NATIONAL SECURITY STRATEGY OF THE UNITED STATES

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Preface

American Leadership for Peaceful Change

Our great Nation stands at a crossroads in history. We have entered a world radically transformed in the last four years. We have only to consider the following to understand the fact that we have moved, in that short time span, from one historical period into another:

- People and nations are introducing democratic and free market institutions and values.
- Only a few years ago, Central America, Southeast Asia, Southern Africa, and the Middle East were trapped in a cycle of intractable violence and human misery. Today, with the help of America, all are on the road to peace.
- The barbed wire fences and minefields that once divided Europe are no more. Millions of people on the other side of the Iron Curtain have been liberated from tyranny. With American help, the nations of Central and Eastern Europe have begun to taste political and economic freedom.
- Our former nemesis, the Soviet Union, so long an enemy bristling with tanks pointed at Western Europe and nuclear missiles aimed at us, is gone. The threat of thermonuclear war has been radically reduced and the danger that Soviet expansionism posed for forty years has disappeared as well.
- The Communist ideology that reigned supreme from the Brandenburg Gate to the Bering Strait is today, in most of the world, discredited, despised, and discarded.
- The flow of oil vital to the economic well-being of the United States and the industrialized world is secured.

Few of these achievements would have been possible without the leadership of the United States of America. They are testament to our enduring political, moral, economic, and military strength. They are testament to our strategy of containment and deterrence, to the dedication and sacrifice of the brave men and women of our armed forces, to our foreign assistance programs and our diplomacy, and to the support and spirit of the American people. More than anything else, our achievements are testament to the values that define us as a Nation — freedom, compassion, justice, opportunity, the rule of law, and hope. The impoverished, the oppressed, and the weak have always looked to the United States to be strong, to be capable, and to care. Perhaps more than anything else, they have depended on us to lead. And lead we have.

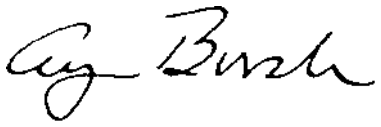
We are indeed moving into a new era. It is an era that holds great opportunities — but also great dangers. America has a fateful choice to make. We can choose to lead the world into this most historic of transformations, or we can choose, as we have earlier in this century, to turn inward, abandon our leadership role, and accept whatever results may follow. If we choose leadership, America can seize the opportunities that will be offered, and reduce the dangers that will surely confront us. Although we will work with other nations, our status as the preeminent world power with unique capabilities places great responsibilities upon us. And, if we are to learn anything from the often tragic history of this century, it is first that the future is uncertain, and second, that the world needs the leadership that only America can provide.

As the continuing turmoil in virtually every region of the world underscores, we have not achieved a permanent peace. Although the forces of integration are stronger than ever, new and in some cases dormant forces of fragmentation have also been unleashed. Even as the danger of global war recedes, the potential for smaller but still highly destructive conflicts between nations and within nations is growing. We simply do not and cannot know all the challenges that will arise in the future. What we do know is that our citizens and our interests will be challenged again. We must remain strong enough to protect and defend them.

We live in an interdependent world in which our hopes for peace and prosperity at home are increasingly linked to the success of our policies abroad. Looking to the future, our success at home will depend more — not less — on the same kind of global leadership we exercised throughout the second half of the 20th century. It is equally clear that America cannot hope to achieve its foreign policy goals nor maintain its credibility abroad if it does not sustain its economic dynamism and competitiveness at home. Thus, renewing our domestic vitality — in economic productivity, investment, technology, education, and energy — is an absolute prerequisite for our future.

Our policy has one overriding goal: real peace — not the illusory and fragile peace maintained by a balance of terror, but an enduring democratic peace based on shared values. Such a peace can only exist if it is based on the rule of law. This is the peace we have enjoyed for decades with former enemies such as Germany and Japan. It is the peace we hope to forge with more recent adversaries of the Warsaw Pact. It is the peace and liberty we wish upon every region of the world, enabling free peoples and free economies everywhere to flourish and to prosper.
Building such a peace is an historic challenge. In a few short years, we have come farther than many would have imagined possible. But we still have far to go if historians are to look back on the end of the 20th Century as the beginning of an "Age of Democratic Peace."

This is no less than a summons to national greatness. But meeting renewed and nearly impossible challenges is what America is all about. I, for one, am fully confident in our success. Let us enter this challenging period of transition to a new era determined by our leadership and our commitment that we, our children and grandchildren will live in prosperity and security.



I. The World As It Is... Our National Security Challenges and Opportunities

The collapse of the Soviet Union and our collective victory in the Cold War have fundamentally changed the strategic environment. That victory would have been impossible without long-term American political, economic, and military strength, without commitment and leadership, and without strong, capable, and reliable allies. The new international environment has also been shaped by the victory of the United States and its coalition allies in Iraq — the first major post-Cold War conflict. Our experience in the Gulf War demonstrated that we cannot be sure when or where the next conflict will arise; that regions critical to our interests must be defended; that the world must respond to straightforward aggression; that international coalitions can be forged, though they often will require American leadership; that the proliferation of advanced weaponry represents a dear, present, and widespread danger; and that the United States remains the nation whose strength and leadership are essential to a stable and democratic world order.

The Challenges

Despite both these successes, the world remains a dangerous place. While we no longer face the single defining threat which dominated our policy, budgets, force structures, and indeed our fears for forty years, multiple threats to our security still remain. Today's challenges are more complex, ambiguous and diffuse than ever before. They are political, economic, and military; unilateral and multilateral; short-and long-term.

Politically, we are challenged to help ensure the successful transition of newly emerged and emerging democracies in Eastern and Central Europe and the former Soviet Union. Success in these efforts is vital to world stability. Fragile democracies elsewhere must be nurtured to ensure that there are no reversals in the process. Together with our allies and friends, the United States must continue to foster the Middle East peace process and to encourage democratic reform in China, North Korea, Vietnam, Laos, and Cuba, where one quarter of the earth's population still lives under Communist rule. We must also help shape our alliances as well as regional and international structures to deal with today's realities and anticipate tomorrow's challenges. Every effort must be made to overcome chaos, and create and sustain stability in a democratic international order. Fundamentally, we must make clear America's steadfastness and eliminate any perception that we will turn inward once again and renounce our mandate for global leadership.

Economically, in the international marketplace, we face the continuing challenge of protecting and broadening open markets and of formidable economic competitors such as Japan and Germany. The challenges of change and the transition to a more open competitive trading system demand a more flexible and skilled workforce, a dedication to quality and cost-efficient production, and a commitment to expand open and free trade. We need to save and invest more. We need to inhibit environmental degradation which, if left unchecked, will have an adverse, long-term economic impact.

Militarily, global security is threatened by regional instabilities which we may have to confront either to protect our own citizens and interests or at the request of our allies or the United Nations. We are threatened by the continued proliferation of advanced conventional arms, ballistic missiles of increasing range, and weapons of mass destruction; by terrorism; and by the international drug trade. Longstanding missions, such as humanitarian assistance, must now be undertaken in the midst of civil war and anarchy. Peacekeeping and peace enforcement are more complex than ever. Finally, we must continue to support the concept of democratic civilian authority over national military institutions. Without civilian control, democracy cannot exist.

