

U.S. DEPARTMENT OF STATE
Office of the Spokesman

For Immediate Release
2009/128

February 13, 2009

REMARKS

Secretary of State Hillary Rodham Clinton
At the Asia Society

February 13, 2009
New York, New York

SECRETARY CLINTON: Thank you, Vishakha, and thanks also to John Thornton and Jamie Metzl and the board members who are gathered here this afternoon. It is a great pleasure to be back here in this magnificent building and to have the chance to thank you for the Asia Society's work over many decades to strengthen the relationship between America and the people and governments of Asia.

Before I begin, let me just take a moment to say that my thoughts and prayers today are with the families who lost loved ones in the tragic crash of Continental Flight 3407, with those who live in Clarence Center where this tragedy occurred, and with the entire Buffalo community. I know the strength and compassion of the people of western New York and have no doubt that they will pull together and support each other through this difficult time.

I was deeply saddened to learn that among those who were taken from us too soon was Beverly Eckert, who herself lost her husband in the attacks of September 11th. Beverly became known to me and a friend to me and to many New Yorkers for her tireless advocacy for the families of the victims of 9/11, and she was one of the principal champions of the idea of the creation of the 9/11 Commission. I will miss her, and I want to just publicly thank her for all she did in the midst of her own tragedy.

A half century ago when the Asia Society was founded, Asia was frozen in a cold war, wracked by poverty, and seemingly destined for desolation. Few in or outside of Asia's borders foresaw anything but a future of conflict, occupation, and despair. Today, the countries I will visit are at peace. Asia is on the cutting edge of so many of the world's innovations and trends. It is a contributor to global culture, a global economic power, and a region of vital importance to the United States today and into our future.

Over the past 30 years, I've had the privilege of traveling to a very different Asia. Whenever I think back on my visits, it's as if a movie reel of images, old and new, were running through my head. I think of the elegant temples of Kyoto, or the rituals of nomadic life outside Ulaanbaatar, the intricate handwork of traditional craftspeople in Chiang Rai, the vibrant markets of Hanoi, Hong Kong, and Dhaka; the grand hotels of Singapore and Manila, the calligraphers practicing

their art in Xi'an, the historic dress of Seoul and the traditional dances of Jakarta, or the strum of the sitar in New Delhi.

And I've seen also the skyscrapers and factories, the urban corridors and high-tech campuses, the research facilities and modern hospitals – a continent where, now, more often than not, the rule of law and free elections have become or are in the process of becoming the norm, where entrepreneurship and innovation have transformed economies into global economic powers.

Asia has influenced world civilization for millennia, as it has our own culture. Our nation is home to 13 million Asian American citizens, and our daily life is so enriched by Asian literature and art, by music and movies, by food and architecture, medicine and science, technology and values.

Today, it is tempting to focus our attention on the tensions and perils of our interdependence, but I prefer to view our connectedness as an opportunity for dynamic and productive partnerships that can address both the challenge and the promise of this new century.

And that's what I want to talk about today, how the United States is committed to a new era of diplomacy and development in which we will use smart power to work with historic allies and emerging nations to find regional and global solutions to common global problems.

As I've said before, America cannot solve the problems of the world alone, and the world cannot solve them without America.

At the same time, given the realities of today's world, we can no longer approach our foreign policy solely country by country, or simply by carving the world into separate regions. With smart power, we will seek to build partnerships that transcend geographic and political boundaries.

In the months ahead, I will press for stronger bilateral, regional, and global cooperation when I meet with leaders of Europe, Latin America, the Middle East, and Africa, just as I will seek more robust engagement in my discussions with Asian leaders in Tokyo, Jakarta, Seoul, and Beijing next week.

In making my first trip as Secretary of State to Asia, I hope to signal that we need strong partners across the Pacific, just as we need strong partners across the Atlantic. We are, after all, both a transatlantic and a transpacific power.

Our relationships with each of the countries I'm visiting, and with all of our partners and allies throughout Asia and the Pacific, are indispensable to our security and prosperity. When we consider the gravest global threats confronting us – financial instability and economic dislocation, terrorism and weapons of mass destruction, food security and health emergencies, climate change and energy vulnerability, stateless criminal cartels and human exploitation – it is clear that these threats do not stop at borders or oceans. Pandemics threaten school children in Jakarta and Jacksonville. Global financial crises shrink bank accounts in Sapporo and San Francisco. The dangers posed by nuclear proliferation create worries in Guangzhou as well as

Washington. And climate change affects the livelihoods of farmers in China's Hunan province and in America's Midwest. These dangers affect us all, and therefore we all must play a role in addressing them.

