
American Leadership and Global Challenges

By

**Mr. Strobe Talbott, Deputy Secretary of State
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Secretary Albright and the rest of us who make up President Clinton's foreign-policy team have had our hands full these last several months. In fact, I can't recall a period in recent years when we as a nation have faced quite so many tough challenges on so many fronts. I'll tick off for you just the most obvious examples.

On the Middle East Peace Process, the President, the Vice President, and Secretary Albright achieved something remarkable and, we hope, lasting at the Wye Plantation two weeks ago. They were building, not incidentally, on four years of patient, persistent, painstaking, and skilful diplomacy by this gentleman here [Secretary Warren Christopher]. No one knows better than he how tough the going was on the Eastern Shore of Maryland, because he's been there and done that, both literally and figuratively. And no one knows better than he how determined we must now be following up on the agreement—and how vigilant we must be against extremists who will step up their attempts to ruin the chance of peace in the Middle East.

In that same rough neighborhood, one of the world's most dangerous bullies, Saddam Hussein, is acting up yet again, refusing to cooperate with the United Nations inspectors whose job it is to make sure he isn't developing and stockpiling weapons of mass destruction.

Meanwhile, halfway around the globe, the North Koreans have threatened to restart their own nuclear-weapons program, even as they continue to develop ballistic missiles and to export dangerous technology to other countries.

In central Africa, the armies of no less than nine nations and the forces of numerous ethnic militias are embroiled in a war that has killed thousands of civilians and displaced thousands more since August.

And so it goes on virtually every continent—old troubles erupting alongside new ones. Moreover, all this is happening against the backdrop of what may be a shift in the tectonic plates of the global economy. What started a year ago with collapse of the Thai currency has become the most serious and far-reaching financial crisis in 50 years. It has spread to our own hemisphere, bringing a big and important neighbor, Brazil, to the edge of an economic free-fall.

This is a dizzying kaleidoscope of problems. In many ways, they're vastly different, one from the other. Yet they all have three things in common.

The first is that each of these challenges affects us—our country, our community. In other words, each is an illustration of a basic fact of life in this increasingly interdependent world of ours: what happens there matters here. "There" can be the Middle East, where a new round of Arab-Israeli conflict would hurt every economy in the world, including our own, that relies upon on a steady flow of oil.

Or "there" can be Iraq and North Korea. If rogue states such as those are able to provide to every other bad actor in the world the means of unleashing death and destruction, Americans will be in danger—at home and abroad. Just imagine how it will

affect the ability of the World Affairs Council to sponsor the trips it has planned in the coming year to East Asia, southern Africa, the Middle East, and Latin America if the terrorists who bombed our embassies in Nairobi and Dar es Salaam in August had nuclear, chemical, or biological weapons.

As for the world financial crisis, U.S. exports to the wounded economies in Asia and elsewhere are down by nearly a third. That matters directly and ominously to a state like California and a city like Los Angeles that depend heavily on the manufacture of goods for global markets.

The second common denominator of the problems I've touched on here is that their solutions cry out for American engagement and, more than that, for American leadership. That's exactly what President Clinton and his two Secretaries of State, Warren Christopher and Madeleine Albright, have been determined to provide. It's what we get up every morning and go to work to do. That's why the President, the Vice President, and the Secretary undertook their diplomatic marathon at the Wye Plantation last month. That's why we are working both through the U.N. and through the deployment of our military might in and around the Gulf to compel Iraq to comply with the will of the international community. That's why we are negotiating with the North Koreans, the South Koreans, and the Chinese to reduce tensions on the Korean Peninsula. That's why my colleague, Assistant Secretary Susan Rice, is conducting shuttle diplomacy in central Africa today.

And that's why the State Department is cooperating with the Treasury Department, the Federal Reserve, and other agencies to address the global financial crisis on a number of fronts. The crisis will be Topic A, for example, when President Clinton meets with his counterparts at the annual Leaders Summit of the Asia-Pacific Economic Cooperation Forum—APEC—in Malaysia in two weeks. A crucial goal at that meeting and others is to identify ways of preventing crises like the current one from occurring in the future—and to do so, 54 years after Bretton Woods, by designing a new financial architecture for the 21st century.

That point illustrates the third feature that all the challenges I've mentioned have in common: in every case, we are searching for solutions not only in concert with other countries but also in ways that strengthen international institutions and increase their ability to complement and reinforce each other.