The Opportunities

There is a peace dividend. The United States is no longer burdened by the enormous military requirements of global containment. We have an unprecedented opportunity to promote our interests rather than simply defend them, to address simultaneously our domestic needs, and indeed to shape our future both at home and abroad. Our international opportunities and our domestic imperatives are, in fact, interdependent.

For the first time in more than forty years, we are no longer faced with the constant threat of World War III. Democracy has been embraced by a majority of countries around the world and our former adversaries are now our partners. We face the future enjoying not only great credibility in the eyes of the world, but also with more, and in many cases stronger, friends and allies than ever before to help shoulder the responsibilities and burdens. Multilateral institutions such as the United Nations, the Conference on Security and Cooperation in Europe, NATO, the Organization of American States, the Asia-Pacific Economic Cooperation forum and others are energized and ready to confront new challenges. In combat and humanitarian operations, we have proven our ability to build coalitions to achieve common objectives. Our economic future lies more than ever in the global marketplace, our economic well-being guaranteed by expanded trade through such historic initiatives as the North American Free Trade Agreement and the Uruguay Round of multilateral trade talks.

We must seize our opportunities, both for the benefits that will accrue to us, and to further the prospects for peace, stability, and prosperity that can and should be shared by others around the globe. We must lead because we cannot otherwise hope to achieve a more democratic and peaceful future in a world still rife with turmoil and conflict. If we shun this role, our own future will be shaped by others.

The Domestic Imperative

In the final analysis, our national security requirements must be viewed in the context of our overall national well-being. While our underlying economic dynamism is undoubted, we are challenged at home by government budget deficits and a need to increase savings and investment. We need a tax and legal system that facilitates, not burdens, economic progress. Our public infrastructure requires substantial investment. We must overcome the challenges of crime and drugs. We must ensure social peace and racial harmony as national imperatives. We must have an education system that makes our children the equal of their international peers; we must promote job training, improved health care, and welfare reform. Age-old principles of personal responsibility, individual initiative, and commitment to helping others must be strengthened.

Meeting the challenges of renewal at home only reaffirms the need for continued American strength. At the same time, the economic and social basis of our national strength will be more important than ever before in determining our ability to be a force for good in the world.

II. What We Seek ... Our National Security Interests And Objectives

The vision of the world to which the United States aspires is one of freedom, respect for human rights, free markets, and the rule of law. Defining a new strategy to achieve such a vision must begin with our national interests and objectives, for these constitute the fundamental rationale for all our domestic and international undertakings.

Foremost, **the United States must ensure its security as a free and independent nation, and the protection of its fundamental values, institutions, and people.** This is a sovereign responsibility which we will not abdicate to any other nation or collective organization.

Through a strategy of engagement and leadership, we seek:

- **Global and regional stability which encourages peaceful change and progress.** To this end, we have four mutually supportive goals that guide our overall national security efforts. These are protecting the United States and its citizens from attack; honoring, strengthening, and extending our historic, treaty and collective defense arrangements; ensuring that no hostile power is able to dominate or control a region critical to our interests; and, working to avoid conflict by reducing sources of regional instability and violence, limiting the proliferation of advanced military technology and weapons of mass destruction, and strengthening civil-military institutions while reducing the economic burdens of military spending.

- **Open, democratic and representative political systems worldwide.** In our own actions and in concert with others, we should foster open and democratic systems that secure human rights and respect for every citizen, and work to strengthen respect for international norms of conduct. The active promotion of increased political participation, especially now in Eastern Europe and the former Soviet Union, is in our national interest — history teaches that representative governments responsive to their people are least likely to turn to aggression against their neighbors. Democracies also ensure individual civil and human rights, support economic freedom, and promote stability.

- **An open international trading and economic system which benefits all participants.** A global economic system which encourages the free movement of goods, capital and labor is also one which best contributes to our prosperity and to that of others. Steady, non-inflationary economic growth will help reduce social and political tensions, thus contributing to global peace, and will also provide a means for ensuring the health of our environment.

- **An enduring global faith in America — that it can and will lead in a collective response to the world's crises.** This does not mean that the United States must tackle every international problem as its own, or that we must postpone addressing our own domestic imperatives while we devote attention and resources to international demands. But new democracies need our help to survive and flourish. That does not mean that we can solve their problems or that our solutions should be theirs, but rather that we cannot shirk our responsibility to help. There are limits to what we can or should do — we will have to be selective and discriminate in our global undertakings. But others have responsibilities as well. We also need to encourage the active engagement of our allies and friends. But often these collective efforts will not prove possible unless we take the lead. We cannot ever allow our stated preference for multilateral action to become simply an excuse for American inaction.

III. The Promotion Of Peace And Democracy ... Our Policy Agenda

America has been blessed with an abundance of natural and human resources and a people committed to freedom and democracy. Because of our strength, others have been able to lift themselves up from the ravages of war, improve their economies, free themselves from totalitarianism, and take the first hopeful steps toward a better way of life. In today's world, we face new and diverse international and domestic challenges that will require flexibility in the commitment of the various resources of national power and influence. We must focus anew on meeting economic challenges and on fostering democracy worldwide. Our influence will increasingly be defined more by the quality of our ideas, values, and leadership, and by our competitiveness in the international marketplace, than by the predominance of our military capabilities.

What We Have Achieved

As we look back on more than four decades of Cold War, the United States can be proud of many accomplishments.

Perhaps most important, by providing the stability that allowed for peaceful change, **we nurtured a democratic community of nations —** a "zone of peace" among the Western Hemisphere, Western Europe, and Japan, Australia and the newly industrializing economies of East Asia. In Latin America, we have come very close to our goal of a democratic hemisphere, with elected heads of government in every country except Cuba, and the principle of the consent of the governed now firmly established. Europe is whole and free. Our continued presence in Asia centered on our alliance with Japan has ensured unprecedented stability in the region.

In crafting a post-war foreign policy based on containment, **we defended the Free World against Communist expansion and aggression.** We provided an environment of deterrence in which the Communist system succumbed to its internal contradictions. We provided an inspiring political and economic alternative which demonstrated the bankruptcy of that system. We forged the strong military alliances which helped maintain peace, manage crises, settle conflicts and made containment work.

Remembering how in the 1930s economic conflicts exacerbated political conflict, **the United States took the lead in laying the foundation for a global economic system** based on multilateral cooperation, liberalized trade, international institutions for financial cooperation and development assistance, and other mechanisms. These institutions are proving their worth today in responding to the new challenges of aiding the former Communist countries.

The United States has taken the lead both to defeat aggression, notably in the Persian Gulf, and to promote peaceful resolution of longstanding conflicts, such as in the Middle East, which threaten international peace and our vital interests.

And finally, for forty years, **the United States served as both symbol and spokesman for democracy** world-wide. The United States has promoted democracy and political pluralism in Eastern and Central Europe, and in the former Soviet Union where our former adversaries seek advice as they make the transition from totalitarianism to democracy. Our efforts in Africa have been extensive as well. We have encouraged independence in Namibia; presidential elections in Benin; steps toward a multiparty system in Ethiopia; elections in Zambia, Gabon, the Ivory Coast, and the Congo; and movement toward democracy in Angola and free, democratic, and representative government in South Africa. Democracy was the ideology on which our victory in the Cold War was based, and it continues to be the only system which guarantees individual civil and human rights.