So I leave for Asia ready to deliver a message about America's desire for more rigorous and persistent commitment and engagement, ready to work with leaders in Asia to resolve the economic crisis that threatens the Pacific as much as any other region, ready to strengthen our historic partnerships and alliances while developing deeper bonds with all nations, ready to help prevent the proliferation of nuclear weapons in Asia, ready to expand our combined efforts on 21st century challenges like climate change and clean energy, pandemics, and income inequality.

In the Obama Administration, we are also ready to reach beyond ministerial buildings and official meeting halls, as important as those are. We're ready to engage civil society to strengthen the foundations needed to support good governance, free elections, and a free press, wider educational opportunities, stronger healthcare systems, religious tolerance, and human rights.

And we are ready to listen. Actively listening to our partners isn't just a way of demonstrating respect. It can also be a source of ideas to fuel our common efforts. Too often in the recent past, our government has acted reflexively before considering available facts and evidence, or hearing the perspectives of others. But President Obama and I are committed to a foreign policy that is neither impulsive nor ideological, one that values what others have to say. And when we have differences, which we will, we will discuss them frankly and specify those which limit our capacity to cooperate. As part of our dialogues, we will hold ourselves and others accountable as we work to expand human rights and create a world that respects those rights, one where Nobel Peace Prize winner Aung San Suu Kyi can live freely in her own country, where the people of North Korea can freely choose their own leaders, and where Tibetans and all Chinese people can enjoy religious freedom without fear of prosecution.

Existing problems today, we believe, are opportunities as well. Exercising smart power begins with realistic assessments of the world we inhabit. And this obliges us, no less than other nations, to acknowledge our own contributions to the global problems we face.

Let me start with the global financial crisis that hit us first and hit us deeply. Across the United States today, families are losing jobs, homes, savings, and dreams. But this is not our crisis alone. Its repercussions are also being felt in parts of Asia and elsewhere around the world. We have recently heard forecasts from South Korea's new finance minister that their economy will shrink by 2 percent this year, with 200,000 jobs potentially lost. A Chinese Government survey of villages last week reported that 20 million of the nation's 130 million migrant workers are unemployed. In Japan, a new analysis predicts a larger economic contraction than previously forecast. Indonesia's exports fell by more than 20 percent in December as growth estimates have also fallen. And Taiwan's economy reported a record 44 percent drop in exports. Throughout Asia, the demand for durable goods is way down.

The global financial crisis requires every nation to look inward for solutions, but none of us can afford to become so introspective that we overlook the critical role that international partnerships

must play in stabilizing the world's economy and putting all of us back on the path to prosperity. And we cannot respond with a race to erect trade and other barriers. We must remain committed to a system of open and fair trade.

Here at home, our government is working to address the housing crisis and restore the banking system. Congress is expected to pass a stimulus package that represents the largest government effort in a generation to create jobs and increase incomes. China, Australia, and others in Asia are responding vigorously. We need multiple engines working together to reignite global growth.

At the G-20 meeting in Washington in November, leaders pledged to take actions from adjusting fiscal policy to strengthening domestic regulation. The upcoming G-20 meeting in April in London will provide us with an opportunity to build on that pledge.

Like the financial crisis, other issues also require bilateral as well as regional and global approaches. The United States is committed to maintaining our historic security alliances in Asia and building on those relationships to counter the complex global threats we face. I'm very pleased that Japan and South Korea this week agreed to joint assistance for reconstruction efforts in Afghanistan, and that both countries continue to work with us on global security, especially in combating piracy off the Horn of Africa.

We will need to work together to address the most acute challenge to stability in Northeast Asia, North Korea's nuclear program. The Obama Administration is committed to working through the Six-Party Talks, and I will discuss with South Korea, Japan, and China how best to get the negotiations back on track. We believe we have an opportunity to move these discussions forward, but it is incumbent upon North Korea to avoid any provocative action and unhelpful rhetoric toward South Korea.