Any and all of the cases in point I've mentioned so far—the Middle East, the Gulf, the Korean Peninsula—are fair game for our discussion this afternoon. But first I'd like to sharpen the focus of that discussion a bit by zeroing in on three tasks that I'm concentrating on in my own work. First is the conflict in Kosovo. Second is the economic and political turmoil in Russia. Third is danger of nuclear war on the Asian subcontinent.

Once again, this is a diverse trio of headaches. But they have those three common aspects: each affects us and our lives; each requires a high degree of American leadership; and each represents an opportunity to make international institutions more relevant, more effective, more synergistic.

Let me give you a capsule report on all three, starting with Kosovo. As recently as the beginning of this year, few Americans knew much, if anything, about that remote, impoverished corner of the Balkans. Now Kosovo is a household word, a synonym for man's inhumanity to man.

But Kosovo is more than just an affront to our values and our sense of decency. It's also a clear and present danger to our vital national interests. Again, it's the principle of what happens there mattering here. "There," in this case, is Europe. A threat to the peace of Europe—any threat to the peace of Europe—endangers the safety and prosperity of the United States.

Kosovo is the most explosive of all the powder kegs in the Balkans. That's because of where it is—on the fault line between Europe and the Near East. If it blows up, it could ignite tinder all around—to the northwest, in Bosnia, where a fragile peace is only beginning to take hold; to the southwest, where Albania is already in danger of coming apart at the seams; to the southeast, where the fourth Balkan war of this century could bring in two of our NATO Allies, Greece and Turkey, on opposite sides.

We are making progress in Kosovo today. Serbian forces are, by and large, back in their barracks, no longer terrorizing the local population. Kosovar Albanians are returning to their homes after months in the mountains and relief organizations are delivering supplies. An international mission is moving into place to verify compliance with the pull-back and the cease-fire, and we are working with the parties to restart direct negotiations.

These encouraging developments vindicate a principle that Secretary Christopher helped establish during his own four years as Secretary of State and that Madeleine Albright considers a first principle of her own stewardship of our foreign policy: the quest for a peaceful resolution of a regional conflict often requires that American-led diplomacy be backed by the credible threat of American-led force. They both helped President Clinton apply that principle in restoring democracy in Haiti, in bringing peace to Bosnia, and during earlier showdowns with Saddam Hussein.

Slobodan Milosevic is, like Saddam, an archetypal bully: he won't get serious about peace until threatened with war. He's finally behaving in Kosovo because we held a gun—loaded, cocked, safety off—to his head. The gun was NATO air power.

But NATO has not acted alone. It has worked, hand-in-glove, with four other bodies: the United Nations Security Council, the Organization for Security and Cooperation in Europe, the European Union, and the so-called Contact Group on the Balkans.

It is significant that Russia is a member of three of those bodies—the Security Council, the OSCE and the Contact Group—and that Russia is working closely with the fourth, NATO, to enforce the peace in Bosnia and to verify compliance with international demands over Kosovo.

This brings me to the second part of my report to you this afternoon—an update on Russia in its own right. Much of what's happening in that vast country is perplexing, some of it downright ominous. But we can't lose sight of a core fact: Russia's decision eight years ago to abandon Soviet communism and to associate itself with the growing international consensus in favor of political and economic freedom is the one of the most important and most positive developments of the second half of this century.

Russia is opening itself to the world to an extent and in a way unprecedented in its long, troubled history. Post-Soviet Russia has gone from being a spoiler to being an international joiner. Increasingly, it is working within rather than against the institutions that make up the superstructure of the international political and economic system. Since 1991, it has become a member of the G-8, the successor to the Group of Seven Major Industrialized Democracies; the Council of Europe; the Arctic Council; the Council of Baltic Sea States; the Permanent Joint Council created by the NATO-Russia Founding Act; and, as I already mentioned, the Contact Group on the Balkans. President Clinton will meet Prime Minister Primakov in Kuala Lumpur during the APEC summit, which is yet another international grouping that we have helped the Russians join.

The question of the hour—and I suspect of the coming decade—is whether Russia will continue to move in what we regard—and in what many Russians regard—as the right direction or whether it will pull back into its shell.

The question arises because of the crisis that has befallen the Russian economy this year. This past summer and fall, the Russians saw their currency collapse, many of their banks go belly-up, payrolls and pensions go unpaid, the bottom fall out of their fledgling stock market, and goods evaporate from stores.