How We Can Lead In Collective Engagement In The Near Term

Despite these successes, there are peoples who do not yet enjoy freedom or who are still in the process of transition — peoples looking for guidance and who need our help. Democracies can be fragile and must be nurtured. Elections by themselves are no panacea. Representative institutions must be built with persistence and democratic principles fostered widely so that undemocratic forces cannot manipulate the process. It is in our national interest to help the democratic community of nations continue to grow while ensuring stability. Our global leadership in this endeavor must adapt, however, in the context of new international trends: the renewed effectiveness of multinational organizations, particularly the United Nations and the Conference on Security and Cooperation in Europe; the greater diffusion of power that has accompanied the end of the Cold War; and the increasing necessity to build coalitions to advance common interests.

For the United States to lead effectively in the political arena, there are several steps we must take.

- The key to our success has been — and will continue to be — our partnerships with the industrial and other major democracies. In concert, **we must support stability and economic and political reform in Eastern Europe and the former Soviet Union —** our number-one foreign policy priority today. We should do so through firm political support for reform movements and through the extension of broad-based government and non-government assistance. This includes macro-economic support to enhance the prospects for long-term institutional reform, technical economic assistance, and humanitarian and medical assistance to promote short-term stability. More than anything else, our encouragement of private trade and investment will help these countries integrate themselves into the free market economic system. In addition, we are implementing a wide variety of exchange programs and other initiatives designed to promote closer political relationships between our countries. Nothing would more profoundly enhance our security than to have our former adversaries succeed in establishing stable democratic, free-market systems. Nothing would so cloud our future security than to see them fail. After sacrificing so much to contain and defeat Communism, we must act to assure its replacement by democracy, freedom, and human rights.

- **We must also work to support, encourage, and consolidate democracy elsewhere around the world, both multilaterally and bilaterally.** Our tools include a vigorous public diplomacy conducted by the USIA, the Voice of America, and Radio Free Europe/Radio Liberty, and successful assistance programs focused on democratic institution-building such as the National Endowment for Democracy and the International Military Education and Training program. These efforts should continue. We should strive to bring stable democracy and free markets to lands that have little knowledge of them, strengthen democratic institutions where they are fragile and threatened. Where authoritarianism still dominates, we should continue to explain ourselves and to provide factual information and hope. Maintaining our own high standard of democratic practice and the rule of law is vital to our ability to lead by example.

- **We must continue to champion a fair, politically sustainable international refugee and immigration regime for the post-Cold War era.** Our efforts to promote democracy and free-market prosperity should help reduce the flow of refugees and emigrants. The United States should continue to assist governments, regional organizations, and international institutions such as the United Nations in providing humanitarian assistance to refugees and displaced persons and in establishing processes for free and orderly movement of peoples. At the same time, we must expect others in the world community to work to provide economic opportunity for their peoples.

As we provide American leadership to extend the "zone of peace" and enhance the forces of integration that are evident in the new world, we must also provide American leadership to inhibit the forces of fragmentation that threaten order, peace and stability.

How We Can Influence The Future

At the United Nations...

The most desirable and efficient security strategy is to address the root causes of instability and to ease tensions before they result in conflict. With the paralyzing divisions of the Cold War now over, the United Nations has been given a new lease on life, emerging as a central instrument for the prevention and resolution of conflicts and the preservation of peace. But the requirement for U.N. action has increased dramatically and now includes everything from election monitoring, preventive diplomacy and traditional peacekeeping to humanitarian relief, facilitating the stable transition of previously belligerent states back into the community of Nations, and monitoring compliance with Security Council resolutions. The U.N. has undertaken fifteen new operations in the last four years alone, from Angola, El Salvador, the Western Sahara, Cambodia and Yugoslavia, to Iraq/Kuwait, Somalia, Mozambique, and Afghanistan.

In concert with others, the United States must renew its efforts to improve the recent effectiveness of the United Nations. As was demonstrated in the Gulf War and in subsequent crises, we now have the opportunity to make the United Nations a key instrument of collective security. The United States should do its part to strengthen U.N. conflict prevention, peacekeeping and peacemaking capabilities by:

- participating in, supporting and contributing to long overdue reform of the U.N. system to increase the organization's capability to perform these and other important roles;
- creating a new Fund for Peace to help pay America's share of the greater demands for United Nations peacekeeping. We should pay all arrearages to the U.N. as planned and ensure timely payment of future assessments;
- taking an active role in the full spectrum of U.N. peacekeeping and humanitarian relief planning and support; and
- helping to strengthen international efforts to combat the proliferation of weapons of mass destruction by making the U.N. Security Council a key forum for nonproliferation activities.

Regionally ...

While the United States emerged from the Cold War as the world's preeminent power, we have neither the desire nor the ability to be the world's "policeman." Regional solutions to regional problems are the most enduring path to peace. We should support those efforts, helping to facilitate the regional process whenever possible. Regional organizations should be utilized to contribute to building a broader consensus behind international endeavors. The international coalition's victory in the Gulf War created conditions favorable to the Middle East peace process, bringing adversaries together to resolve their differences peacefully. We should continue to be a catalyst, an honest broker and a full partner in that process.

Each region of the world has its own unique set of political, economic and military challenges.

- **In Europe,** the North Atlantic Alliance remains central to our security, and the Conference on Security and Cooperation in Europe (CSCE) is taking on important new roles in the resolution of conflict and the promotion of democracy. We should work to strengthen the NATO alliance and adapt it to new tasks; help enhance the CSCE in its new role; and promote dialogue, cooperation, and mutual security for all nations of NATO, Central and Eastern Europe. We should continue to participate in the evolution of a European security identity.

- **In the former Soviet Union,** we will provide expertise, including implementation of the Freedom Support Act, to assist the new states in building representative political systems and market economies, and foster cooperative regional and international relations. We will work with them to promote peaceful solutions to the ethnic crises on their borders which threaten stability in Eurasia. We will also work toward the peaceful solution of ethnic and nationalistic tensions and crises in Eastern Europe and the Balkans.

- **In Asia,** our agenda is five-fold. First, the United States must maintain a strategic framework which reflects its status as a Pacific power and promotes its engagement in Asia. The key to the United States' strategic framework has been, and will continue to be, its alliance with Japan. Second, we must continue to expand markets through bilateral, regional, and multilateral arrange-

ments. Third, we must carefully watch the emergence of China onto the world stage and support, contain, or balance this emergence as necessary to protect U.S. interests. Fourth, we must continue to play a critical role in the peaceful unification process on the Korean peninsula. Finally, we should encourage the normalization of Indochina and the expansion and development of the Association of East Asian Nations.

- **In Latin America,** the Organization of American States (OAS) was involved in the highly complex effort to bring an end to the war in Nicaragua and to defend democracy in Peru and Haiti. We should work to enhance the OAS as an instrument for the promotion and defense of democracy. But without economic growth, little progress is possible. The principles underlying the Enterprise for the Americas Initiative are basic to economic development and the achievement of democratic goals. Both Haiti's and Cuba's peaceful return to democracy remains an unwavering objective.

- **In Africa,** the Organization of African Unity, along with a number of international organizations, is actively working to address the continent's needs and problems. The United States supports these and other efforts such as the Economic Community of West Africa, foresees the expansion of their importance, and should provide appropriate assistance. Our leadership in Operation RESTORE HOPE is designed to encourage other nations to contribute to the amelioration of the human condition there, laying the foundation for continued economic and political progress.