The North Korean Government has committed to abandoning all nuclear weapons and to return at an early date to the Treaty on Nonproliferation of Nuclear Weapons. We continue to hold them to those commitments. If North Korea is genuinely prepared to completely and verifiably eliminate their nuclear weapons program, the Obama Administration will be willing to normalize bilateral relations, replace the peninsula's longstanding armistice agreements with a permanent peace treaty, and assist in meeting the energy and other economic needs of the North Korean people.

On a related matter, I will assure our allies in Japan that we have not forgotten the families of Japanese citizens abducted to North Korea. And I will meet with some of those families in Tokyo next week.

Global solutions are essential to addressing climate change and the need for clean sources of energy. Now, climate change is not just an environmental nor an energy issue, it also has implications for our health and our economies and our security, all wrapped up in one. The rapid appointment that the President and I made of a United States Special Envoy for Climate Change reflects the seriousness we feel about dealing with this urgent threat. And I will

be taking Special Envoy Todd Stern with me to Asia next week to begin the discussions that we hope will create the opportunities for cooperation.

Now, our nation has been the largest historic emitter of greenhouse gases, and we acknowledge that we must lead efforts to cut harmful emissions and build a lower-carbon economy. But each of the countries that I'm visiting also have a role to play in this effort. I will press the case for clean energy in both Japan and South Korea, and look for ways to work with Indonesia as well. Orville Schell's commentary in *Time* magazine this week reminds us that collaboration on clean energy and greater efficiency offers a real opportunity to deepen the overall U.S.-Chinese relationship. So we will work hard with the Chinese to create partnerships that promote cleaner energy sources, greater energy efficiency, technology transfers that can benefit both countries, and other strategies that simultaneously protect the environment and promote economic growth.

While in Beijing, I will visit a clean thermal power plant built with GE and Chinese technology. It serves as an example of the kind of job-creating, bilateral, public-private collaboration that we need so much more of.

Now, you may have heard me describe the portfolio of the State Department as including two of national security's three Ds: defense, diplomacy, and development. Each is essential to advancing our interests and our security. Yet too often, development is regarded as peripheral to our larger foreign policy objectives. This will not be the case in the Obama Administration. We will energetically promote development around the world to expand opportunities that enable citizens, particularly on the margins, and particularly women and children, to fulfill their God-given potential, which we happen to believe will advance our shared security interests. That much of Asia enjoys peace and prosperity today is due in no small part to American efforts over the last half century to support political, economic, security, and educational alliances with Asian nations.

We are proud to have lent American assistance in response to natural disasters, including rebuilding efforts after the tsunami in Indonesia and the cyclone in Burma. And we commend the Indonesian people and government for settling longstanding civil conflict in Aceh that threatened the country's progress, and for similar positive efforts to achieve peace and stability that are working in Timor-Leste.

Indonesia is one of Asia's most dynamic nations, where human energy and aspiration combine to help lead the country to a free and fair system of elections, a free press, a robust civil society, and a prominent role for women in the Indonesian Government. We will support Indonesia and other countries in the region that are actively promoting shared values. And we look forward to working with our other partners and friends in the regions, allies like Thailand and the Philippines, along with Singapore, Malaysia, and Vietnam, to ensure that ASEAN can live up to its charter, to demonstrate the region's capacity for leadership on economic, political, human rights, and social issues.

Let me also thank Australia for its leadership and friendship over decades. While I'm not able to visit Australia on this trip, we know that Australia is one of our most trusted allies in the world. And as we have all seen in the news, wildfires have devastated the state of Victoria during the

past week. President Obama and Prime Minister Rudd have discussed the situation by phone. And we have sent forest fire specialists to help the Australians out. We want our Australian friends to know that we mourn with them over the loss of innocent lives in this tragedy, and we remain grateful for our work together in the past and what we will do together in the future.

Let me now give you a brief rundown of some of the key issues that I will be addressing next week, country by country, starting with my first stop in Japan. Our security alliance with Japan, 50 years old next year, has been, and must remain, unshakable. In Tokyo, I will sign the Guam International Agreement, which will position our security alliance to meet the challenges of this time by moving 8,000 American troops from Okinawa to Guam. Japan is also to be commended for taking on a bigger leadership role in addressing the economic crisis in Pakistan and for working on collaborative efforts to explore space, cure disease, and offer relief to victims of disasters around the world. We anticipate an even stronger partnership with Japan that helps preserve the peace and stability of Asia and increasingly focuses on global challenges, from disaster relief to advancing education for girls in Afghanistan and Pakistan to alleviating poverty in Africa.

