodan Milosevic's brutal and inhumane policies of ethnic cleansing have been addressed by economic sanctions, by diplomacy, by humanitarian interventions, and now by military actions. But I think it's important as Americans that we recognize that our military and humanitarian efforts there underscore once again the critical importance of the United States government having the resources we need to maintain American leadership -- not only in places like Kosovo, but in other troubled regions in the world.

As you come together today, you are really representing American democracy in action. I wasn't as aware as I should have been, perhaps, when I first started traveling on behalf of our country, how unique our partnership really is. I would go to places that had a lot of difficult social problems and I would suggest enlisting volunteers. And I would be told in no uncertain terms that volunteerism is not something that was done in that particular culture or society. That volunteerism was another word for authoritarian direction -- that people were ordered to volunteer in the past and now no one would volunteer.

Or I would go to a place and I would suggest that a business community join together to tackle some social problem to demonstrate the sort of philanthropic corporate citizenship that I know so well from here in the United States. And I would be told, "Well, that's not what we do -- we do business." And then I was always pleased to bring in or to find American businesses not only showing others how to make money, but also how to be good citizens -- whether it would be contributing to a children's hospital in Warsaw, or making it possible for blind children to go to school in Zimbabwe, or many of the other programs that I have seen in action.

So we have a unique kind of leadership in America. And when we talk about a Campaign to Preserve U.S. Global Leadership, we are not just talking about governmental leadership. We are talking about the entire way America asserts its values and leads in the world. It is just as important that we lead economically and assist others who are making a transition to the free market economy as it is that we lead humanitarian aid and do what we can to ease the pain that people are suffering.

And at the end of this century, it is a particular challenge that we figure out once again -- as we've had to do at other points in our past -- what this American leadership consists of and what it is going to do into the future. We could look back into the World War II generation and easily see that the call for leadership that went out not only for those who were in the military but for American businesses -- the entire citizenry -- was a clear call for leadership. And that generation led this country. And at the time that it led it understood very well -- General Marshall, President Truman and others understood -- that American leadership could not just be about military strength, but that it had to be more broadly based. It had to present itself in other forms -- economic, social, moral, humanitarian. And that it had to be rooted in an American understanding of what leadership consisted of and what the challenges to leadership were.

To that end, there was a great campaign that was undertaken to persuade Americans to support the Marshall Plan. There was a great effort undertaken by the people in the government, in academia, in the business community, and in other institutions to ensure that Americans understood what was at stake in our leadership at the end of the second World War. Now, clearly we had the Cold War. And we had a very definite oppositional relationship with the Soviet Union. But if you go back and you read what Truman and Marshall and others said, they were not only concerned about fighting the Cold War militarily, but with making sure that our economic strength and our other values were spread as well.

I gave a speech at the USAID headquarters over at the Reagan Building a few weeks ago. In it I talked about the four pillars to the Truman Doctrine, and the fourth called for aid for development. Because it was in America's interest not only to rebuild former enemies -- which had never been done in history -- but to reach out and help others develop their economies so that they would be more stable, be better trading partners, be markets for the United States as well. And that we had an obligation as Americans at the end of that war to demonstrate superiority of our system. That by demonstrating through freedom, through democracy, through free markets, the human spirit could be unchained and individuals could have more opportunities and potential for their own lives -- we were, in effect, fighting the Cold War.

Now at the end of that, I know that many are still wondering where we are. We've named the period the post-Cold War Era, and that means we know where we've been, and we sort of know where we are, but we're not quite sure where we're going. Because times have really changed and the demands have changed with the collapse of the Soviet Union and the incredible increase in countries and societies that are striving to find their own place on the world stage.

I have been privileged to see many of those transformations taking place on every continent. And I have been encouraged by people's commitments to freedom and democracy and free-market economies. But I have been quite taken by how difficult this transition is. It is one thing to be

dreaming of democracy; it is another thing when you have never had a free election, when you don't understand that your voice counts for much, when you don't have much of a civil society -- that plays such an important role in our own democracy -- to understand what it means all of a sudden to be told, "Here's a democracy. Go take care of it."

And the same with a free-market economy. To move from a centralized, planned, stolid, stifling economy to all of a sudden having opportunities you never dreamed possible before takes some getting used to, and takes a lot of institutional infrastructure that many societies did not have. It takes a sense of the rule of law that you can't just talk about; it has to be rooted in common experience. It takes all the legal support for contracting and commercial transactions that many of you know so well.

So it became clear as we moved through the last 10 years at the close of the Cold War that there were great opportunities for the United States. That we couldn't just wash our hands of our foreign commitments if we expected to continue to lead. And yet at the same time, there was a declining interest in foreign affairs. A sense, perhaps, that we had defeated the principal enemy of the post-World War II years and we didn't really have to do much anymore. Instead, of course, what we have is a much more difficult, challenging -- some might argue, unstable -- world situation because we don't have two superpowers that are looking across the ocean at one another with spheres of influence attempting to prevent the other from gaining a foothold until the final collapse of the Soviet Union removed that threat.