- **In the Middle East,** the U.S.-initiated peace process has brought together regional and extra-regional governments in bilateral and multilateral negotiations aimed at resolving conflicts, fostering arms control and regional stability, and promoting economic and technical cooperation. We will continue to support these efforts as well as those of the Gulf Cooperation Council to enhance stability in that vital area.

IV. Economic Progress At Home And Opportunities Abroad ... Our Economic Agenda

National prosperity and national security are mutually-supportive goals. Indeed, in the most tangible ways — economic prosperity and freedom from foreign dangers — all Americans have gained enormously from the success of our global leadership. Our commitment to an open world trading system, especially, has helped America, a trading nation since its birth, to grow and prosper. And today we depend on the global economy more than at anytime in our history — a dependence that will certainly increase in the future.

What We Have Achieved

Maintaining a strong domestic economy and helping our friends and allies grow and prosper have been core elements in our national security strategy since 1945. U.S. policies which aided the economic rebirth of Europe and Japan after World War II enabled them to play major roles in containing the spread of Communism. Indeed, one of the clearest lessons of the collapse of Communism is that without an economic system that allows for personal freedom and initiative, there can be no lasting political or military strength.

America's postwar policies have provided leadership so that the industrial democracies have chosen to work together, rather than pursue the destructive economic nationalism of the inter-war period. The progressive reduction of trade barriers has raised living standards significantly. Ideas, capital, goods and services now move around the world with increasing speed, expanding economic opportunity. Efforts to help developing nations are now well established in the international financial institutions and national policies of developed countries. Major progress in democracy, economic reform and development, human rights and security in the Western Hemisphere has been achieved through the new cooperation embodied in our Enterprise for the Americas Initiative. New governments committed to democratic ideals and market-based economics have now replaced our former Communist adversaries in Eastern Europe and the Soviet Union.

Our Economic Challenge

A top national security priority today must be to strengthen economic performance at home and economic leadership abroad. Effective participation in the global economy will be a key factor in our future prosperity and security. In 1991, U.S. foreign trade exceeded $1.2 trillion, twenty-one percent of our gross national product. The United States is the world's largest exporter of goods and services, with 1991 sales totaling $591 billion. Over seven and one-half million jobs are linked directly to our exports.

The distinction between domestic economic policy and international economic policy is disappearing. While successful international businesses already operate largely on such a basis, governments have been slow to respond to this reality. United States' economic strategy must be global rather than national. It must include increased attention to the range of new issues on our agenda: environmental degradation, population pressures in developing countries, migration and refugees, disease and other health problems.

What We Need To Do

America's longer term economic position in the world will be determined by how well we succeed in:

- strengthening economic competitiveness through sound monetary and fiscal policies, greater savings and investment;
- improving our infrastructure and our education system;
- ensuring our lead in the crucial technologies of a new era;
- convincing others that free trade offers greater prosperity than managed trade or protected markets;
- supporting market economies in all regions of the world; and
- enhancing the effectiveness of the institutions,national and international, needed to sustain a global market economy.

This is a long-term mission which will require the active participation of all Americans. Only a consistent growth strategy for the next ten to fifteen years can make significant progress in reforming our economy and sustaining U.S. economic leadership in the world.

At home, our long-term growth strategy must include:

- sustained measures to bring federal spending more into line with available resources and to lower the federal deficit significantly;
- prudent monetary policy to support economic growth while ensuring continued low inflation and stable prices;
- greater national savings to reduce the cost of capital for productive sectors of the economy;
- increased investment, particularly in research and development;
- reducing the burden of taxation, regulation, and litigation on our economy;
- raising educational performance, particularly pre-school through high school, and implementing reforms to enhance parental control and choice;
- greater efficiency in the use of energy, particularly oil, through market mechanisms, not regulation;
- improved infrastructure, particularly in transportation and communication; and
- new approaches to dealing with societal ills which sap our economic strength.

Updating Our International Economic Policy

As we revitalize the domestic economy, we must also rethink our foreign economic policy. Most important, we need to recognize that only through joint action with our economic partners will we be able to achieve our international economic objectives. Thanks to our economic strength and genuine commitment to an open international economic system, we can play a unique guiding role. But increasingly, the United States is viewed as first among equals, not dominant, in international economic fora. We cannot dictate to others, but we can encourage them to cooperate.

Our priorities for the next decade should include action to:

- Improve economic policies and performance among the major industrial countries to promote sustained global economic growth. Macroeconomic policy coordination, particularly among the G-7, needs to be strengthened.
- Continue promoting global and regional trade liberalization. Globally, we need to bring the Uruguay Round to a successful conclusion and lay the groundwork in the General Agreement on Tariffs and Trade (GATT) for further multilateral trade liberalization and more effective adjudication of trade disputes. Regionally, now that we have concluded the North American Free Trade Agreement, we should press ahead with the Enterprise for the Americas Initiative, building the foundation for free trade agreements with other Latin American countries. We should also explore the possibility of arrangements leading to free trade agreements with countries in other regions, such as Asia and Europe, where we have important interests.
- Ensure that relations with the European Community remain on a sound footing through regular high-level political and economic consultations. Building on more

than a decade of trade negotiations, we need an improved understanding with Japan on resolving trade differences and increasing market access for foreign goods. The Asia Pacific Economic Cooperation forum should be used to strengthen trade relations and promote further liberalization in Asia.

- Fundamentally rethink national and international strategies to assist development in poorer countries. With a few exceptions, the results of foreign aid have not been commensurate with the resources expended. Significantly greater emphasis must be place on market-oriented structural reforms.

- Continue the cooperative effort with our allies and the international financial institutions to support the successful transformation of Eastern Europe and the former Soviet Union to market-based economies integrated into the global market place. In addition to providing adequate financial aid and technical assistance, we need to ensure that these countries have access to markets abroad to encourage trade and private-sector growth.

- Strengthen the international financial and economic institutions — the World Bank, the IMF, the OECD, the GATT and the regional development banks — so they can effectively meet the challenges posed by a dramatically evolving world economy. International financial institutions must give greater emphasis to supporting the private sector and developing sound market-based policies.

- Likewise, reassess and realign as necessary the economic mandate of various United Nations bodies. Particular attention should be given to the Food and Agriculture Organization (FAO), the U.N. Industrial Development Organization (UNIDO), the U.N. Committee on Trade and Development (UNCTAD), the Economic and Social Council (ECOSOC), and the five regional U.N. economic commissions.

Building Government Institutions to Serve the Future

We must complete the process of streamlining and restructuring U.S. government institutions. Most of our institutions dealing with economic issues either date from before 1940 or were created during the Cold War. Coordination within the government can be improved; duplication of activities should be eliminated. We need to re-examine the entire government apparatus — agency structure, personnel and practices — to ensure the most efficient policy-making under new conditions.

We need also emphasize the importance of an active U.S. international role. Many of our overseas diplomatic activities directly support U.S. jobs and create opportunities for business to expand. We should restructure the various agencies of the U.S. government engaged in export promotion to ensure a coherent, coordinated approach. In re-evaluating our approaches to trade promotion, we should focus on key areas of trade competitiveness and work with the private sector to tailor programs to meet specific needs.

