

July 3 / Administration of William J. Clinton, 1998

where we build people up, not tear our neighbors down; a future where we order our affairs in a legal, predictable, open way; a future where we try to tap the potential and recognize the authority of each individual.

I'm told that this magnificent convention center was built in the shape of a soaring bird on a patch of land reclaimed from the sea. It's an inspiring symbol of the possibilities of Hong Kong, of all of Asia, and of our relationship with Asia. Just a couple of days ago, Hong Kong celebrated its first anniversary of reversion to China. I am going home for America's 222d anniversary tomorrow.

May the future of this special place, of China, of the relationship between the United States and China and Asia, soar like the bird that gave life to this building.

Thank you very much.

NOTE: The President spoke at 10:42 a.m. in the Hong Kong Convention Center. In his remarks, he referred to Jeff Muir, chairman, American Chamber of Commerce in Hong Kong; Victor Fong, chairman, Hong Kong Trade Development Council; Chief Executive C.H. Tung of Hong Kong; and President Jiang Zemin and Premier Zhu Rongji of China.

The President's News Conference in Hong Kong Special Administrative Region

July 3, 1998

The President. Good afternoon. I know most of the American journalists here are looking forward, as I am, to returning home for the Fourth of July. But I didn't want to leave China without first reflecting on the trip and giving you a chance to ask some questions.

Let me begin, however, by thanking the people who came with me, who worked so hard on this trip: Secretary Albright, Secretary Rubin, Charlene Barshefsky, Secretary Daley, Secretary Glickman, Janet Yellen, Mark Gearan. I'd like to say a special word of thanks to all the members of the White House staff who worked so hard to prepare me for this trip, along with the Cabinet Secretaries. I want to thank the congressional delegation: Senator Akaka, Senator Rockefeller, Senator Baucus, Congressman Hamilton, Congressman Dingell, and Congressman Markey, and also the staff of the Embassy and the consulates.

Over the past week, we have seen the glory of China's past in Xi'an, the vibrancy of its present in Beijing, the promise of its future in Shanghai and Hong Kong. I don't think anyone who was on this trip could fail to appreciate the remarkable transformation that is underway in China as well as the distance still to be traveled.

I visited a village that chooses its own leaders in free elections. I saw cell phones and computers carrying ideas, information, and images

around the world. I had the opportunity to talk directly to the Chinese people through national television about why we value human rights and individual freedom so highly. I joined more than 2,000 people in worship in a Beijing church. I spoke to the next generation of China's leaders at Beijing University; to people working for change in law, academia, business, and the arts; to average Chinese during a radio call-in show. I saw the explosion of skyscrapers and one of the world's most modern stock exchanges in Shanghai. I met with environmentalists in Guilin to talk about the challenge China faces in developing its economy while improving its environment. And here in Hong Kong, we end the trip where I hope China's future begins, a place where free expression and free markets flourish under the rule of law.

Clearly, China is changing, but there remain powerful forces resisting change, as evidenced by continuing governmental restrictions on free speech, assembly, and freedom of worship. One of the questions I have tried to frame, on this trip, for the future is how do we deal with these issues in a way most likely to promote progress? The answer I think is clear: dealing directly, forcefully, but respectfully with the Chinese about our values.

Over the past week, I have engaged not only the leadership but the Chinese people about

our experience and about the fact that democracy is a universal aspiration, about my conviction that in the 21st century democracy also will be the right course practically as well as morally, yielding more stability and more progress.

At the same time, expanding our areas of cooperation with China advances our interests: stability in Asia, nonproliferation, the rule of law, science and technology, fighting international crime and drugs, and protecting the environment. The relationship between our two countries is terribly important. The hard work we've accomplished has put that relationship on a much more positive and productive footing. That is good for America, good for China, good for Asia, good for the world.

Now I look forward to returning home and pressing for progress on a number of fronts: passing a balanced budget that makes the investments in education and research we need for the 21st century; expanding health care and providing a Patients' Bill of Rights; pursuing campaign finance reform; protecting our children from the dangers of tobacco.

Now I'd be happy to take your questions, and I'd like to begin with Mr. Bazinet [Kenneth Bazinet, United Press International].

President's Trip to China

Q. Mr. President, from your staff to President Jiang Zemin, this trip has been hailed as a success. But we are leaving here with one symbolic agreement. I wonder if you could explain to us what exactly or how exactly you will show your critics back in Congress that you did meet your expectations on this trip. Thank you.