Not too surprisingly there is widespread disillusionment with the very word reform and with what are seen as “Western” economic models. Hence the temptation to look for a uniquely Russian remedy to insolvency and social pain. The trouble is that, in the name of course-correction, they are in danger of lurching toward hyperinflation, protectionism, and the reimposition of state control of wages and prices. This is one of the key issues that President Clinton will discuss with Prime Minister Primakov when they meet in Kuala Lumpur.

The Russians’ future course is no one’s choice but their own. The bad news—and it’s quite serious—is that they may repeat some mistakes from the past, particularly in the massive printing of money. In that case, the economic situation will probably get worse before it gets better, and we will be far less able to help Russia through the International Monetary Fund.

But the good news is that Russia, so far at least, is grappling with its economic dilemma in a democratic fashion. Its own citizens have a major say in who governs them. The Primakov Government came into office because President Yeltsin and his many opponents in the Parliament played by the rules of the post-Soviet constitution. They have cut deals, made compromises, and embarked on programs for which they will be held accountable to voting citizens in parliamentary elections a year from now and in a presidential election scheduled for the year 2000.

As long as constitutionalism, civil society, and pluralism continue to set down sturdy roots in Russia—as long as Russia can avoid the twin dangers of economic and political meltdown—there is a good chance that those immensely talented and deserving people will eventually overcome their hardships, recover from their setbacks, and complete their transformation from a dictatorship and empire into a normal, modern state. That’s not only in their interest—it’s in our own. That’s why the U.S. is going to stay actively engaged with Russia and its struggling reformers on every front.

We also have a huge stake in what happens in—and between—India and Pakistan. This is the last of my reports to you today.

These two countries occupy a critical part of the world, a bridge between Asia and the Near East. One—Pakistan—used to be a Cold War Ally of the United States. The other—India—is the world’s most populous democracy. One is an Islamic nation, the other is largely Hindu. Together, they are home to over a billion people - almost one-fifth of all humanity. Since they came into being as independent states 51 years ago—in 1947—India and Pakistan have fought three wars. The makings of a fourth war still simmer in Kashmir.

Six months ago, India set off a series of underground nuclear explosions at Pokhran Desert in Rajasthan. Then, two weeks later, Pakistan followed suit, with its own nuclear tests in the Chagai Hills of Baluchistan. Overnight, it became all the easier to imagine an apocalypse in the cradle of several of the world’s great religions and civilizations.

Even if they don’t unleash that ultimate catastrophe, India and Pakistan are straining in the starting blocks of a ruinously expensive arms race. Moreover, their defiance of the worldwide compact against the acquisition of nuclear weapons has increased the peril that other countries—especially ones with less responsible governments than those in New Delhi and Islamabad—will accelerate their own nuclear-weapons programs.

It's against that backdrop that the President and Secretary Albright asked me seven months ago, at the time of the tests, to go to work with the Indians and Pakistanis on three goals: one, preventing an escalation of nuclear and missile competition in the region; two, strengthening the global non-proliferation regime; and three, promoting a dialogue between India and Pakistan on the long-term improvement of their relations, including on the subject of Kashmir.

So far, I've held six rounds of discussions with my Indian counterpart, Deputy Planning Commissioner Jaswant Singh, and I'll be holding a seventh in Rome next week. I've also held seven rounds with my Pakistani counterpart, Foreign Secretary Shamshad Ahmad, including one just yesterday in Washington.

In this effort, I've been guided not just by the instructions of the United States Government, but also by a set of goals or benchmarks that we worked out back in June with three international bodies: the so-called P-5, the Permanent Five Members of the United Nations Security Council; the G-8; and the South Asia Task Force, a group of fifteen countries plus the European Union established in the wake of the May tests to persuade India and Pakistan to re-establish themselves in the good graces of the international community.

In the talks I've held to date, my interlocutors and I have made some tentative but welcome progress. A lot of tough work remains—by them, and by us. To be very frank, I don't know if we—or they— will succeed.

But, ladies and gentlemen, this much I do know about the future of South Asia, just as with Kosovo and Russia—just as with the Middle East, Iraq, North Korea, Congo, and the international financial crisis—everyone in those regions and around the world is looking to us, counting on us, depending on us—the United States—to provide the combination of brains and brawn, head and heart, vision and energy, will and wallet, to help them help themselves. And we'll do so because in helping them, we're also helping ourselves to ensure that the 21st century will be safer, more prosperous, more peaceful than the 20th has been.