Bilateral Development Assistance

Just as the United States saw that it was in its national interest to help Europe and Japan overcome the devastation of World War II, so too is it in our interest to help former Communist countries overcome the ravages of central planning and excessive state control. But the Executive and Congress must join these countries in casting aside old thinking, especially in deciding how to use and when to provide foreign assistance. U.S. foreign assistance programs and management both must be thoroughly reoriented in support of our economic policy. Numerous commissions and experts have advocated fundamental reform of our foreign assistance structure and priorities. The end of the Cold War provides an excellent opportunity for undertaking needed reform.

Our foreign aid program should focus to the maximum extent on sound economic policies in recipient countries and the promotion of the private sector. The goal of foreign assistance should be to reduce dependency, not prolong it. The most effective use of foreign aid occurs when recipient countries follow free market principles and build pluralistic democratic institutions. Adherence to such principles stimulates international trade and investment, which are vastly more important than the relatively small flows of official international assistance.

The Environment

Environmental degradation is one of the most pressing global problems. Deforestation, climate change, air and water pollution, and depletion of water supplies have far-reaching effects on the capacity of countries to sustain eco-

nomic growth and ensure a healthy environment for their citizens. Environmental problems transcend national boundaries. Air and water pollution in one country can affect far distant countries as well as those nearby. Some problems, such as ozone depletion and climate change, can have a global impact. In many developing countries, environmental degradation is already causing serious health problems and limiting economic development.

Addressing these environmental issues requires a global effort. The United States has established some of the strictest environmental standards in the world, and we need to live up to them. However, we are not immune to the effects of environmental degradation elsewhere. The United States is already playing an active role in supporting multinational environmental programs, population control initiatives, and research on global problems. We will continue to advance international cooperation on environmental issues and support this effort with adequate funding. We especially need to ensure that environmental concerns are integrated fully into our overall economic and trade policies. Economic growth and environmental protection can be made complementary objectives to be pursued together.

Space

We need to continue to use the unique environment of space to investigate new materials and medicines, develop new sources of energy, and find solutions to environmental problems on earth. This will require an invigorated and better integrated defense and commercial space effort. We must encourage multinational efforts as well. Significant success has been achieved in conjunction with the European Space Agency, the former Soviet Union, and other nations supporting Space Station Freedom, a mission focused on improving life on earth. In addition, we should promote policies which encourage private investment in space. This will help create jobs, boost the economy and strengthen our science, engineering, and industrial base.

V. Security Through Strength: Legacy and Mandate... Our Defense Agenda

Our strategy has shifted from a focus on a global threat to one on regional challenges and opportunities, from containment to a new regional defense strategy. The demise of the global threat posed by Soviet Communism leaves America and its allies with an unprecedented opportunity to preserve with greater ease a security environment within which our democratic ideals can prosper. Where once a European-wide war, potentially leading to nuclear exchange, was theoretically only weeks and yards away, today such a threat has receded and would take years to rekindle. With the end of the Cold War, there are no significant hostile alliances. We have a substantial lead in critical areas of warfare. The combination of these trends has given our Nation and our alliances great depth for our strategic position.

Indeed these alliances, built during our struggle of containment, are one of the great sources of our strength in this new era. They represent a community of democratic nations bound together by a web of political, economic, and security ties and offer a framework for security not through competitive rivalries in arms, but through cooperative approaches and collective security institutions. Yet, even as we hope to rely increasingly on collective approaches to solve international problems, we recognize that a collective response will not always be timely, and, in the absence of American leadership, may not be feasible.

Simply put, we should strive to shape an uncertain future to preserve strategic depth — won at great sacrifice — and to enhance it in ways that would help preclude hostile nondemocratic powers from dominating regions critical to our interests. During the global struggle of the Cold War, developments in even remote areas could affect the United States' relative position in the world, and therefore often required a U.S. response. Today, the United States remains a nation with global interests, but we must reexamine whether and how particular challenges threaten our interests. A clear understanding of our interests and responsibilities along with the growing strength of our friends and allies will allow us to be more selective in determining whether U.S. forces must be committed.

Guided by this new regional defense strategy, we are reducing our forces significantly — by almost a quarter — to their lowest level in terms of manpower since before the Korean war. Yet, even as we reduce the size of our forces, we must not destroy their quality or their technological superiority. Along with alliances, high-quality personnel and technological superiority represent capabilities that would take decades to restore if foolishly lost in this time of reductions.

While we no longer face the possibility of a Soviet-led Warsaw Pact attack on Europe, regional instabilities continue to threaten our interests and our security. The world remains unpredictable and over-armed, and nations have not eliminated the age-old temptation to use force or intimidation to achieve their ends. The end of the Cold War has coincided with a virtual explosion of long-dormant ethnic and aggressive nationalistic tensions around the world, many of which have degenerated into international crises. Proliferation, terrorism, and the international drug trade still threaten stability.

The United States must continue to provide the leadership necessary to encourage and sustain cooperation among our allies, friends, and new partners in meeting the challenges that we will inevitably encounter in the future. We must continue to stay engaged, thereby preventing the emergence either of a new global threat or a vacuum in a region critical to our interests. Nations will depend on America's strength, readiness and leadership in the years to come as much as they did during the Cold War and the Gulf crisis. Neither for their sake nor for our own can we afford anything less than the most capable, best equipped, and best led military in the world.

What We Have Achieved

During the Cold War, our refusal to be intimidated by expansionist Soviet policies or massive military build-up, our willingness to counter that build-up, and our deployment of forces overseas all helped provide a shield against Soviet aggression. That allowed democracy to develop and flourish around the world. The Cold War is over — not because America passively waited, but because we led the way. We led by maintaining our own highly-capable military and through continued engagement in both Europe and Asia. On the whole, our policies deterred conflict and kept pressure on the Soviet Union which ultimately collapsed from within. We helped our democratic allies in Europe and Asia not only to counter the Communist threat, but also to become strong enough politically and economically to help bear the burden of the common defense. Finally, the transformation of the Soviet Union has enabled us to achieve unprecedented new reductions in the strategic nuclear arsenals of both sides and a series of agreements on conventional and chemical weapons.

Most recently, our commitment and leadership **in the Gulf War** sustained the confidence and respect of the world. More than half a million men and women of our armed forces helped carry out an historic campaign to liberate Kuwait and stop Saddam Hussein from dominating the region and essentially controlling global energy resources. The quality, training, technological sophistication, and logistics expertise of our Armed Forces, together with superb military planning and leadership, produced a swift victory.

The United States has assisted many nations around the globe in building their own self-defense capabilities, thus countering the sense of vulnerability that tends to spur arms races and weapons proliferation. We have also assisted in humanitarian efforts following natural disasters, in peacekeeping operations, in infrastructure development, and through military-to-military programs, in helping numerous countries make the transition to democratic systems.

Beginning in 1990, the United States embarked on a wholesale reconfiguring of our armed forces for the post-Cold War era, consistent with a new vision of the strategic environment. We have struck an effective balance by downsizing and restructuring significantly and quickly without making precipitous cuts which could tempt aggressors or cause allies to doubt our resolve and capabilities.

How We Can Lead In Collective Engagement In The Near Term

The Defense Program

The fundamental elements of our national defense strategy — strategic deterrence and defense; forward presence; crisis response; and reconstitution — are clearly defined and will remain valid for the foreseeable future.