The President. Well, on the substance, I think we have reinforced our common commitment to regional security, which is terribly important given the progress I believe can be made in the next several months, in the next couple of years in Korea, and the job we have to do in South Asia with India and Pakistan. We made substantial progress in nonproliferation, not only in detargeting but in other areas as well. We got a significant commitment from the Chinese to take another step toward full participation in the Missile Technology Control Regime. We had an agreement on the rule of law which I believe practically—these rule of law issues I think will practically do an enormous amount to change the lives of ordinary Chinese citizens, not only in regularizing commercial dealings but

in helping them with other daily problems that impinge on freedom if they're not fairly and fully resolved.

I'm pleased by the science and technology initiative that we signed, which has already produced significant benefits for both our people. I'm very pleased that we now have a Peace Corps agreement with China. And I think we have really broken some ground in cooperation on the environment. And again I say that I think China and the United States will both have heavy responsibilities to our own people and to the rest of the world in this area.

I believe that the fact that we debated openly these matters, at the press conference, of our disagreements is quite important, as well. And I might say that a lot of the democracy activists from Hong Kong said that they felt that in some ways the fact that we had this public discussion, the President of China and I, in the press conference might have a bigger impact over the long run on the human rights picture than anything else that happened here.

I have acknowledged in candor that we have not made as much progress on some of the trade issues as I had hoped, but I also now have a much clearer understanding of the Chinese perspective. I think they want to be in the WTO; I think they want to assume the responsibilities of opening their markets and taking down barriers and allowing more investment. But I think, understandably, since they are also committed to privatizing state-owned industries, they have big chunks of unemployment for which they have to create big chunks of employment. And they want to have a timing for WTO membership that will permit them to continue to absorb into the work force people that are displaced from the state industries.

So I have an idea now about how we may be able to go back home, put our heads together, and come up with another proposal or two that will enable us to push forward our trade agenda with the Chinese. So in all those areas, I think that we made substantial, substantive progress.

Mr. Hunt [Terence Hunt, Associated Press].

Strategic Partnership With China

Q. Mr. President, have you and President Jiang Zemin achieved the constructive strategic partnership that you've talked about? What do you mean by that term, and how can you have

that kind of a relationship with a country that you say unfairly restricts American businesses?

The President. For one thing, I don't think it's the only country in the world where we don't have complete fair access to the markets. We still have trade differences with Japan, which is a very close ally of ours, and a number of other countries. So we don't have—we can have a strategic partnership with a country with whom we do not have a perfect relationship.

I think that—first of all, let me remind you about what our interests are. We have a profound interest in a stable Asia that is progressing. We have a profound interest in a partnership with the world's largest country in areas where we can't solve problems without that kind of partnership, and I cite Korea, the Indian subcontinent, the Asian financial crisis, and the environmental challenges we face as examples of that. So I think that our interests are clear, and I think we're well on the way toward expanding areas of cooperation and defining and honestly and openly dealing with areas of differences that are the essential elements of that kind of partnership.

Mr. McQuillan [Larry McQuillan, Reuters].

Alleged Chinese Involvement in 1996 Campaign Fundraising

Q. Mr. President, during your news conference with President Jiang, he mentioned that you raised campaign fundraising with him. And I wonder if you could share with us just what ideas you expressed to him. And also, since he said that the Chinese conducted an investigation and that they found the charges were totally absurd, did you suggest that he might want to cooperate with Justice Department and also congressional investigations?

The President. Let me say, he is interested in a very—in what I might call a narrow question here, but a very important one, and in my mind, the most important one of all. The question here—the question that was raised that was most troubling was whether people at high levels in the Government of China had either sanctioned or participated in the channeling of funds in violation of American law not only into the Presidential campaign but into a number of congressional campaigns. That charge has been made. He said they looked into that, and he was, obviously, certain, and I do believe him, that he had not ordered or authorized or approved such a thing, and that he could find

no evidence that anybody in governmental authority had done that.

He said that he could not speak to whether any people pursuing their own business interests had done that. He didn't say that it happened or he knew that it happened. I want to make it clear. He just said that his concern was on the governmental side.

