

**Keynote Speech by
The Honorable William J. Clinton, 42nd President of the United States of America
Japan Society Centennial Gala Dinner, May 9, 2007**

MC George Takei (introduction of Paul Volcker who introduces President Clinton)

Thank you very much, Dr. Toyoda, for all that you have done, and congratulations. As you may have noticed in your program, The Honorable Thomas Foley, the former U.S. Ambassador to Japan was to introduce President Clinton. Regrettably, he is not able to join us tonight, so I now have the pleasure of introducing The Honorable Paul Volcker, the former Chairman of the Federal Reserve Board.

Mr. Volcker has served on the Japan Society's Board of Directors for a long, long time and is currently one of the Society's Life Directors. Ladies and gentlemen, Chairman Volcker.

Paul A. Volcker (introduction of President Bill Clinton):

Thank you, Mr. Chairman, Dr. Toyoda, Senator Rockefeller, David Rockefeller, other Rockefellers, all celebrants of the Japan Society Centennial, I feel we are about to test the technical range of these microphones.

But you know, I have a heavy responsibility this evening, and there's a time-honored phrase that struck me as appropriate for the occasion, and I quote: "It's a high honor and a distinct privilege to introduce you to the president of the United States." Now, if I were the Speaker of the House and you were all members of Congress assembled to hear the State of the Union message, that simple statement would be enough. You would be on your feet, you would give a standing ovation, and I could promptly sit down.

But tonight, the circumstances are a little different, and they present me with a daunting challenge: how to do justice to the occasion. Our honored guest may no longer be president of the United States, but he has a formidable reputation. The simple fact is, I know of no American better qualified these days to speak with a sure sense of authority, not just about the state of this nation, but of a troubled and turbulent world, and he does it with an eloquence that commands attention and respect.

Now, [with] more particular relevance [to] this evening, I understand that as president, Bill Clinton visited Japan more times than any of his predecessors, and he maintained and strengthened that relationship in a period in which we had to adjust, and Japan had to adjust to the rise of China and to the threats in the North Asian area.

In the area most familiar to me, he could speak and negotiate from the strong foundation of his commitment to fiscal discipline, to a strong dollar, and to open markets.

Mister President, we are all aware of the demands on your time, no doubt, some personally more rewarding than others, so the Japan Society, indeed, feels especially privileged tonight. William Jefferson Clinton, whoever you are, this podium is yours.

President Bill Clinton keynote speech:

Thank you very much, Paul, for the introduction and for your astonishing record of public service. Senator Rockefeller, David [Rockefeller], Ambassador Schieffer, Secretary Mineta... I've been told Vice President Mondale's here. I hope he is, since I'm acknowledging him.

Where are you, Fritz? There you go!

Ambassador Foley wanted to be here, but he had an operation and he's not quite as mobile as he needs to be.

George Takei, all the young people that work for me are more impressed with you than all the other people I just mentioned. We have a whole new generation of addicts in America for your series.

Dr. Toyoda, I am profoundly honored to be here with you and grateful to have heard your remarks. I kept wondering why you asked me here. I have no influence anymore. I'm struggling mightily right now to become an important spouse.

Jay Rockefeller and I have been friends for a long, long time. We served as governors together, and I love him as a member of my own family, but I was watching--we have Jay, Dr. Toyoda... and then Paul Volcker. And given the well-known Japanese preference for balance in life, you wanted someone who fit the podium. So, I'll give it my best shot.

I believe it is true that I visited Japan more than any other American president. I believe it is also true that I served with more Japanese prime ministers than any other American president.

I say that--you're laughing, but for me, it was a joy. It was a problem for Japan, but I liked it because I had to establish relationships with all of them and get to know them. But, two whom I knew best have unfortunately passed away, and I would like to thank them for their friendship and service--former Prime Minister Hashimoto and Prime Minister Obuchi.