Now there are many other kinds of threats that we have to contend with. From environmental degradation and population explosion which will affect us and affect our opportunities -- and particularly our children -- to terrorism and new variations of terrorism that are so frightening, such as bio-terrorism, as well as the continuing spread of weapons of conventional mass destruction like nuclear power.

Many people in positions of responsibility starting in the 1980s didn't evidence much interest in what was going on outside the United States. And there was a definite fall-off in concern about foreign affairs among business leaders, academic leaders, people who used to make up the kind of established order not only at the national level but regionally and in states and in sectors of the economy as well. It was an irony that the more we traveled, the more interconnected we were, the more business leaders did business like Lockheed Martin did or the others of you that are here did all over the world -- that there didn't seem to be the engagement or the push for engagement from those leaders at all levels of society. That is now -- as evidenced by all of you -- beginning to change. And it is changing, I think, in a way that will guarantee that we will have more and more support for American leadership and for international engagement.

Today, the Congress is once again debating, as it does every year, foreign aid appropriations -- once again asking questions about how we will be engaged in the world, and how we will take on the responsibility of leadership that we have assumed.

Over the last several years, after long and hard struggles, we have made some progress in meeting the goals of American leadership. Thanks in large part to organizations and individuals

like all of you, we have stemmed the tide of disproportionate cuts to the international affairs budget and we've secured vital money for international programs.

Last year, we were able to gain the Administration's full request to replenish the IMF [International Monetary Fund], to gain more funding for Peace Corps, and to provide more assistance for the newly independent states.

But we also suffered defeats last year. Once again, Congress refused to pay our debts to the United Nations. And over all, we have to recognize that development assistance is at some of the lowest levels it has been since World War II. In real dollar terms, for example, USAID's budget is 30 percent lower than it was in 1982. Total foreign affairs spending is down 43 percent from 1982 in real dollars.

Now if we were living in a stable, peaceful world, I don't think we would be here, and those numbers wouldn't cause me any concern. But we know that's not the case. We also know that with the collapse of the Soviet Union, the call on our aid and our assistance is greater than it was in 1982.

As many of you know, the Administration is proposing \$21.3 billion for the international affairs budget for Fiscal Year 2000. It's an amount that makes up just over one percent of the total federal fiscal budget. And I've seen some of you wearing the buttons saying, "Ask me about a penny." Yet with those funds, we will do more to help individuals and nations make the transition to stable democracies and free-market economies; we will combat international terrorism and crime; we will support and consolidate gains in human rights; we will assist businesses through our consulates and our embassies; and we will take care of the countless numbers of American tourists and travelers.

Every one of these programs is essential if we are to maintain America's international leadership -- and protect our security here at home. Yet the budget resolution that passed both Houses slashes the President's request by more than 15 percent. I don't think that is a demonstration of leadership, particularly when we see every evening on television the demands on American leadership. And when we see also the need to cooperate in many regards with multilateral and international organizations, like the United Nations, to share the cost burden of such intervention and assistance.

The President has also urged Congressional action for an emergency supplemental appropriation for disaster relief to Central America and other emergency needs. And that's with no offsets for the resources from our other important needs. You know, I visited the Central American and Caribbean countries that were struck by those hurricanes, and I know firsthand how devastated they were.

And if you will, put yourself into the position of a business or a political or humanitarian leader in a country in Central America. For 25 years, or more in some cases, you have had to live with civil war; you've had to bear the burdens of a history that was replete with violence; you've had to deal with the population that was largely illiterate or uneducated; you had to contend with

poor health care. The idea of even developing such a country -- of making an investment in such a country, except the most rudimentary kind in terms of resource extraction -- was a constant struggle for you.

Now all of a sudden within the last six to seven years, we have peace in El Salvador, we have peace in Guatemala, we have a new generation of leadership trying to throw off the yoke of the military and guerilla struggles that kept those countries at odds for so many years. And you have a new generation of business leaders, as well, trying to push their countries into the 21st century. I've met with the political and business leaders in Central America, just to pick this as an example. These storms have devastated them and turned the clock back. Now what is the result and why should we care about that, for example? Well, we can care about that on economic terms. That market south of us is still one of our greatest untapped resources. Although we have made progress because of the burgeoning democratic progress that those countries have made themselves, we've had more opportunities for trade and economic investment. But we've only just scratched the surface. So there's great economic opportunities there if we have stable societies. And that's what those Central American societies were beginning to offer.

There are humanitarian calls on who we are as a people -- whether we will help our neighbors. There are military and security issues having to do with drugs and the resurgence of terrorism that, if we don't pay attention to, could begin to once again drain our resources. And there is also the immigrant flows that will leave those countries -- as many of us in this room if we were motivated, ambitious people living in those mountains, seeing those mud slides, would do as well to try to get out and come to the United States.

So there are many reasons that we should be supporting the rebuilding of those countries. And on a case by case basis, you could make similar arguments for many other parts of the world. So if we do go forward with the kind of leadership that we are in a position to demonstrate in our country, then we have to do it here at home by paying our dues to the U.N., paying our share, doing our part. And with development assistance, we know that we are far behind most of our allies and friends in Europe in terms of the amount -- percentage wise -- that we provide.