And I told him that that was the thing that we had to have an answer to, and that I appreciated that, and that if he were—if the Government of China were contacted by any people doing their appropriate work, I would appreciate their telling them whatever they could tell them to help them to resolve that to their satisfaction, because I do think that is the really important issue.

Mr. Pelley [Scott Pelley, CBS News].

Human Rights and Democracy in China

Q. Thank you, Mr. President. Many democracy advocates were encouraged by your trip to China and, in fact, Bao Tong granted an interview to test the limits of Chinese tolerance. But sir, why did you find it impossible to meet with the democracy advocates in Beijing, where it would have had the most impact? And would you feel compelled to intervene personally if Bao Tong is arrested after you leave?

The President. Well, I have continued—first, let me answer the second question first. I have continued to raise individual cases and will continue to do so with the Chinese Government and with the President. I would very much like to see China reassess its position on categories of arrestees as well. And let me just mention, for example, they're probably 150 people who are still incarcerated as a result of the events in Tiananmen Square who were convicted of nonviolent offenses. There are also several people still incarcerated for a crime that is no longer a crime, that the Chinese themselves have said, "We no longer want to, in effect, pursue people who have committed certain offenses against the state under—which were basically a rubric for political dissidents." I suggested that they look at that. So in all that, I will continue to be active.

On your first question, I did my best to meet with people who represented all elements of Chinese society and to do whatever I could to encourage democratic change. The decisions I made on this trip—as I remind you, the first trip by an American President in a decade—

about with whom to meet and how to handle it were basically designed—were based on my best judgment about what would be most effective in expanding human rights. And we'll have to—I think, at this moment, it looks like the decisions I made were correct, and we'll have to see over the course of time whether that is accurate or not.

Mr. Blitzer [Wolf Blitzer, Cable News Network].

Forced Abortions in China

Q. Mr. President, in the days leading up to your visit there was very dramatic testimony in the U.S. Congress about forced abortions—allegations, reports that there were forced abortions still continuing in China. Did you specifically raise the issue of forced abortions with President Jiang Zemin? And if you did, what did he say to you about this allegation?

The President. Well, they all say the same thing. They say that is not Chinese policy, that it violates Chinese policy. My view is that if these reports are accurate, there may be insufficient monitoring of what's being done beyond the Capital and beyond the place where the orders are being handed out to the place where the policy is being implemented.

And so I hope by our presence here and our concern about this, which I might add was—this issue was first raised most forcefully a couple of years ago by the First Lady when she came to Beijing to speak at the Women's Conference—I'm very hopeful that we will see some progress on this and that those who are making such reports will be able to tell us over the coming weeks and months that there has been some real progress.

Q. But did you raise it with President Jiang?

The President. We talked about it briefly. But they all say the same thing, Mr. Blitzer. They all say that this is not policy, that they've tried to make it clear. And I have tried to make it clear that it's something that we feel very, very strongly about. But as I said, I believe that, if in fact the policy is being implemented in a way that is different from what is the stated policy in Beijing, we may get some reports of improvements in the weeks and months ahead, and I hope we will.

Mr. Donaldson [Sam Donaldson, ABC News].

Kosovo

Q. Mr. President, while you've been in China, the ethnic cleansing in Kosovo appears to be continuing. You and the Secretary of State have both talked very firmly to President Milosevic about stopping, and it is not stopping. Is there a point at which you're going to move, or is, in fact, this a bluff which he's successfully calling?

The President. No, I don't think that's accurate. But the situation—let me say, first of all, I still believe the situation is serious. I still believe, as a practical matter, the only way it will ultimately be resolved is if the parties get together and resolve it through some negotiation and dialog. I think that the Serb—excuse me, the—I think that Belgrade is primarily responsible here. But I think that others, when they're having a good day or a good week on the military front, may also be reluctant to actually engage in dialog. So I think this is something that all parties are going to have to deal with.

Now, I have, since I have been on this trip, checked in almost daily on the Kosovo situation and continue to support strongly, with our allies, continuing NATO planning and a clear and unambiguous statement that we have not, nor should we, rule out any options. And I hope that is still the position of our European allies.

Q. While NATO is planning, people are dying every day.

The President. They are, Mr. Donaldson, but there is—the conflict is going on; both sides are involved in it. There is some uncertainty about who is willing and who is not willing to even negotiate about it. And we're working on it as best we can.

Mr. Bloom [David Bloom, NBC News].

