

with nations of the region.

That is why I'm pleased to announce that this morning we've reached agreement with the Government of Singapore to explore in detail how we can transfer a naval logistics facility from Subic Bay in the Philippines to Singapore in the next year. We appreciate Singapore's far-sighted approach to the security requirements of a new era.

The United States does not maintain our security presence as some act of charity. Your security and your prosperity serve our interests because you can better help build a more stable, more prosperous world. An unstable Asia burdened with repression does not serve our interests, nor does an Asia mired in poverty and despair. We need you as free and productive as you can be, and we understand that our security presence can provide a foundation for our mutual prosperity and shared defense.

But we also need your support in addressing the new threats of this new era, regional conflicts, weapons proliferation. And so, I'm pleased that the ASEAN nations are working with us to craft new and flexible arrangements to ensure the common defense. Access agreements and increased ASEAN-U.S. dialog can help us work cooperatively to promote stability in the whole region. By working cooperatively, we better share the security responsibilities of the post-cold-war era.

Strong, credible security arrangements enabled us to meet the second challenge, the challenge of democracy, a challenge of shared interests and shared ideals. Again, ASEAN is helping to spread positive political change in ways that reflect the values, aspiration, and cultures of the nations in this region. ASEAN is trying to help the former Communist states in Indochina reintegrate themselves in a world that respects free markets and free people. Those efforts are starting to produce very hopeful results.

Just a few weeks ago American diplomats arrived in Phnom Penh for the first time in 16 years. We owe that breakthrough to years of effort by many nations. But the Cambodian peace accord signed by Secretary Baker in Paris last October could not have existed without the help and the cooperation of ASEAN. This historic agreement offers the very real hope of national

reconciliation to the long-suffering people of Cambodia.

And additionally, when the Paris conference agreed on a peace settlement for Cambodia, my Government offered to remove our trade embargo as the United Nations advance mission began to implement the settlement. And today I am pleased to announce the lifting of that embargo. Working with others, we need to turn attention to the economic reconstruction of that deeply wounded land, and so its new political reconciliation has a home from which to grow.

We are now normalizing our ties with Laos and have begun to move with Vietnam along a path marked by implementation of the Paris accords, and for the sake of many, many American families, the satisfactory resolution of our concerns, our deep concerns about POW's and MIA's.

The key point is this: After being strong, determined, and patient, we finally can entertain realistic hopes of building lasting ties of interest and affection with Indochina. Organizations such as ASEAN which promote security, more open political systems, and open markets form the building blocks for what I've called the new world order.

This movement toward democracy leads us to the third challenge for the future, the challenge of economic growth and building a world of open and fair trade.

Everyone agrees that political rivalry and military adventurism threaten international stability. But no one should doubt that economic isolationism, protectionism, can be at least as threatening to world order. The protectionist wars of the twenties and the thirties deepened the Great Depression and set in motion conflicts that hastened the Second World War.

On the other hand, during the past half century, engagement and trade have produced unprecedented peace and prosperity here in Singapore, throughout free Asia, in Europe, and in the United States. This prosperity also has led naturally to democracy, a fact that illustrates the indivisible relationship between security, democracy, and individual liberty.

The United States will remain engaged economically, especially in this part of the