

victory for freedom, or to retreat behind high trade walls into regional blocs would turn triumph to tragedy.

America is a Pacific nation. We will remain engaged in Asia, as we are in the other regions of the world. But just as the world itself stands on the threshold of a new era, so too we now enter a new era in U.S.-Korean relations. What began in the heat of the war as a military alliance has grown into a broader relationship, a partnership anchored in shared economic interests and common political ideals.

Korea's new role will, yes, mean new responsibilities, a new partnership based upon Korea's growing capabilities and increased ability to contribute to peace and prosperity in the Pacific and beyond.

The world now recognizes Korea as an economic powerhouse. We are pleased that over the past few years that we've narrowed our current account imbalance from about \$9 billion to about \$1 billion and that U.S. exports to Korea have increased at a pace of more than 7 percent over the last 2 years.

We must acknowledge the equally important strides that you have made in strengthening the institutions of democracy. Even in the 3 years since my last visit, the change is clear for all to see. With the encouragement of President Roh, this National Assembly now plays a greater role in Korean politics. I understand you have some very avid debates in this chamber. Well, join the club. That's what we do at home all the time. That's democracy in action.

In 1992 alone, South Korea will hold at least three elections at the local and national levels. Across the country, democracy is giving voice to new ideas and opinions, and since 1990 alone, 10 new daily newspapers and nearly 1,000 other new publications.

Free speech, free elections, private property: these are the cornerstones of the new world order, fundamental freedoms that secure peace and prosperity.

Consider your own history, a case study in contrasts between North and South. More than four decades ago, the South, with less land, fewer resources, and more people than in the North, set its course for free enterprise and free government. North Korea, well, they traveled a different path. Blessed with rich resources and a stronger

industrial base, the regime that ruled the North marched its people down the dead-end path of totalitarianism and international isolation. Its economy stalled. Its society suffocated. Its cohorts went their own way.

Today, the South is a dynamic participant in the community of democratic and market-oriented societies. The South is at peace, free, and prosperous, with an average annual income four times higher than in the North and a history of double-digit growth that has propelled it into the front ranks of the world's economies.

And now, you must build on your success. You must sustain the conditions that fueled your phenomenal growth. Korea did not raise the living standard of its people by closing itself off from the outside world. Today, Korea stands as America's seventh largest trading partner. With me on my trip are executives from some of America's leading companies, many with interests in expanding business with Korean companies and Korean consumers. America is not only your largest market, Korea's largest market, but a leading source of the technology and capital that helps fuel your economic growth. This nation owes much of its economic miracle to open markets abroad. Korea must see clearly that prosperity in the new century lies in open markets.

Trade is one activity where the interests of all nations intersect. Let me repeat here what I've said in Australia and in Singapore: At home in the United States, especially during tough economic times, my highest priority must be jobs and economic growth. But my allegiance to the American worker is not at odds with the interests of the Korean consumer. Trade is not a zero-sum game enriching some nations at the expense of the others. Growing trade provides the people of both our nations with higher standards of living and better lives.

Pressures for protectionism are building. We see it in my country with the new breed of economic isolationists who urge us to build barriers to expanding trade and opportunity. We see it here in Korea in a frugality campaign that's been used by too many to discourage imports. But wherever this impulse shows itself, we must fight back