Human Rights and Democracy in China

Q. Mr. President, if this trip is followed in the days or weeks to come by the piecemeal release of a few Chinese dissidents, would you consider that a success? And why not set a deadline for China to release all of its political prisoners? And, if I may, sir, you spoke a minute ago about the powerful forces resisting change in China. Do you believe there could ever be democracy here?

The President. Oh, yes. The answer to the second question is yes. I believe there can be, and I believe there will be. And what I would like to see is the present Government, headed

by this President and this Premier, who are clearly committed to reform, ride the wave of change and take China fully into the 21st century and basically dismantle the resistance to it. I believe there—not only do I believe there can be, I believe there will be.

Now, I believe that, again—on your first question, I think I have to do what I think is most effective. And obviously, I hope there will be further releases. As I said, I would like to see not only targeted, selected high-profile individual releases, which are very important, but I think that the next big step would be for China to look at whether there could be some expedited process to review the sentences of whole categories of people, because that would tend to show a change in policy rather than just the product of negotiation with the Americans.

In all fairness, while I very much value the role that I and our country have been able to play here, the best thing for China will be when no outside country is needed to advance the cause of human rights and democracy.

Go ahead.

Taiwan and President's Previous Views on China

Q. Mr. President, the U.S. policy pushed for a negotiated reconciliation between the People's Republic and Taiwan. But some in Taiwan believe that, by endorsing the "three no's," your administration has taken away some of the bargaining power that they would need in a negotiation. Did that concern you? And can you tell us why you thought it was important to publicly articulate the "three no's" policy, when people in Taiwan were saying this would make it more difficult?

And also, if you'll forgive me just a quick two-parter, as you look back at the ups and downs of your China policy over the past 6 years, have you ever had occasion to regret the very tough and sometimes personal words you had on the subject for George Bush in 1992?

The President. Let me answer the Taiwan question first. First, I think there may be difference of opinion in Taiwan. Yesterday the Taiwanese leader, Mr. Li, said that the United States had kept its commitments not to damage Taiwan or its interests in any way here. I publicly stated that, because I was asked questions in public about Taiwan, and I thought it was an appropriate thing to do under the circumstances. But I did not announce any change

in policy. In fact, the question of independence for Taiwan, for example, has been American policy for a very long time and has been a policy that has been embraced by the Government in Taiwan, itself.

So I believe that I did the right thing there to simply clarify to both sides that there had been no change in our policy. The substance of the policy is obviously something that the Chinese Government agrees with. I think what the Taiwan Government wants to hear is that we favor the cross-strait dialog, and we think it has to be done peacefully and in orderly fashion. That is, I believe, still the intention and the commitment of the Chinese Government.

So I didn't intend, and I don't believe I did, change the substance of our position in any way by anything that I said. I certainly didn't try to do that.

Mr. Maer [Peter Maer, NBC Mutual Radio].

Q. And about what you said—

The President. Oh, I'm sorry, I forgot. Well, let me go back and try to retrace the steps there. I think that at the time—you may have a better record of exactly what was said and what wasn't—I felt very strongly that the United States should be clear and unambiguous in our condemnation about what happened 9 years ago, at the time. And that then we needed to have a clear road going forward which would attempt to—not to isolate the Chinese but would attempt to be very strong about how we felt about what happened and would, in essence, broaden the nature of our policy.

What I felt was that in a genuine concern to maintain a constructive relationship with China, for security reasons and for economic reasons, that we didn't have high enough visibility for the human rights issue. I believed that then; I still believe that. I think any President would say that, once you've served in this job, you understand a little bit more the nuances of all policies than you did before you get it. But I believe, on balance, that we have a stronger human rights component to our engagement strategy than was the case before, and I think that is quite important.

Mr. Maer.

Human Rights in China

Q. Mr. President, during your trip, at least in the first cities you visited, we saw a sort of "catch and release" program of human rights dissidents. And of course, thousands of others

are still in prison, in labor camps. Since you did not meet with them, sir, what would your message be to those who wanted to meet with you? And to follow up on your response to an earlier question, why is it that you feel that it would not help their cause to have sat down and met with some of them?

The President. Because I believe over the long run what you want is a change in the policy and the attitude of the Chinese Government on whole, not just on this, that, or the other specific imprisoned dissident or threatened dissident, although those things are very important. I don't want to minimize that. I'm glad Wei Jingsheng is out of jail. I'm glad the bishop is out of jail. I'm glad Wang Dan is out of jail. I think these things are important.