We also will focus on the very fertile ground for cooperation that we believe exists with Indonesia. I don't need to remind you that our new President is well known and much admired there. We now have an opportunity for stronger partnerships on education, energy, and food security. The Indonesian Government has also suggested the creation of a deeper partnership with the United States. This idea represents a positive approach to areas of common concern, and we are committed to working with Indonesia to pursue such a partnership with a concrete agenda.

In South Korea, we will be visiting with one of our staunchest historic allies. And certainly, everyone who has followed the history of South Korea joins me in admiration for the transition that we have observed from static conditions of the past century to the dynamic state that South Korea finds itself in today. The United States and South Korea are both committed to expanding trade in a manner that benefits both of our countries, and we will work together to that end.

As members of the Asia Society, you know very well how important China is and how essential it is that we have a positive, cooperative relationship. It is vital to peace and prosperity, not only in the Asia-Pacific region, but worldwide. Our mutual economic engagement with China was evident during the economic growth of the past two decades. It is even clearer now in economic hard times and in the array – excuse me – in the array of global challenges we face, from nuclear security to climate change to pandemic disease and so much else.

Now, some believe that China on the rise is, by definition, an adversary. To the contrary, we believe that the United States and China can benefit from and contribute to each other's successes. It is in our interest to work harder to build on areas of common concern and shared opportunities. China has already asserted itself in positive ways as chair of the Six-Party Talks and in its participation in international peacekeeping efforts. And our two countries, I'm happy to say, will resume mid-level military-to-military discussions later this month. And we look forward to further improved relations across the Taiwan Strait.

Even with our differences, the United States will remain committed to pursuing a positive relationship with China, one that we believe is essential to America's future peace, progress, and prosperity.

An ancient Chinese story tells of warring feudal states, whose soldiers find themselves on a boat together crossing a wide river in a storm. Instead of fighting one another, they work together and survive. Now, from this story comes a Chinese aphorism that says, "When you are in a common boat, you need to cross the river peacefully together." The wisdom of that aphorism must continue to guide us today.

So I will leave for Asia Sunday with a firm commitment to work very hard with our partners across the Pacific, to strengthen our engagement so that the positive transformations of the past half-century are replicated, mirrored, made stronger and more obvious in this century. We have such an opportunity that I hope we will seize, but it is not just up to our government to do so. It is also up to Americans across our country, those of you here in the Asia Society, in the private sector, in academia, in labor and the professions, in nongovernmental organizations all. Let us commit ourselves to providing the kind of outreach and responsiveness, understanding, and commitment that will lead not just to a better understanding, but positive actions to improve the lives of our own people here and those who live in Asia today.

Thank you all very much. (Applause.)

MS. DESAI: My goodness.

SECRETARY CLINTON: Thank you. (Applause.)

MS. DESAI: Please stay seated for a little while longer. First of all, thank you so much for such an amazing, encompassing speech that I know is going to be heard around the world, as it is being heard now.

The Secretary has actually agreed to take a few questions. I want to just remind you all that we really want to focus on East Asia. So those of who say, "How come she didn't say anything about India," we're not doing it now – (laughter) – just so you know. Because there's another time. And the fact is that the Special Representative Richard Holbrooke is actually in South Asia now, and we don't want all of our heavy power all to be in the same place at the same time. So do not ask those questions. And what I'm going to do is that we actually have questions from online audience, as well as here, and we have selected a few to see if you would give some answers.

The first one is very simple, but we would love to hear from you about what you think is the significance of having your first trip as Secretary of State to Asia and not somewhere else?

SECRETARY CLINTON: Well, I believe it demonstrates clearly that our new Administration wants to focus a lot of time and energy in working with Asian partners and all the nations in the Pacific region because we know that so much of our future depends upon our relationships there. And we equally know that our capacity to solve a lot of the global challenges that we're

confronting depends upon decisions that are made there. So it was an easy choice for me to make. Obviously, we are focused on the many problems that exist today that we're confronting.

