

Conflict

Competition

Cooperation

POWER POLITICS IN A CHANGING WORLD



1995

ANNUAL MEETING &

10TH ANNIVERSARY

GALA CELEBRATION

Emerging Issues Forum

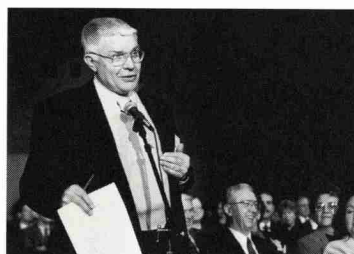
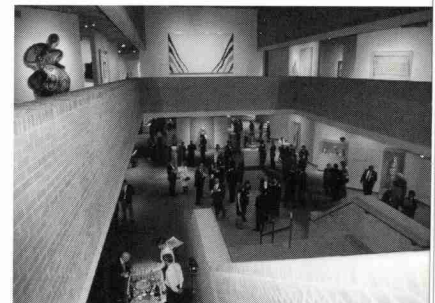
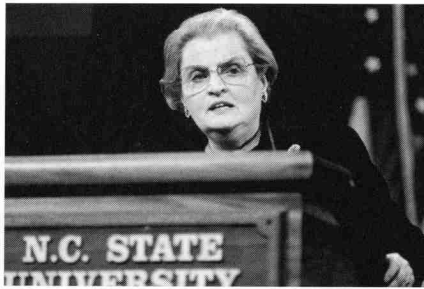
North Carolina State University



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CHANGING WORLD DEMANDS U.S. VIGILANCE,

SPEAKERS TELL 10TH ANNUAL CONFERENCE

The Cold War may have ended, but never has America needed to be more vigilant. At home and abroad, disturbing conditions continue to threaten the nation's well-being, perhaps its very existence.

That was the message brought home during the 10th annual Emerging Issues Forum. Focusing on **CONFLICT, COMPETITION, COOPERATION: POWER POLITICS IN A CHANGING WORLD**, the forum was held February 13 and 14 at the McKimmon Center on the campus of North Carolina State University, with a special anniversary gala celebration at the North Carolina Museum of Art. Approximately 800 North Carolina leaders, from government, business, and education, attended.

The tone set by the speakers was decidedly somber. From John W. Gardner, founder of Common Cause, and presidential adviser David R. Gergen came pleas to renew the American spirit of community, to rediscover shared values, to restore the civic culture that encourages rational examination of issues. U.S. Sen. Sam Nunn paused in his remarks on the U.S. role in the world to remind the audience of the dangers posed at home by the breakdown of the family.

At the same time, it was made clear that this is no time for the United States to turn its back on the world. Indeed, former Secretary of State Lawrence S. Eagleburger

called for the type of visionary leadership in reshaping the world for the 21st century that was shown by Americans at the end of World War II.

Eagleburger, Nunn, and U.N. Ambassador Madeleine Korbelt Albright concurred in naming the No. 1 issue threatening world security: the proliferation of nuclear arms and other weapons of mass destruction. Civil wars that ignore human rights and spill over national boundaries also call for creative solutions, the speakers said, and both issues demand international cooperation. Attempts to limit U.S. involvement in the United Nations and other international organizations are short-sighted and ill-conceived, they said.

Mickey Kantor, U.S. trade representative, outlined another set of reasons for the United States to maintain its links with the rest of the world: the growing importance of foreign trade to the U.S. economy. It is technology that gives U.S. companies their competitive edge, businessman John Young said. Kantor and Young described the trade agreements and redirection of research that will strengthen the U.S. position further. Erich Bloch, a fellow with the Council on Competitiveness, reminded the audience of the many issues of the global marketplace that remain to be resolved.