But what I am trying to do is to argue to the Chinese Government that, not because we're pressuring them publicly but because it is the right thing to do—the right thing to do—that the whole policy should be changed. And after all, our relationships have been characterized, I think, by significant misunderstanding, including the misunderstanding of the Chinese of our motive in raising these issues.

And so I felt that by going directly to engage the Chinese, starting with the President, and especially taking advantage of the opportunity to have this free and open debate before all the Chinese people, I could do more in the short and in the long run to advance the cause of human rights.

Q. The other part of the question is, is there some message to these individuals that you'd like to send them?

The President. My message is that the United States is on your side, and we did our best. We're on the side of free speech. We're on the side of not putting people who dissent in prison. We're on the side of letting people who only dissented and exercised their free speech out of prison, and that we believe that this new, heretofore unprecedented open debate about this matter will lead to advances. We think that it's going to take a lot of discipline and a lot of effort, but we believe that this strategy is the one most likely to advance the cause of free speech and free association and free expression of religious conviction, as well.

Northern Ireland Peace Process

Q. A question from the Irish Times. I understand, Mr. President, that you have been fol-

lowing events in Northern Ireland very closely during your trip and that you telephoned party leaders from Air Force One yesterday, and you spoke to them about the prospect of serious violence this weekend—[inaudible]. Could I ask you, what would you say to those on the opposite side of the dispute at this time, and also about the burning of 10 Catholic churches in Northern Ireland? And could I ask you, too, is there any prospect of you visiting Ireland this year, now that the Northern Ireland elections are behind us?

The President. Well, yes, I did call Mr. Trimble and Mr. Hume to congratulate them on the respective performances of their parties, and the leadership position that—this was right before the elections—I mean, the election for leadership—but that we had assumed Mr. Trimble would be elected and that either Mr. Hume or the nominee of his party, which turned out to be Mr. Mallon, would be selected as the First Deputy. And I wanted to talk to them about what the United States could do to continue to support this process and, in particular, whether there was anything that could be done to diffuse the tension surrounding the marching season and, especially, the Drumcree march.

And we had very good, long talks. They said they needed to get the leadership elections out of the way. They wanted to consult with Prime Minister Blair, who's been up there, and with Prime Minister Ahern, and that we would agree to be in, more or less, daily contact in the days running up to the marching date in the hope that that could be done.

I think it's very important that the people of Ireland give this new Assembly a chance to work—people of Northern Ireland. And I think it would be tragic indeed if either side felt so aggrieved by the ultimate resolution of the marching issue that they lost the bigger picture in the moment. I think that is something that must not happen.

Obviously, I feel personally horrible about what has happened to the churches. In our country, we had this round of church burnings in the last few years. And during the civil rights days, we had a number of bombings of black churches, which really reflected the darkest impulses of some of our people at their worst moments. And I would just plead to whoever was responsible for this for whatever reason, you need to take the churches off the list, and you need to take violence off the list.

Japanese Economy

Q. Mr. President, this morning you mentioned the new package of Japanese banking reforms and said you welcomed them. Do you believe that those reforms and other domestic financial measures will be sufficient to stem the slide of the yen and prevent the Japanese economy from going deeper into recession, perhaps spreading fear in China and elsewhere in the region and to the United States?

The President. Well, the Japanese economy has been at a period of slow to no growth for a period of years now. And if you look at the dislocation here in Hong Kong, for example, you see what regional ramifications that has as Japan slows down; then you have the problems in Indonesia and Korea and Thailand and elsewhere.

I will reiterate: I think that the Chinese have done a good thing by maintaining the stability of their currency and not engaging in competitive devaluations. I hope they will continue to do that. But I don't think anyone seriously believes that the financial situation in Asia can get better and that, therefore, we can resume global growth in a way that won't have a destructive impact on the United States and other countries unless Japan can grow again. We all have a vested interest in that, as well as our best wishes for the people of Japan.

Now, I'm encouraged by the fact that the Prime Minister announced this program and announced it several days before he had originally intended to. And I think what the markets are waiting for now is some action and a sense that, if it turns out that the implementation of this program is not enough, that more will be done.