- **Strategic Deterrence and Defense.** Deterring nuclear attack remains our top priority. We must still possess modern strategic nuclear forces and a reliable warning system. We must develop a system for global protection against limited ballistic-missile attack. We must maintain responsive, highly trained, technologically sophisticated, and broadly capable conventional and unconventional forces. We must maintain and improve space systems integral to strategic and tactical operations worldwide.

- **Forward Presence.** While reducing our forward-deployed forces, we are redefining our presence abroad with combined exercises, new access and storage agreements, security and humanitarian assistance, port visits, military-to-military contacts, and periodic and rotational deployments. Our forward presence forces and operations lend credibility to our alliances and ensure the perception that a collective response awaits any threat to our interests or to those of our allies.

- **Crisis Response.** We must maintain an adequate capability to project power in response to crises should our efforts to deter conflict fail. The very existence of a robust crisis response capability strengthens deterrence. Our force structure must be flexible enough to ensure we can fulfill both traditional and non-traditional requirements. In addition, the capability to generate decisive combat power, if and when needed, strengthens our ability to terminate a given conflict swiftly on terms favorable to us and with minimum loss of life. The precise nature of our response to a crisis will, of course, depend on the interests at stake, our commitments to the nations involved, the level and sophistication of the threat, and on the capabilities of U.S. and allied forces.

- **Reconstitution.** As we reduce the size of our military forces in response to the demise of the global threat, we must ensure that we continue to deter potential adversaries from militarizing and, if deterrence fails, retain the capability to recreate a global warfighting capability. This "reconstitution" capability involves forming, training, and fielding new fighting units from cadres; mobilizing previously trained or new manpower; and activating the industrial base on a large scale. Reconstitution also involves maintaining technology, doctrine, training, experienced military personnel, and innovation necessary to retain the competitive edge in decisive areas of potential military competition.

We must capitalize on our traditional strengths, learn from our experience in DESERT STORM, and plan for future contingencies in which our challengers will have learned some of the same lessons. We must maintain land, maritime, and aerospace as well as technological superiority. We must improve our ability to conduct coalition operations, project power by expanding our air and sealift capabilities as well as by enhancing the inter-theater strategic agility of our forces. We must look for new and innovative ways for our armed forces to make a long-term contribution to peace and stability through assisting the militaries of Eastern and Central Europe, the former Soviet Union, and elsewhere around the globe in the transition to democracy. The new George C. Marshall European Center for Security Studies is an excellent example of such an initiative.

In the final analysis, our armed forces must be prepared to respond rapidly, to deter, and, if necessary, to fight and win unilaterally or as part of a coalition.

The Defense Industrial Base

The defense industrial base is a critical element of our national security. It is a complicated network of contracting, subcontracting, and vendor firms, as well as Defense Department maintenance depots. We rely upon the industrial base for the cost efficient manufacture, maintenance and modernization of technologically superior weapon systems and munitions over the long term in peacetime and for the timely delivery of the goods and services required by our armed forces in times of crisis or conflict.

In peacetime, the industrial base must provide an advanced research and development capability, ready access to civilian technology, and a continuous design and prototyping capability. Increased focus must be placed on innovative manufacturing techniques that provide the capability to incorporate rapidly and cost effectively the most advanced technological improvements into our armed forces.

In conflict, the industrial base must be capable of surging production of essential warfighting items prior to and during a contingency operation. In addition, the industrial base must have the capacity to restore, in a reasonable period, the war reserve stockpiles of items that were consumed. Finally, the industrial base must be able to reconstitute forces in order to respond to the reemergence of a global threat.

As the national defense budget declines over the near- to mid-term, we must ensure that the industrial base providers of unique, critical peacetime, conflict and reconstitution-related capabilities are available when needed. In order to do this, we need to examine such things as:

- Recent and projected trends in our ability to surge military production in crises or wartime.
- Unique critical industrial capabilities affected by changes in current and projected defense acquisition programs.
- Allied potential to provide these criticalcapabilities, and how much we should rely on outside sources.
- Technologies that are likely to emerge which could offset the loss of critical-component suppliers for current and near-to mid-term weapon systems and platforms.
- Other major factors which could ensure a viable defenseindustrial base capable of supporting modernization or reconstitution of forces over the long-term.

Important initiatives are already underway. National Technology Initiatives will provide opportunities to rely more heavily upon new technological advances with significant commercial applications. The Defense Conversion Commission is another example. It will provide better understanding of the opportunities for industries to diversify and to convert from defense production while preserving critical defense-related skills and to commercialize new technology advances. We must, however, remain committed to the fundamental principle that a robust free market, and not government intervention and regulation, is the key to an effective defense industrial base.

Nonproliferation

In the post-Cold War era, one of our most threatening national security challenges is the spread of weapons of mass destruction and the means to deliver them. As the threat of nuclear confrontation with the former Soviet Union recedes, the danger that a nuclear, chemical, or biological weapon will be launched from some other quarter by an aggressor is growing. Covert procurement networks continue their energetic global efforts to acquire the means to build these weapons. While the disintegration of the Soviet bloc has led to relaxation of the forty-year-old East-West controls of the allied Coordinating Committee for Multilateral Export Controls (COCOM), dual-use technologies with military applications are becoming increasingly available throughout world markets. Inevitably, an increasing number of supplier nations will become able to contribute to the proliferation of ballistic missiles and weapons of mass destruction.

U.S. nonproliferation policy is guided by four principles:

- Build on existing global norms against proliferation and, where possible, strengthen and broaden them.
- Focus special efforts on those areas where the dangers of proliferation remain acute, notably the Middle East, Southwest Asia, South Asia, and the Korean Peninsula.
- Seek the broadest possible multilateral support, while reserving the capability for unilateral action.
- Address the underlying security concerns that motivate the acquisition of weapons of mass destruction, relying on the entire range of political, diplomatic, economic, intelligence, military, security assistance, and other available tools.

These principles have been reflected in a number of actions within the past year. At U.S. urging, multilateral export control regimes — the Missile Technology Control Regime (MTCR) and the Australia Group (which covers chemical and biological technologies) — updated and expanded their control lists. Completion of negotiations on the Chemical Weapons Convention brought the world nearer to a verifiable global ban on chemical weapons. The 27 nations of the Nuclear Suppliers Group reconvened for the first time in a dozen years and in 1992 reached agreement to control 65 categories of dual-use equipment. At U.S. initiative, COCOM created a Cooperative Forum to enlist the cooperation of the newly independent states of the former Soviet Union and other East European states in controlling the export of sensitive technology. Japan and the United States have agreed to strengthen their existing understandings on supercomputer export controls. The United Nations Special Commission and the International Atomic Energy Agency (IAEA) have continued their efforts to dismantle Saddam Hussein's nonconventional weapons programs. North Korea at last accepted IAEA inspections in accordance with its international obligations, although full compliance is not yet assured.

In addition, the United States encouraged broader participation in nonproliferation regimes. The Non-Proliferation Treaty (NPT) roster has grown to over 150 states including China, France, and South Africa. The Treaty of Tlatelolco may soon bring a nuclear weapon-free zone into force throughout Latin America. The U.S. Enhanced Proliferation Control Initiative has strengthened our own regulatory barriers against missile, chemical, and biological weapons technology proliferation, including proscriptions against U.S. citizens contributing to proliferation. Through the Middle East Arms Control Initiative, we will continue to pursue the post-Gulf War opportunities for arms restraint. Under the June 1992 nonproliferation initiative, we will accelerate and intensify our nonproliferation efforts. In addition, the United States will not produce plutonium or highly-enriched uranium for nuclear explosive purposes — a step intended to encourage countries in regions of tension such as the Middle East and South Asia to take similar actions.