So we have our work cut out for us to explain not only to members of Congress but people back home -- your employees, others with whom you interact -- why you would be here today, why you would go up to the Congress in a little while to talk to your member of Congress about the importance of American leadership and the need to have an international affairs budget that reflects that leadership and our values.

Now I want to point out to you that in this packet that you'll be receiving, there's wonderful information. I want to commend the people who put it together. You can see very clearly all of the arguments that we need to make. So we do need to be more forceful and articulate and more persuasive in making the arguments. And we have to know that this is a sustained effort, not just a one-day campaign or a one-day lobbying effort.

How do we strengthen our arguments? And how do we make them so that people at home -- people who work for you -- understand why you're here? Well first, as important as the

humanitarian agenda is, it is not the only reason we need this investment. We should talk to people about our humanitarian efforts, but we should make clear that the reason we're able to intervene in humanitarian terms is because of our economic and our military security. We have leadership that permits us to act on many different stages. If we make the connections between what we do for others and opening up markets and providing stability, that translates into jobs and it translates into the kind of high paying jobs that we have seen in the last 10 years coming from increased American activity abroad.

So I believe there are many ways to make this argument. And it's not just one to make in dollars and cents or even percentages of budget. We can make it in human terms -- even personal terms. We could talk about the people that you know, those of you who do business abroad. You could talk about the difference it makes if there is a stable environment there, in part because of American assistance and leadership. And therefore what it means to the people you employ abroad in terms of their capacity to grow.

You can talk about the agricultural exports that keep our agricultural sector strong in the United States, but provide necessary food and jobs abroad. You know the arguments, you know the examples. Personalizing them makes a very big difference.

I want to just end with a story that I just can't get out of my mind. And if you've heard it before I hope you'll just think about something else for a minute. When I was last in Russia --which we know poses our most difficult challenges -- I visited Siberia and went to one of the closed cities that used to fuel the Soviet military machine, peopled by physicists and other scientists and other mathematicians. These were the people who planned not only the Russian space program but the Russian military threat as well.

After making a speech at the large complex that is now trying to make a transition to peaceful uses for this high level intelligence gathered there, I visited with a family -- three generations. The grandfather was a very distinguished mathematician who had worked in this complex all of his adult working life. His wife was a research librarian. He had two daughters, both of whom were teaching English; a son-in-law who was attempting to become an entrepreneur -- which he told me with great pride -- and two young grandsons. And I sat in their small cramped kitchen, which for them was a very good housing assignment, I listened to the tension in the voices of the generations. The grandfather said to me, "All my life I dreamed of democracy. All my life I dreamed to leave the Soviet Union, but because of my job I couldn't travel anywhere except inside the Soviet Union. So I would get passes to go as far as I could go -- to Uzbekistan or Kazakhstan or even into Eastern Europe -- but I could never go to America or Europe."

"But now we have democracy and I don't understand how it works. I don't understand how I am supposed to fit in. All the time we didn't have democracy I didn't have to worry about my salary being paid, my pension being paid. Now that we have democracy, I don't get my pension anymore, and my bicycle gets stolen. That never happened before." And then his wife, the grandmother, interrupted and said, "You know, it's so confusing to us, people talk about the free

market, but we don't have anything to sell. And we have no money to buy anything, so how does that help us?"

And then the son-in-law and two daughters interjected and said, "But you know, father, don't you remember that we didn't even have butter. We had to stand in line for hours just to get butter and bread. Those were terrible days. We have so many more opportunities." And the two girls had traveled on scholarships and assistance that the European Union and we had offered. They had been in Europe, in Canada, in the United States. They had seen with their own eyes what their parents had never seen.

In that one family you could see and feel the tensions that are at work all over the world. The yearning for a stability either through communism or planned economies or authoritarianism. The need for some sense of order that means your bicycle isn't stolen. And yet you can see in the next generation this great desire to keep moving forward and to keep expanding freedoms and opportunities.

I came away convinced that not only in Russia -- which is one of the more extreme and challenging situations we face -- but in so many of these countries where we preached freedom and free markets for all those years, we not only had a great opportunity; we had an obligation. To demonstrate, as best we could, what it means to be a citizen of a democracy, what it means to be a business owner or an employee in a free-market economy and to provide some help and examples that would enable people to find their own way through these uncharted waters.

In the work that I've seen that is done by our foreign assistance, I have many, many times wished that I could have taken every American with me. So that they could understand the blessings we have and how willing we are to share them. And if not every American, then maybe every American teenager so that they could begin to appreciate what this world that they are going to inherit is all about.

What you're doing today is incredibly important. To stand up and be counted on behalf of global leadership that is not an empty threat, but is filled with military strength, economic strength, moral strength, humanitarian strength. And I believe that we could chart our way through these uncharted waters. We may not discover new lands, like Magellan or Columbus, but we will help create a new world, for America and for all of us to enjoy.

Thank you very much.