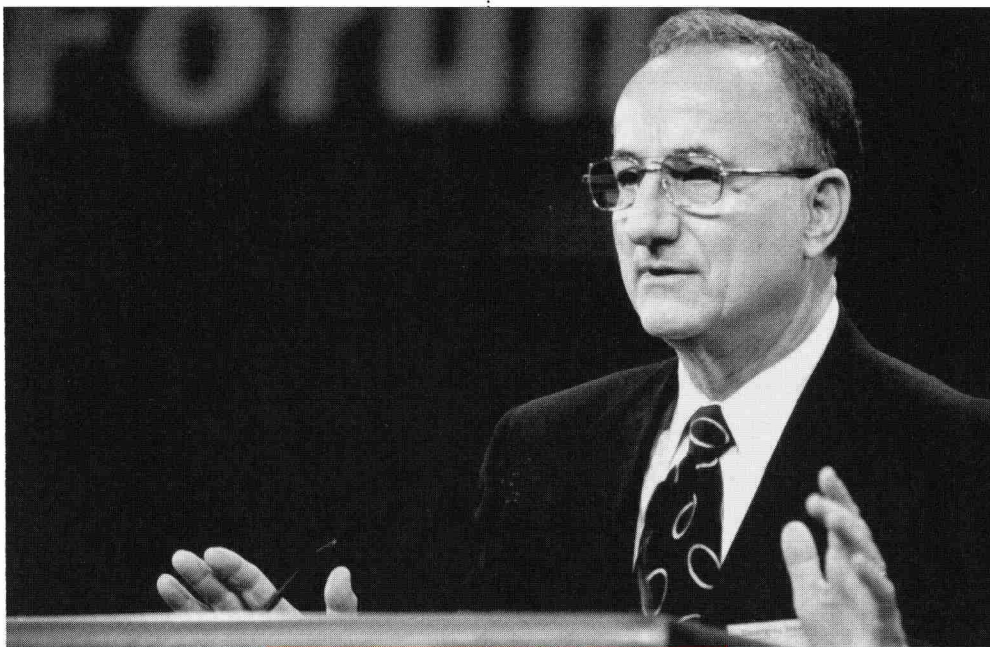
Young was making an anniversary appearance at the Forum. He had keynoted the first conference in 1986. Nunn and Albright also had made previous appearances, and Eagleburger—while serving as assistant secretary of state under President Bush—had canceled a scheduled appearance because of the crisis in the Persian Gulf. To recognize her leadership in world affairs, Gov. James B. Hunt, Jr., the Forum's chairman, presented Albright with a bronze statue of an eagle prepared to clutch a sheath of arrows in his left talon and an olive branch in his right, representing America's love for peace, tempered by the strength it would use in ensuring that peace.

In marking the 10th anniversary of the forum, NCSU Chancellor Larry Monteith spoke of the university's mission of bringing enlightened debate on issues of great importance to the people of North Carolina. Robin Dorff, visiting professor of foreign policy at the U.S. Army War College, on leave from NCSU, added to the enlightenment as he synthesized the remarks of Sen. Nunn and Amb. Albright.

Reflecting on the rapid changes that have taken place in world affairs, Hunt said most have been for the good. "The conditions for America's success have rarely been better," he said. Still, it must be prepared for further change, he said, adding: "The conflict in Bosnia, massacres in Rwanda, and other tragic recent events remind us that the world is still dangerous, that freedom is always fragile, and that the United States faces many new unprecedented challenges."

“This university created the Emerging Issues Forum to bring the highest levels of enlightened public policy debate to the people of North Carolina.”

More than a century ago, North Carolina State University opened the doors of higher education to the working families of this state. Among its founding principles was the belief that education should not be confined within the walls of a building or the boundaries of a campus. This university was charged not merely with filling young minds in the classroom, but with taking knowledge out to the parents... and the grandparents...and the aunts and uncles and neighbors...of those young people enrolled here through extension and outreach programs and in pursuit of a mission which was called *Public Service*.



Larry K. Monteith

A handwritten signature in cursive script, appearing to read "Larry K. Monteith".

Ten years ago, North Carolina State University took this mission of public service to a new plateau. This university created the Emerging Issues Forum to bring the highest levels of enlightened public policy debate to the people of North Carolina. In doing so, we have focused the

attention of the nation and the world on this state and on this campus.