Though many of our efforts will continue through governmental channels — including our Arms Control and Disarmament Agency refocused to support nonproliferation in addition to its tradition agenda — the private sector can and must play an active role. The International Science and Technology Center in Moscow and the Science Technology Center in Kiev should provide promising civilian opportunities for former weapon designers and engineers. More creative approaches to this problem will be required in the years ahead.

Arms Control

For most of the Cold War era, arms control efforts were aimed primarily at dampening the effects of superpower competition. Though noteworthy, the successes registered were limited: for example, banning above-ground nuclear tests; prohibiting biological weapons; placing ceilings on permitted growth in strategic nuclear forces.

In the last few years, with the extraordinary changes in the international security environment, that picture has changed dramatically. Over a very short time, we have achieved remarkable success in reducing nuclear and conventional arsenals, in the effort to ban chemical weapons, in establishing an extensive network of confidence-building measures and communications facilities among former adversaries.

Instead of merely dampening competition, arms control now plays a major role in creating the framework for cooperation. In keeping with that change, the process of arms control has also altered dramatically. In some areas, particularly with the independent states of the former Soviet Union, we can now afford to take unilateral steps, often based on anticipated reciprocity. In others, we continue to require formal agreements, but those can be arrived at far more quickly than before.

Before July 1991, the United States and the Soviet Union had never agreed to reduce their strategic nuclear forces. Now the combination of the July 1991 START Treaty, the President's nuclear initiatives of September 1991 and January 1992, and the June 1992 Bush-Yeltsin agreement on further strategic arms reductions will lower the number of our strategic nuclear forces to less than one-third their 1990 level. Moreover, each side will eliminate all of its multiple-warhead ICBMs, leaving strategic nuclear forces that are true deterrent forces.

The 1990 Treaty on Conventional Armed Forces in Europe (CFE) significantly reduces conventional military equipment in Europe. CFE and the Helsinki Summit Agreement placing politically binding limits on military manpower in Europe, establish comprehensive and stable levels of conventional military forces on a continent that for centuries was a major focus of conflict. The Open Skies Treaty will help in this regard. We are also working closely with our partners in the Conference on Security and Cooperation in Europe (CSCE) to develop greater stability and openness in military activities on the continent.

A major unfinished item on the arms control agenda, to which the United States attaches the highest priority, is the banning of chemical weapons. The best hope of achieving the worldwide elimination of chemical weapons and of stemming proliferation at the same time is to bring into force the Chemical Weapons Convention. The United States will be an original signatory to the Convention. To spur others to commit themselves to the completion and implementation of the Convention and to accelerate the negotiations, the United States has formally forsworn the use of chemical weapons for any purposes, including retaliation, against any state, effective when the Convention enters into force. In addition, we are unconditionally committed to the complete destruction of all U.S. chemical weapons stocks within ten years of its entry into force. We did not wait for entry into force of the Convention and have already begun the destruction of our chemical weapons. The United States has also concluded agreements with Russia concerning the destruction of chemical weapons, along with agreements on the safety, security, and dismantlement of nuclear warheads, as part of our overall efforts to aid the former Soviet Union in defense conversion.

Ballistic-Missile Defenses

Ballistic-missile defense remains a critical element of our strategic posture, but given the current strategic conditions, we have shifted our focus. The United States is now committed to the development of a system to provide Global Protection Against Limited Strikes (GPALS). The receding Soviet threat and the continued proliferation of ballistic-missile capabilities encouraged us to redirect our SDI program to meet an enduring requirement to protect our territory, our allies, and our forces abroad from accidental, unauthorized or rogue-nation ballistic-missile attacks.

As the Patriot demonstrated during the Gulf War, ballistic missile defenses are crucial to protect our troops and allies against madmen or rogue nations. But we can and must do better than Patriot to meet the growing threat from proliferation. Ballistic-missile defenses will reinforce our other security and regional policies and can be a force for stability in troubled regions, removing the need for hair-trigger responses to aggression, and possibly underwriting ballistic-missile arms control measures.

At the June 1992 Summit, Presidents Bush and Yeltsin agreed to work together, with allies and other interested states, in developing a concept for a Global Protection System (GPS) against limited ballistic missile attack. Since then, we have discussed GPS in detail with friends, NATO allies, and with high-level representatives of Russia and other former Soviet republics. We will continue our unilateral, bilateral and multilateral efforts in an effort to develop a mutually agreed GPS. This commitment to cooperation on a Global Protection System is a landmark in U.S.-Russian relations and will ensure that missile defenses can be deployed in a stabilizing manner for the benefit of the community of nations.

Intelligence

Our intelligence services continue to provide insights not available from diplomatic exchanges or open sources — insights that can give us a critical advantage in responding to dangers or opportunities. Accurate and timely information about conditions, motives, and actions of foreign powers is all the more essential in a radically changed world. Clearly the main topics of interest have changed from a few short years ago, but there is no diminution in the value of accurate, timely information for policy formulation and implementation.

Additionally, there is no lessening of the value of accurate, timely information in support of military planning and operations, particularly as U.S. force structure levels are drawn down. We must know the basis for other nations' policies and actions, their motives and their limits. U.S. intelligence assets, technical and human, must remain strong and responsive. They must remain flexible and adaptable to changing policy objectives and priorities.

In recognition of a radically changed world, every effort is being made to organize our intelligence institutions more effectively and to enhance sharing and support between their civil and military components. Intelligence priorities have changed significantly. Some old intelligence targets such as state-sponsored terrorism remain, but new challenges — the proliferation of weapons of mass destruction, narcotics trafficking and sanctions monitoring — demand concentrated collection.

To the extent prudent, U.S. intelligence today is also being used in dramatically new ways, such as assisting international organizations like the United Nations when called upon in support of crucial peacekeeping, humanitarian assistance and arms control efforts. We will share information and assets that strengthen peaceful relationships and aid in building confidence. Finally, despite significant and unprecedented progress in our intelligence exchange with friendly and formerly hostile governments abroad, the hostile intelligence threat still exists and continued priority attention must be given to counterintelligence.

Terrorism

Despite having secured the release of all American hostages in Lebanon and a welcome decline in major terrorist events, terrorism remains a potential threat to our national security — a threat we will oppose by all legal means available. To accede to terrorist demands only places more American citizens at risk. But terrorism is not merely the seizing of hostages. We will pay no ransoms nor agree to other conditions that could serve to encourage additional terrorism. This no-concessions policy is the most effective way of protecting the greatest number of people and ensuring their safety. At the same time, every available resource will be used to gain the safe return of American citizens who are taken hostage by terrorists. Enhanced security and counterterrorism measures have helped thwart other terrorist acts such as arson, bombings, and armed assaults.

States that practice or actively support terrorism will suffer international isolation and economic repercussions. The United States will reserve the right to act unilaterally, and will continue to work cooperatively with other nations to prevent and respond to terrorist acts. The number of nations with which we have assurances of cooperation continues to grow.