I went back before coming here tonight, and I read everything I wrote in my memoirs about Japan. I think I wrote more about Japan than any other country in my memoirs. And I wrote about Keizo Obuchi's funeral, which I believe is the most moving public ceremony I have ever attended. And I will never forget how at the end we were all, beginning with his family, and then his party leaders and friends, given white flowers to lay across the table. Thousands and thousands of people built this great cloud under the Japanese rising sun, upon which his ashes sat. And I was so grateful at that moment to have been the American president whose honor it was to be at my friend's funeral, to see the Japanese religion, the Japanese culture, the Japanese reverence for things that need to be revered, on display.

In my time, too many Americans, and I think others around the world, tended to underestimate the importance of Japan and the relationship between the United States and Japan, because Japan turned out to be a normal, human place, not a superhuman problem-free, always progressing machine. It turned out to be a place with people in it. And so, there were serious economic challenges, brought on by the bursting of the real estate bubble, just as we have faced in this decade when the dot-com bubble burst and some of our financial successes came back to haunt us. And there was a lot of political instability as Japan was wrestling with whether, and how to become a multi-party democracy, and the majority party was wrestling internally with how to define its mission. So, a lot of people underestimated it.

And then, as has already been stated, there was a lot of tension with China because of the rise of China. The Buddhists left Hong Kong, the Chinese got in the World Trade Organization, and we began to owe them a lot of money. But I always thought that the U.S.-Japan relationship remained as important as any bilateral relationship the United States had. For one thing, I believe in the next 50 years, we will grow more alike. For a very brief period in human history, at the end of the Cold War until sometime around now, depending on how historians look back and define it, America was the only superpower in the world that had a dominant position in economics and politics and in military affairs.

Some of our fellow political leaders, as Senator Rockefeller will tell you, thought that we should use this moment to throw our weight around and do whatever we pleased, and do whatever we wanted whenever we could and cooperate only when we had to.

I thought we should cooperate whenever we could and act alone only when we had to, and my whole operating theory was that I should do everything I could to build a world that I would like for my children and grandchildren, the children and grandchildren of all Americans, to live in when we were no longer the only dominant military and political and economic superpower, because once someone has as much money as you do, then it's their choice whether you're the only military superpower, and it's their choice how much political influence they have. So, to me, that meant I should be supportive of Japan during the political and economic upheavals, trying to come out right on the other side, and that whenever possible, we should work together on building that kind of world. And I had a lot of support from you, Vice President Mondale, as well as your successor, and I'm grateful for that.

I don't think that we could've reached the agreement we've reached with North Korea on the missile and nuclear problems if we hadn't had a real partnership with Japan. And even though later North Korea sort of cheated on it in a much more minor way, with its laboratory experiments with uranium, the Bush administration spokespeople and Colin Powell and his deputy acknowledged that that agreement averted the production of dozens of nuclear weapons, which would otherwise have been produced. So, I thank Japan for that because we had to make a common commitment to helping North Korea with its energy and food and other needs.

I don't think we could've helped Russia through its terrible, wrenching financial problems after-- well, beginning before the Communist system collapsed and continuing afterward, really until oil got very expensive, we couldn't have done what was done without Japan's partnership and leadership. We could not have begun what is now an annual and profoundly important meeting of all the leaders of the Asian Pacific region, unless Japan had agreed to start that when we did in 1993.

We could not have had the kind of constructive beginning integration of China into the international system without the support of Japan. It's easy to forget now, but in just a short period of time, we got China into the World Trade Organization, and they agreed to join the Comprehensive Test Ban Treaty, the Chemical Weapons Convention, the Biological Weapons Convention, to stop supporting Iran's nuclear program, to start supporting unsafeguarded sites in Pakistan. They believed that we could build a common future. I do not believe that would have been possible without the partnership we had with Japan.

The first trade agreement I made with anybody, I made with Prime Minister Miyazawa, in 1993, at a very difficult time for America's economy, and most people were surprised we made it, including some people in the Japanese government who didn't want him to. We always claimed that the fact that we made the deal after midnight, after drinking a lot of sake, had more to do with it than the facts.