Right off the bat, actually, the very first day I walked into the State Department and the second day of his Administration, both President Obama and Vice President Biden came to the State Department to make the announcements that I had asked them to do, naming George Mitchell as our Special Envoy to the Middle East and Richard Holbrooke as our Special Representative to Afghanistan and Pakistan. So clearly, we are focused on many parts of the world.

We are in preparation right now for the NATO Summit that will be coming up in Europe. I will be going to Cairo on March the 2nd for the Donors Conference that Egypt is hosting on humanitarian aid for the people of Gaza. I will be helping to tee up what we do with the Summit of Americas that is coming in April that will be very important for our neighbors to the south, as well as ourself. We have a lot of challenges in Africa that we are working hard to address.

So it's a big world, and we have a lot of work to do. And I think there has been a general feeling that perhaps we didn't pay an appropriate amount of attention to Asia over the last years, being very preoccupied with other parts of the world, so I wanted to start at the very beginning demonstrating our commitment there.

MS. DESAI: Thank you. That was from Robert Kindle of ARD German Broadcasting from Washington, D.C.

The next question is from our own Vice Chair sitting in San Francisco, Jack Wadsworth. And he's asking, and I will paraphrase the question, that under the Paulson-Bush era, the primary focus of U.S.-China dialogue has been economic. What do you think are the risks or potential benefits of broadening this agenda?

SECRETARY CLINTON: Well, it's an excellent question, and it's a apt description. Secretary Geithner and I have already met about this because we believe that the Department of State and the Treasury Department should be playing a mutually reinforcing role with respect to the broad range of issues that the United States and China should be discussing. We think that this provides us with the opportunity to engage at all levels of government simultaneously. How we're going to structure those dialogues is something that I will be discussing with the Chinese leadership this coming week. But it is important that we understand how broad and deep the concerns that we share truly are.

You know, I made a reference to energy and climate change. We are, as I said, the historically largest emitter, but China has just surpassed us. They are now the largest emitter. And this has such direct effects on healthcare and indices of quality of life, as well as the economy and so much else. So we want to have a very broad discussion. How we structure it is something we're going to work out mutually with the Chinese.

MS. DESAI: Well, sometimes people have said that since Secretary Geithner would be so focused on the economic stimulus package here and what happens at home, does that mean that State will actually take more of a leadership responsibility for the organization of these under

your leadership?

SECRETARY CLINTON: Well, we know that the Secretary, along with much of the rest of our government, is focused on getting our own economy up and going. But what we can do and the sequencing of how effective our recovery will be is very intimately connected with what the Chinese are doing and the decisions they're making. So the economic dialogue is a broad one to start with. There are aspects of it that I think, you know, very much belong within the Treasury portfolio. But there are other aspects which cut across the entire range of issues that we would like to address with the Chinese. So that's why Secretary Geithner and I have been working out our own approach.

There have always been, alongside the strategic economic dialogue that Treasury led during the Bush Administration, senior dialogues on a range of issues, plus defense-related discussions. So there's been a lot going on, but partly out of choices that were made in the last eight years, the economic dialogue, led by the Treasury Department, really did assume a larger role than a lot of these other concerns. And we think that it is in our mutual interest to work out a way that all of these important issues are discussed on an ongoing basis, and that's what we intend to do.

MS. DESAI: Well, I must say from the Asia Society perspective, it's wonderful that you and the Obama Administration generally have focused so much on climate change because of our own work under the leadership of Orville Schell. But I should also tell you that Tim Geithner happens to be a good friend of this institution because Peter, his father, who is the head of the Asia region in Ford Foundation, was also a good friend. So we're delighted that you will be working together, and we hope he will be here as well.

SECRETARY CLINTON: I will extend the invitation.

MS. DESAI: Right. Thank you. (Laughter.)

SECRETARY CLINTON: I don't know if they'll let him out of Washington for anything --

MS. DESAI: Not yet. Not yet.

SECRETARY CLINTON: -- anything yet.

MS. DESAI: This is an interesting question. North Korean Philharmonic wants to hold a concert in New York, in response to when the New York Philharmonic went there. Is there any condition in changing the atmosphere before such visas could be granted?