It is not rational, in my view, to believe that the Japanese economy is meant to contract further. This is an enormously powerful, free country, full of brilliant people and successful businesses and staggering potential. And this is almost like a historical anomaly. Now, we know generally what the elements of the program are. But what I hope very much is that as soon as these elections are over, there will be a strong sense of determination and confidence not only on the part of the Japanese Government but the Japanese people, and that the rest of us will do whatever it is we have to do to support their doing whatever they have to do to get this turned around. But we have a huge stake in getting Japanese growth going, and I think

that it can be done because of the fundamental strengths of the Japanese people and their economy. But I think that it's going to take some real concerted action. And if the first steps don't work, then you just have to keep doing more. You just have to keep working through this until it's turned around.

It's not a situation like the Depression in the United States in the thirties, which took, literally, years and years and years to work out of, because we had fallen so much below anything that they're facing now. And we didn't have anything like the sophisticated understanding or the sophisticated economy or capacity in the thirties that they have now.

So I think we can get through this in a reasonable amount of time, but the rest of us, including the United States and China, need to have both good wishes and determination for Japan and just understand that, however, there's a limit to what we can do until they do the things that they have to do. But I think after this election, you may see a little more moment there.

Mr. Walsh [Ken Walsh, U.S. News & World Report].

President Jiang Zemin of China

Q. Mr. President, you spent considerable time with President Jiang Zemin this week both in public and in private. I wonder if you could give us your assessment of him not only as a strategic partner but as a leader and as an agent for change in China.

The President. Well, first of all, I have a very high regard for his abilities. I remember not so many years ago, there was a—the conventional wisdom was that he might be a transitional figure. And after I met with him the first time, I felt very strongly that his chances of becoming the leader of China for a sustained period were quite good, because he's a man of extraordinary intellect, very high energy, a lot of vigor for his age or indeed for any age. And I think he has a quality that is profoundly important at this moment in our history when there's so much change going on: He has a good imagination. He has vision; he can visualize; he can imagine a future that is different from the present.

And he has, I think, a very able partner in Premier Zhu Rongji, who has enormous technical competence and almost legendary distaste for stalling and bureaucracy and just staying in

the same path the way—even if it's not working. So my view is that the potential we have for a strategic partnership is quite strong.

However, I think that like everyone else, he has constituencies with which he must work. And I hope that more of them are now more convinced that we can build a good, positive partnership as a result of this trip. I hope more of them understand that America wishes China well, that we are not bent on containing China, and that our human rights policy is not an excuse for some larger strategic motive. It's what we really believe. We believe it's morally right, and we believe it's best for them, as a practical matter, over the long run.

So I believe that there's a very good chance that China has the right leadership at the right time, and that they understand the daunting, massive nature of the challenges they face. They want us to understand that there is much more personal freedom now, in a practical sense, for most Chinese than there was when President Nixon came here or 10 years ago. But I think they understand that this is an unfolding process, and they have to keep going. And I hope that we can be a positive force there.

Yes, go ahead.

Q. Following up on that, do you consider that the three televised appearances were, in part, a personal expression of gratitude from President Jiang to you?

The President. I don't know about that. I think that it might have been—I think it was a personal expression of confidence in the good will that we have established to build the right kind of relationship. But more importantly, I think it was a personal expression of confidence that he could stand there and answer questions before the people of China that might come not only from Chinese press but from ours as well.

So I wouldn't say gratitude; I think confidence is the right answer. But I can tell you, every place I went after that, you know, when I came down to Shanghai or when I flew over to Hong Kong, lots and lots of people I met with mentioned it to me, that it really meant something, that it changed the whole texture of what had happened. And I think that we did the right thing. And I'm certain that he did the right thing.

Go ahead.

Democracy in China

Q. Ambassador Sasser said earlier this week that he believes that communism in China will end. You just said now that democracy will come to China. What is the timeframe for that? Will it happen in your lifetime?

The President. I certainly hope so. [Laughter] That's like saying—I don't mean to trivialize the question, but let me give you—do I believe a woman will be elected President of the United States? I do. Do I think it will be a good thing? I do. Do I know when it will happen? I don't. Who will make the decision? The American people.

