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RELEASE

Friday, July 14, 2000
Presenter: Secretary of Defense William S. Cohen

(Secretary Cohen Press Conference at the Shanghai Stock Exchange, Shanghai, China)

Q: Can you tell us about your meeting with Wang Daohan?

Cohen: [First part of response not recorded.] In my opinion, President Jiang has shown some flexibility on this issue, and I believe that every opportunity should be taken advantage of to explore ways in which reconciliation can be achieved under a one-China policy that is consistent with both China's objectives and the statements made by President Chen of Taiwan.

Q: I would like to ask you about the issue of sanctions on China. We've talked about developing military relations, but sanctions were imposed on China after the Tiananmen massacre. Some in the Clinton administration would like to see those sanctions lifted and that could possibly lead to the resumption of arms sales to China. What's your view of those sanctions and the possibility of future arms sales to China?

Cohen: Of course, the sanctions legislation was tied to human rights, and to the extent that we can see progress made in extending human rights in China, then I believe that there can be an easing and, indeed, a lifting of the sanctions in the future. One of the reasons I have tried to promote military-to-military relations is to improve the overall climate between our two countries. Hopefully, that too, can be a building factor in terms of building the relationship. For clarification purposes on one of the previous questions, I responded that President Chen had shown some flexibility in his position on the question of reunification

with

China, and there may have been some misapprehension about that. I was not referring to President Jiang Zemin. I don't want to create an international incident here at the stock exchange. [Laughter]

Q: Thank you for expressing an interest in strengthening the relationship between the two militaries. But could you just tell us to what degree has progress been made in that direction, and what are the remaining issues for both sides to handle seriously before a closer tie can be achieved?

Cohen: There have been a number of areas where we have been cooperating on a military to military basis. For example, there are Chinese naval vessels that will visit Hawaii and then Seattle, Washington, in the near future. In addition, we will have American naval vessels paying visits to China. We have an active exchange program of American military officers coming to China and Chinese officers coming to visit military facilities and bases in the United States. Yesterday in Beijing, Minister Chi and I signed a document pertaining to how we can cooperate in dealing with environmental issues, sharing information, technology, techniques in reducing harm that can be done through military operations and exercises to the environment. Yesterday, there was an agreement by Minister Chi to send representatives to the Asia-Pacific Center for Security Studies. That, too, will enhance our military-to-military cooperation. Finally, we are exploring ways in which we can try to cooperate in the future on humanitarian types of issues, disaster relief, and types of catastrophes that call for cooperation and providing relief to human suffering, as well as potentially even peacekeeping missions.

Q: Back to your meeting with Mr. Wang today. Did he give you any indication of a different

message that he might take to Beijing than what you've been hearing from the Chinese leaders in Beijing?

Cohen: Mr. Wang basically said that once there is a commitment to a one-China principle that negotiations can be undertaken to achieve a mutually satisfactory result. He and others would continue to examine a variety of options but that this is going to require a lot of examination. This is certainly the same message that we received in Beijing. It is my own belief, as I've indicated before, that there needs to be some creative examination on the part of the Chinese government as well to achieve the goal that they desire. But, that is up to the Chinese people and its leaders to bring about that result. So, we think that there is a window of opportunity working with President Chen. We hope that every idea and concept and opportunity can be fully explored, because I think that time, also, is of the essence and that there is a window of opportunity during the first part of any new administration to achieve change, and I believe that opportunity exists today.

Q: Lu Yi from Shanghai Daily, I have a question. As you are U.S. defense secretary, what is the goal you want to achieve in your visit to Shanghai, and do you think you have achieved it today? And the other question is how do you think NMD will affect relationship between China and the US?

Cohen: You managed to get at least two questions in that one question. First, on my visit here to Shanghai, this is the economic epicenter of the new China. What is taking place here in Shanghai is truly transforming and dramatic in proportions. I wanted to come to meet with the mayor, who I have met before, to discuss with him the economic factors involved in our relationship and permanent normal trading status for China in the United States and to say how pleased we are that China will join the WTO. This will promote even more prosperity for China and the Chinese people. We have an interest in seeing China prosper and serve as a stabilizing influence, as well, in the region and that we should work together cooperatively to achieve that goal. So, my visit here was for the purpose of conveying that message.

The discussion on national missile defense has established several things to date. Namely, it has highlighted, and brought into very clear focus the dangers that are involved in the proliferation of missile technology and weapons of mass destruction, including biological, chemical, as well as nuclear. President Clinton has not made a decision as to whether there should be the actual deployment of a national missile defense system. That will depend on a number of factors that he will take into account, including the impact upon arms control and the relations with our allies and friends. As even the president of Russia has pointed out, that while Russia does not support a national missile defense system for the United States, the Russian president has also pointed out that there, is in fact, an emerging threat of missile proliferation and weapons of mass destruction and has proposed ways in which the United States could even cooperate in developing a capability that would defend NATO, Russia and I assume other countries as well, in order to have a counter to this growing threat. But even as we seek ways in which we might cooperate with Russia and others on this issue, we have also indicated that cannot be a substitute for the United States protecting its own people, just as we would anticipate China would always want to be in a position to protect its people.

Q: Yes, you mentioned democracy in China in your speech. I'd like to ask you to elaborate on that. Critics of China's communist system have said that without democracy there can be no modernization. What's your view on that? And do you believe that China will eventually move from a dictatorship to a democratic system?

Cohen: First, let me say it's possible for a country to modernize its structures -- its exterior structures, its buildings, its infrastructure, its roadways, its telecommunications systems, and all the functions that are necessary for a society. It has also become clear that one cannot achieve that level of modernization unless they change from a so-called command economy

to a free-market system. What I tried to point out during the course of my remarks this afternoon was that, as a society, we've already seen the modernization of facilities and the infrastructure in Beijing and Shanghai and so many other cities throughout China. As you have a growing middle class, that middle class will also insist, over a period of time, to have a greater voice in governing, in governance, and greater opportunities for themselves and their children. I believe that will lead to a greater pursuit of democratic values. What I also pointed out today was that I have seen dramatic changes in China in just 22 years. When I first traveled to Beijing, it was a city that was not modern, had very little in the way of the infrastructure that we see today, and did not have the kind of freedoms that we see today on the part of the Chinese people. Those did not exist, to my perception, just 22 years ago. So, there have been rather significant transformations in a historically very short period of time.

Q: I come from Shanghai TV station, I'm a reporter there. Mr. Cohen, I'd like to ask you a question. Shanghai here is your last stop on your trip, and I know that when you were in Beijing you met with several of the leaders there. What I'd like to ask you is, what are your impressions of this trip.

Cohen: I conclude my meetings here in Shanghai with a very positive feeling about the nature of our relationship. I have always believed that the best way to seek a resolution of differences and to build on progress is to have more and more contact with each other. I renewed a lot of relationships that had been established some years ago during this visit. I believe that my visit will also help to solidify the relationship as it is and hand it over to the next administration with a good deal of optimism about the future. It is very important for China and the United States to be able to have more and more contact and integration with each other in terms of our military, our diplomats, but also our citizens, and, indeed, even our journalists, who are with me on this trip. Because I believe that the more contact that we have, the less chance there is for misunderstanding and for these misunderstandings to cause a rupture or breakdown in the overall relationship. And my wife Janet, who is with me, also took the occasion to visit a television station in Beijing and explore the possibility of doing a joint television program with a major television anchor in Beijing. That, too, would do a great deal to enhance communication between our two countries.

Just so that there'll be no misunderstanding, she did not go to see CNN, but CCTV.

Thank you.