SECRETARY CLINTON: Well, I am hopeful that we will be able to engage the North Korean Government in the kind of serious discussion that I referred to in my remarks, one that could lead with their fulfilling their commitments regarding denuclearization and nonproliferation to bilateral relations and opportunities for the kind of normalization that I think many would hope to see. So much of it depends upon the choices that they make.

But we will look at all of these individual decisions – like the Philharmonic coming here, for example – and consider whether or not that does help us to try to change the atmosphere to increase the connections between North Koreans, and certainly, Americans get it off of just the government-to-government Six-Party Talk and bilateral discussions that have been the, you know, predominant or only way of that kind of formal relationship.

So much of it depends upon the choices that the North Korean Government makes. And certainly, we are hopeful that they will not engage in provocative actions and words that could create a much more difficult path for us to walk with them.

MS. DESAI: This is about the Bretton Woods Institution. Some experts have called for a revision of the Bretton Woods Institution and the UN – especially the Security Council, as you know – so that it would account primarily also for the increasing role of Asian states in global, economic and political affairs. How, if at all, do you think these institutions might accommodate and engage a rising Asia?

SECRETARY CLINTON: I think the discussions that have been started in the G-20 and also at the G-8 level, as well as within multilateral institutions like the IMF, the World Bank, the WTO, as well as within governments, should vigorously consider and debate whether we need new institutions, whether we need to, you know, reframe some of the regulatory processes that need to be in place. This should all be on the table, and I know that certainly, the Obama Administration is going to be implementing new regulations in our own economy that we think will make the free market work better and be more effective without the kind of distortion and interference that some of the decisions that we've seen over the last several years have caused.

So I think that there is a great – a great receptivity, but the devil is in the details, and there hasn't been the kind of hard work yet done to determine whether the – you know, the son of Bretton Woods is a realistic possibility or not. And I'm hoping that that will be part of the broader agenda. I know it's on the minds of the President and the Treasury Secretary and the National Economic Council led by Larry Summers.

So from my perspective, I think it's important for the United States to lead and rebuild confidence in our own markets to demonstrate that we've learned the lessons that the last months have unfortunately brought home to us, in order to both answer the legitimate criticism from others around the world and assuage their concerns about our economic position. In order to continue to be the preeminent economic power in the United States, we have to take actions here that will position us for that kind of future. And I hope that with the President's leadership, you'll see that happen.

MS. DESAI: As you have said numerous times, actually, that often in Asia, people have said after their last financial crisis that we gave them lots of advice on what to do. And many Asians now come back and say, "But America hasn't followed its own advice." And therefore, we have to reclaim that position again --

SECRETARY CLINTON: That's right.

MS. DESAI: -- of credibility. It's important.

SECRETARY CLINTON: I think that – I mean, everyone talks about our current financial crisis as being as much one of confidence and trust as of, you know, credit. And I really believe that we've got to take steps here in order to demonstrate exactly what Vishakha is saying, that we've cleaned up our own house and we've done it in a smart way, where we haven't crippled our capacity to, you know, be the global, you know, credit center, to be a market maker, to do all that is done so well historically in this city.

But you don't have to travel very far to hear the voices of doubt and even the explicit criticism coming from the leaders of other countries. And it's my hope that, you know, again, we'll have a public-private partnership to address these concerns, answer them, and, you know, lead the global recovery so that we can once again, you know, be promoting and creating prosperity here at home as well as around the world.

MS. DESAI: This question is partly related, but somewhat different, and this question is from Michele Ehlers and she's a co-founder of Global Visionary – Global Leadership Network in Fremont, California.

And her question is: How can we upgrade our American dream to a global vision that the earth can sustain and that is supportable for every human being? If we Americans wish to be known for our leadership in the world and be recognized as true partners in global development, we need to take on a new model of life that's sustainable and possible for every human being. How can you best advocate that?

SECRETARY CLINTON: That's a great question, and it was a question that maybe five years ago would have been, you know, thought of as kind of touchy-feely, to be honest about it – (laughter) – and would not have been entertained seriously in a lot of the boardrooms and the decision-makers' meetings and halls of legislatures.

But I think it is an issue that we have to be smart about addressing. You see, the threat of global climate change, the intimidation created as we've seen in Europe by control over energy supplies, the fear that globalization has not spread its benefits broadly and deeply enough, those are all opportunities for Americans, primarily in the private sector and also in our government, to start kind of solving these problems, and to do so with the same level of energy and ingenuity that we have brought to problems in the past.