As I said, I believe that leaders of vision and imagination and courage will find a way to put China on the right side of history and keep it there. And I believe that even as—when people are going through changes, they may not believe that this is as morally right as we do. But I think they will also be able to see that it is in their interest to do this, that their country will be stronger, that when people have—if you look at just the last 50 years of history in China, and if you look at the swings back and forth, when Mao Tse-tung was alive and you were letting a thousand flowers bloom, and all of a sudden there was a reaction, you know; and there was the Cultural Revolution, and then there was the reaction, and we liked the reaction of that; then there was Tiananmen Square.

If you want to avoid these wild swings where society is like a pressure cooker that blows the top off, then there has to be some institutional way in which people who have honest grievances, even if they're not right—not all the critics will always be right all the time, just like the government, the officials won't always be right all the time—but if there is a normalized way in which people can express their dissent, that gives you a process that then has the integrity to carry you on more of a straight line to the future, instead of swinging back and forth all the time. The very ability to speak your mind, even if you think you can't prevail, is in itself empowering.

And so, one of the things that I hope is that—the Chinese leaders, I've always been impressed, have an enormous sense of history, and they're always looking for parallels and for differences. It's a wise thing. Our people need to understand more of our own history and how it may or may not relate to the moment and to the future.

And if you think about—one of the things that, if I were trying to manage this huge transition—and I'll just give you, parenthetically, one thing,—the Mayor of Shanghai told me that in just the last couple of years 1.2 million people had been displaced from state industries in Shanghai and over one million had already found other jobs. That's just in one area of the country. If you're trying to manage that sort of transition, one of the things that I would be looking for is how I could keep this thing going down the track in the right direction and not have wild swings and not be confronted with a situation which would then be unmanageable.

So that's what I hope has happened and where I hope we'll go.

Mr. Knoller [Mark Knoller, CBS Radio], I'll take your question and then I'll go. You guys may want to shop some more. [Laughter]

Policy of Constructive Engagement

Q. Mr. President, if constructive engagement is the right policy in your view for dealing with China, why isn't it an appropriate policy for dealing with other countries, say, Cuba?

The President. That's not the question I thought you were going to ask—[laughter]—I mean, the example I thought you were going to give. I think each of these has to be taken on its own facts. In the case of Cuba, we actually have tried—I would remind you, we have tried in good faith on more than one occasion to engage Cuba in a way that would develop the kind of reciprocal movement that we see in China.

Under the Cuban Democracy Act, which was passed by the Congress in 1992 and signed by President Bush, but which I strongly supported during the election season, we were given a clear roadmap of balanced actions that we could take and that Cuba could take. And we were, I thought, making progress with that map until the people, including American citizens, were unlawfully shot out of the sky and killed. That led to the passage of the Helms-Burton law.

And even after that, after the Pope went to Cuba, I took some further actions, just about

everything I'm empowered to take under the Helms-Burton law, to again increase people-to-people contacts in Cuba, to empower the church more with our support as an instrument of civil society, and to send a signal that I did not want the United States to be estranged from the people of Cuba forever.

I do believe that we have some more options, and I think Cuba is a case where, because it's close to home and because of the position we occupy in the region, our policy has a greater chance of success. But even there, you see, whatever policy you pursue, you have to be prepared to have a little patience and work with it and hope that it will work out in the long run.

But nothing would please me more than to get some clear signal that Cuba was willing to be more open and more free and more democratic and work toward a common future and join the whole rest of the hemisphere. You know, in our hemisphere, every country but Cuba is a democracy, and I would like the see—nothing would please me more than to see some rapprochement between the people of our two countries, especially because of the strong Cuban-American population in our Nation.

Thank you very much.

NOTE: The President's 162d news conference began at 5:23 p.m. in the Grand Ballroom of the Grand Hyatt Hotel. In his remarks, he referred to President Jiang Zemin and Premier Zhu Rongji of China; President Li Teng-hui of Taiwan; freed Chinese dissidents Wei Jingsheng, Bishop Zeng Jingmu, and Wang Dan; David Trimble of the Ulster Unionist Party and John Hume and Seamus Mallon of the Social Democratic and Labor Party of Ireland; Prime Minister Tony Blair of the United Kingdom; Prime Minister Bertie Ahern of Ireland; Prime Minister Ryutaro Hashimoto of Japan; Mayor Xu Kuangdi of Shanghai, China; and Pope John Paul II. Reporters referred to freed Chinese dissident Bao Tong; President Slobodan Milosevic of the Federal Republic of Yugoslavia (Serbia and Montenegro); and former President George Bush.