Combatting Illegal Drugs

The flow of illicit narcotics into the United States undermines our national security in many ways. It harms our society and degrades our economy, our competitiveness, and our international leadership as a champion of the rule of law. Progress has been made in terms of record seizures, substantial disruption of trafficking routes, improved international cooperation and the passage of legislation to help stimulate legitimate economic activity as an alternative to the drug trade. But more is required.

To choke off supply, our principal strategic goal is to identify, disrupt, dismantle, and ultimately destroy theArafficking organizations that produce or smuggle illicit drugs for the U.S. market. The U.S. will continue to mobilize the international community to combat drug trafficking through multilateral conventions, bilateral task forces, domestic and international legal reforms, information programs, and when needed, new institutions. We have also focused on strengthening enforcement and interdiction efforts in specific regions. For example, our Andean, Caribbean, Central American and Mexican initiatives and programs in other regions are aimed at potential sources and transit countries.

On the demand side, our National Drug Control Strategy unites the entire Federal effort and joins state, local and private sector efforts into a more effective national partnership. We are now committing unprecedented resources for education, prevention, treatment, and law enforcement. Yet, no matter how much money the government commits, no matter how widespread the implementation programs, government alone cannot solve the problem of illicit drugs. We will do all we can, but in the end, it is our families, neighborhoods, and communities that must nurture critical values like self-discipline, personal responsibility, and service to others.

How We Can Influence The Future

As we look toward the future in the defense arena, we see an agenda of new issues and opportunities.

- The restructuring and reshaping of the entire Department of Defense must continue, along with the development of new strategies and doctrines. In addition, we must continue to exploit technological opportunities, taking full advantage of the military-technical revolution in weapons, electronics, and organization. We need advanced sensor and other surveillance and reconnaissance systems, communications, as well as precision lethal and non-lethal weapons, and we need to integrate them more effectively. In peacetime, they will be a deterrent. In wartime, they will be essential to survival and success on the battlefield. We need to continue to restructure our defense technology and industrial base to shift resources to long-term military potential and reconstitution, recognizing the need to field modernized equipment and to develop operational concepts to employ new technology effectively.

- The United States should significantly increase its efforts to improve regional and United Nations conflict prevention efforts, humanitarian assistance, and peacekeeping capabilities. This would contribute to the early attenuation of conflict, rather than allowing it to expand into a serious national threat. Together with our allies and friends, the United States must develop multinational capabilities necessary for enforcing peace, and enhance our capability to contribute to monitoring, verification and reconnaissance, as well as peace rebuilding after conflict. These will demand innovative thinking and creative leadership.

- The United States must continue to play an active role in the evolution of the European security architecture, seeking to maintain peace and security at the lowest necessary level of forces. We must work to strengthen the viability of NATO, and actively participate in the development of a credible peacekeeping capability. We must actively seek the contributions of the members of the North Atlantic Cooperation Council in these endeavors, and assist them in their transition to democratic systems.

- In Asia, we should strengthen the U.S.-Japan relationship which remains key to regional stability. We must nurture existing defense relationships, work to expand access to facilities throughout the region, and encourage security dialogue and cooperation. We will support regional stability by maintaining military forces in the region and through such fora as the ASEAN post-ministerial conference; encourage appropriate confidence building measures; support North and South Korean bilateral treaties and normalization of relations; continue to advocate positive change in China; and, consistent with our top priority of the fullest possible accounting for our POWs and MIAs, improved relations with Vietnam.

- In the former Soviet Union, we will continue to encourage and support positive, centralized control of nuclear weapons, press for rapid arms control treaty implementation and help reduce their nuclear arsenals. We will continue to press for a full accounting of former Soviet biological warfare programs. We seek to establish new relationships with Ukraine, Belarus and Kazakhstan, all of which have agreed to adhere to the NPT as non-nuclear states. We will help promote effective civilian control over the military, and assist the military forces of the former Soviet republics in assuming their legitimate role in civil society.

- In the Middle East and South Asia, we will maintain forces deployed in the region, expand our bilateral defense arrangements, preposition materiel and equipment, and conduct joint and combined exercises to defend the sovereignty, independence and territorial integrity of our partners in the region. We will continue to work to assure access to oil, deter recourse to war, terrorism and subversion, and enforce U.N. Security Council resolutions.

- In Latin America, we will advocate multinational responses to aggression, seek to strengthen civilian authority over the military, encourage wider participation in U.N. peacekeeping operations, promote regional efforts to implement the arms control agenda adopted by the OAS, and continue to undertake major counter-drug, counter-terrorism and nation assistance missions in the region.

- In Africa, we will continue to participate in United Nations peacekeeping and humanitarian assistance operations. We will promote the peaceful settlement of disputes and the rule of law, support friends and allies to improve their self-defense capabilities in order to deter and defend against regional aggressors, and continue to maintain and improve our crisis response capabilities.

- The United States will continue its worldwide efforts to constrain the proliferation of weapons of mass destruction. To reduce the danger of the spread of militarily-useful technologies, weapons of mass destruction, and the missiles to deliver them from the former Soviet Union, the United States is working closely with the new independent states. We will continue to assist their authorities to implement all relevant international agreements, and help develop effective internal accounting of dangerous materials and equipment and methods for protecting them from theft or diversion. The United States will also help establish and implement effective export controls, and assist in the safe and secure dismantling of their nuclear warheads. We will also help create opportunities for weapons scientists and engineers to redirect their talents to peaceful endeavors.

- Finally, it is time to refashion our security assistance budget, and review how we fund peacekeeping and explore adequate American financial support for U.N. peacekeeping and humanitarian activities. We need to increase funding for military and defense contact programs and other activities designed to facilitate the successful transition of foreign militaries to democratic systems, as well as ensuring their ability to defend themselves against aggression.

VI. The World As It Can Be... If We Lead And Attempt To Shape It As Only America Can

As we approach the 21st Century, the fundamental values that have guided this Nation for over two centuries have not changed. Our basic national interests and objectives and the requirement for American leadership are still the same. But our strategy has changed to position us better to lead in a world which has changed as well.

While we no longer confront a single, defining threat, the challenges that face America today, and that will confront us in the future, are more complex than ever before. But just as these challenges are broad, so too are the opportunities for America. No other nation has the same combination of moral, cultural, political, economic, and military credibility. No other has won such confidence, respect, and trust. No other has the same potential and indeed responsibility for world leadership.

America has always stood for much more than the sum of its economic wants and needs. We do care about the world around us; each successive generation of Americans has written its own chapter of contributions to the annals of history. We have inspired many because of what we have achieved and because of what we represent. We live in a country resplendent in freedom, where people of all religions, races, creeds, and colors can hope to live in peace and harmony; where success and achievement are determined by one's initiative, ingenuity, and imagination; where there is an unbounded belief in human dignity and faith in human potential; where there is always hope for a better tomorrow. We must continue to share our hopes and dreams with the world.

We have a vision for the future. We seek a world of cooperation and progress, not confrontation; a world no longer divided, but a community of independent and interdependent nations joined together by shared values; a world in which the United States role is defined by what we stand for — freedom, human rights, economic prosperity, the rule of law, peace — rather than what we stand against. To succeed, our strategy will have to be more than words on a piece of paper. It will take faith, courage, hard work, and inspiration. It will also take dialogue and debate, for that too is what democracy is 'all about. It will take the very best we have to offer — as individuals, as institutions, as a Nation. Let us work together to lead the world toward the 21st Century, the Age of Democratic Peace. There is no more important goal to which we could aspire.