I think what had more to do with it than the facts was the understanding we both shared that we had to build a common future. We had to find shared opportunities, shared responsibilities. We had to build a world where other people could work their way to the prosperity we had all come to take for granted.

At the end of my service I became very grateful to the Japanese for hosting the Kyoto Conference, which produced the Climate Change Treaty. It was all downhill after that in America.

Our negotiator was Stuart Eisenstat, so he called and explained what the difficulties were, so I asked Vice President Gore if he would go to Kyoto, which he happily did. He was actually the one person in my government who was angry that I went to Japan as much as I did, because when I couldn't go somewhere, he got to go.

And we both liked going to Japan so much, he was put out with me that I was so diligent in going. But anyway, on this occasion he got to go to Kyoto. So, he called, we went through the finals of the deal, and we made the deal. And I actually thought it was pretty weak, because we couldn't get the Chinese and the Indians into it, and there were some other problems, but it was the best we could do; however, before Al Gore got off the airplane, and before I could send it to them, the Congress all voted against the Kyoto Climate Change Treaty. It was the only measure I ever lost in the Congress before I sent it to them.

I didn't even know there was any precedent for voting against a bill before you got it, but they just didn't want me to be under any illusion that even though I was a fool, they clearly understood that the world as we knew it would come to an end if America couldn't keep putting more greenhouse gasses into the atmosphere. And, of course, that is the current policy, even though we have some joint efforts. But, Japan will win on that, too.

As I see your economic strength restored, I think it is not unrelated to the fact that you're far more efficient with energy than we are... [it is] not unrelated to the fact, Dr. Toyoda, that your cars are leading the world in many ways related to energy efficiency and clean energy... [it is] not unrelated to the fact that Japan is now--not the United States, Japan--the world's number one producer of solar technology, something which I hope to see reversed in the next five years.

Pointing us toward a better future, I have in my home several electronic things that are powered by batteries made in Japan that can be recharged 1,000 times, and it means I'll never have to buy another battery for all the things I put them in. There are about 22 million such batteries on sale today. Just think about it; if people all over the world buy them and use them it will obviate the need in the next few years for 22 billion batteries to be buried in the ground, or have something done with them, and it will reduce the greenhouse gas emissions generated by those electronic instruments that the batteries ran by something like 98 percent, so we have a lot to learn still from Japan and America, and we have a future to build.

Since I have left office, it's been a great pleasure to me to see the Japanese economy rebound, to see Japan still leading the way on debt relief for poor countries, on funding the global fund on AIDS, TB and malaria, on trying to double aid to Africa--all the things that I have watched Japan lead the world on--and as we look forward, I would just say to every American businessperson and political leader, I want you to care about China, I want you to care about India, I want you to care about Vietnam, a place I care a lot about, I want the Philippines to maintain their position as our steadfast ally. But it is impossible to imagine building the kind of world we want for our children and grandchildren unless the United States and Japan stay in harness as partners building a common future for ourselves and trying to give that future to others all around the world.

To do that, I think that the United States should do a couple of things. I think we ought to re-emphasize diplomacy with Japan at the State Department, upgrade the Japan desk. I think we ought to have more cooperation on defensive missile systems and related armaments. We updated our security relationship when I was president and I think we should do that continuously. I think Japan should get a seat on the United Nations Security Council.

I think we should do more to build the world with more partners and fewer terrorists. We know what the UN millennium development goals call for, in terms of putting the world's children in school, and fighting extreme poverty, and fighting AIDS, TB, malaria and

deaths of people, 80 percent of them under five years of age, from dirty water, from cholera, dysentery, diarrhea.

If only the wealthiest countries were to meet those goals, no middle-income countries, only the OECD countries, America's share would be about 35 percent. For us, it would be about \$40 billion a year--[this] sounds like a big foreign aid program, until you consider that the government's budget is \$2.1 trillion, the defense budget--I haven't looked at it in a long time, Senator Rockefeller, but I think it's over \$400 billion a year now. We spent well over \$100 billion in Afghanistan in pursuit of a policy I strongly support, but it's expensive. And we spent way over \$400 billion in Iraq, it will soon be over \$500 billion, and it will take us another \$500 billion over the next several years to care for the injured and wounded and to rebuild these gaping holes in our military life.