We have such an opportunity here, and I'm hoping that, you know, some of the provisions that made their way through the difficult negotiations over the stimulus package will have the result of helping to jumpstart and support research. We've got to get back to supporting basic science in America. It's one of our greatest advantages. And we have not been keeping up with our potential for leading the way in science, technology, and research. So I would hope that the answer to the question asked doesn't, in any Americans' minds, sort of create the image that somehow, we would have to give up our way of life. I mean, that seems to always end up being the debate, that, you know, this will be economically ruinous for us, this will cause us to fall behind, we'll lose out in what the American dream should be, in a material sense.

And I just don't buy that. I don't believe that is the way forward. Now, do we have to change some of how we live? Yes. But, you know, changing to compact fluorescent bulbs is not the kind of sacrifice that is going to undermine the quality of our life. (Laughter.) You know, it --

MS. DESAI: You know, in Australia, now they already have made that as a law.

SECRETARY CLINTON: That's right.

MS. DESAI: You know, so --

SECRETARY CLINTON: That's right. And so I think there's -- you know, you can go from the small steps that each of us can take, which, in the aggregate, would add up to significant changes, to the kind of governmental driven decisions that you'll see more of in the Obama Administration. Our new Secretary of Energy Steven Chu is absolutely focused on how he can make the case that changes in our uses of energy, and in how we both create it and deliver it, would go a long way toward enabling us to live a better, more sustainable life. You know, even though the legislative changes that have been made in California over the last 35 years have resulted in a lower per capita usage of electricity than in the rest of the country -- and I don't think people in California feel like they're deprived.

So part of what we have to do is have the leadership in both the public and the private sectors look to academia -- you know, ask for good ideas -- and then begin implementing them, and do so with courage and a pioneering spirit. You know, we are supposed to be the problem solvers. You know, that's who we're supposed to be. And it's time, when we face these global challenges, we demonstrate that that's who we continue to be. And I'm excited by it. I think, you know, our children and our children's children will live very well if we make the right decisions now. And if we don't, I don't think we can look them in the eyes and make that claim, and I don't want to live like that as an American. I think it's far preferable that we step up to our responsibilities, and I know that's what the President is trying to encourage us to do.

MS. DESAI: Well, it's sort of -- you talk about smart power in international relations. This is about smart energy use --

SECRETARY CLINTON: That's right.

MS. DESAI: -- domestically and --

SECRETARY CLINTON: Yeah, smart grids.

MS. DESAI: Exactly.

SECRETARY CLINTON: Smart cars.

MS. DESAI: Right.

SECRETARY CLINTON: You know, I mean, it's not going to happen overnight. But the idea that we just continue putting off the future when we're supposed to be the country of the future is so contrary to our nature. And it is, I think, causing some puzzlement around the world. But also, people are going to say, "Well, we'll take advantage of those opportunities."

You know, whether or not we have a modern battery industry is up to us. Whether or not we have a smart electric grid that will save energy and be able to decentralize energy production and usage is up to us. Whether or not we sort our way through our automobile crisis and end up with cars that are energy savers as – insofar as transportation permits is up to us. And you can go down the list. These are not somebody else's responsibility, and I think we have to have a very significant government commitment, and that's what we're trying to do in the Obama Administration.

It's still difficult to make the case. I mean, a lot of what was in the stimulus originally, which would have set the path for us, you know, was not left in because it was thought to be, you know, economically challenging, should be left to – completely to the private sector. Well, we forget we electrified the country because the government stepped in. You know, we have so many examples from our past where we went as far as we could with the private sector, but frankly, it wasn't profitable to bring electricity to the northern reaches of New York and the Adirondacks or northern Arkansas. The interstate highway system – we built highways to places that were barely populated, which are now booming. I mean, we made decisions that drove our growth and they were government and business decisions, and I think we've got to get back to thinking about that and feeling like we're all on the American team for the next decade so that we can reassert our position economically here at home and around the world.

MS. DESAI: On that note, we must bring this to an end. I just want to say that with our foreign policy in your hands, our heart is at ease.

SECRETARY CLINTON: Well, thank you.

MS. DESAI: Please join me in thanking Secretary Clinton. (Applause.)

###