Forty billion dollars is peanuts. Therefore, we know that every year a child in a poor country spends in school increases that child's earning ability by 10 percent. We know that every 10 percent increase in cell phone penetration in a poor country increases GDP by six-tenths of 1 percent. We know that if all the developing countries and the middle-income countries follow America's path to development, then whatever we do against climate change will be lost. So, we have to give them another way to develop.

All these things we have to do together. We know what it costs to set up health care systems that fight AIDS, TB, malaria, promote maternal and child health. We know how to help people work their way out of poverty, and the Japanese and all the other Asian success stories have proven you cannot give people a way out of poverty, you can only give them the tools to work their own way out of poverty.

Last year I was elated when a man who's been my friend for 24 years, Muhammad Yunus of Bangladesh, won the Nobel Peace Prize. I campaigned for him to win it for 14 years. As a matter of fact, after it was over, Yunus called me and said the guy from the Nobel committee came up to him and said, "Maybe Bill Clinton will quit calling us now."

But I did it because it is the ultimate success story. In a country, Bangladesh, with the per capita income of less than a dollar a day, the Grameen Bank has made over 7 million loans over three decades, 97 percent to village women, with a repayment rate of 98.5 percent, higher than the commercial bank repayment rate. But by far, the most important statistic which doesn't get reported as much, is that in this country of a dollar-a-day per capita income, 58 percent of the people who borrowed money from Grameen used the money to work themselves above the international poverty line.

We know what it costs to give people the tools to do this. For a couple of million dollars, I've got a project in western Rwanda which still has a per capita income of under a dollar a day because of the genocide 13 years ago. There are half a million people in a region that was very poor, and they were hungry. Their farmers couldn't produce enough food to feed their people. We more than tripled the amount of fertilizer bought, got a big cut in the price, cut the cost of credit, did a few other things. This year they had a 350 percent

increase in agricultural output. Everybody got fed, farm markets were created, and they stored surpluses to help hungry people in the rest of the country.

This is cheap. It is so much cheaper than going to war.

Whether you approve of America's policy in Iraq or Afghanistan, tonight, for the point I'm making, that doesn't matter. Whether you're for or against either one of these policies, that doesn't matter. The most expensive thing you can do in the 21st century is go to war. The highest return you can get is to invest in people and to give them the same chance to work their way into their dreams, like the Japanese people built for themselves over the last several decades. And that's what we need to be doing together. Together, with our friends in Europe, we could persuade the Chinese and the Indians and everybody else to join an international climate regime because we can prove it's good economics, not bad economics. Together, we can drastically reduce the number of terrorists all over the world by giving more people a chance to live their dreams and showing that we believe our common humanity is more important than our interesting differences.

It's easy to underestimate something that works. And I think it's easy to take for granted a friendship, a business partnership, an automobile, a jet airplane--anything that works all the time, it's easy to take it for granted. Sometimes I think we underestimate the importance of the U.S.-Japan relationship because it works so very well. I hope I'll never be guilty of that, I hope you won't be, and I hope together, we can do the things that we have to do to make sure that 100 years from now our grandchildren, our great-grandchildren, can be at a banquet like this in New York or Tokyo, celebrating the second centennial of this wonderful organization. Thank you very much.

MC George Takei:

Thank you very much, President Clinton, for those enlightening words. I know I, for one, would love to see you back in the White House.

And with those words from President Clinton, we will conclude tonight's celebration of the Japan Society's 100th birthday. I know that you will all join us and support us as the Japan Society boldly goes where it has never gone before, into the next 100 years.

And as one of my colleagues would say, may the Japan Society live long and prosper. Thank you very much, and goodnight.