Year after year, the Emerging Issues Forum brings to the dais leaders who are shaping the course of the nation. They may not agree on what that course should be. In fact, they often disagree. But what is truly remarkable in today's society is that here, at North Carolina State University, they engage in thoughtful, *civil* discussion so that we can all better understand the issues of the day.

It has been my great pleasure to be associated with the Emerging Issues Forum throughout its history, first as dean of the College of Engineering and a member of the executive committee, and now as chancellor. Each year, I have looked forward to learning more about strengthening the American economy...about changes in the political and economic map of the world...about education, the environment, and health care. And each year, I have left the forum wiser than when I entered and emboldened to think of new ways this university can help address the serious issues facing our state, our nation, and the world.

I hope that in reading these pages, you will be inspired to find your own ways to help direct our path. We need your efforts and those of everyone around you if we are to overcome our many challenges. As John Gardner has told us, “The greatest asset any society can have is the effectiveness and capacity, the quality and dynamism of the human beings in the system.”

It is with this thought in mind that we dedicate this summary of the 1995 Emerging Issues Forum to the greatest asset any society could have—you, the people of North Carolina.

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hen we began the Emerging Issues Forum ten years ago, I don't think any of us expected it to become as important an enterprise as it has become. We truly have had a decade of dialogue at this forum, and we are pleased to celebrate our tenth anniversary.

And so we gathered again in 1995 to examine *unrelenting* changes in the world and the forces propelling those changes. Thus, the theme **CONFLICT, COMPETITION, COOPERATION: POWER POLITICS IN A CHANGING WORLD.**

Through human history—change is the only constant—change that seems to gather speed every year. But by any comparison, the past few years stand out as truly noteworthy.

Just think for a moment about the early 1990s—when Communist regimes fell one after another. It was widely assumed that we no longer had to confront the hostility of the Soviet bloc and China militarily and politically. A kinder, gentler world was at hand.

What is the situation today? Instead of the communist bloc, we confront dozens of nations, many of them brand-new, many in disarray, seeking to transform command economies into market-based economies—to compete and win in the new world order—or disorder, as the case may be.

Propelling these changes toward free market economics is an unprecedented expansion of free trade. In the last three years, we have seen historic agreements to lower trade barriers: the European Union, NAFTA, GATT, and the recent moves to establish the Free Trade Agreement of the Americas. New investment and purchasing power is surging through the global economy. A trillion dollars a day flows through foreign exchange markets.

Tying all this together has been a revolution of telecommunications and information



Gov. James B. Hunt Jr.

technology that is as profound today as the harnessing of steam power in the 19th century.

These changes of recent years are creating a new, larger global middle-class. But there is still widespread poverty, injustice, and violence in the world, to be sure. The conflict in Bosnia, massacres in Rwanda, and other tragic recent events remind us that the world is still dangerous, that freedom is always fragile, and that the United States faces many new unprecedented challenges.

But, the fact remains that the changes of the past few years have been largely good—and conditions for America's success have rarely been better. It is a far better time in terms of both national and economic security than we have had in many decades.

Our challenge—the American challenge—is to sustain our military and political strength in the world, determine our vital interests and defend them. But we will ultimately fail if we do not strengthen our economy with prudent fiscal and monetary policies—continue to improve our competitiveness—and strengthen our human capital.

That's a tall order. And it was the discussion of these matters that brought us together for the 1995 conference.

“The conflict in Bosnia, massacres in Rwanda, and other tragic recent events remind us that the world is still dangerous, that freedom is always fragile, and that the United States faces many new unprecedented challenges.”

NUNN CALLS SPREAD OF NUCLEAR WEAPONS
THE TOP ISSUE FOR NATIONAL SECURITY

“I believe the foremost obligation of a superpower called America in 1995 and for the years to come is to keep alive that flame of liberty, that flame of democracy, that flame of individual freedom and responsibility in our country and in the world.”

Preventing the spread of weapons of mass destruction should top America’s national security agenda for the next 10 to 30 years, according to U.S. Sen. Sam Nunn of Georgia.

“No generation has ever faced the kind of proliferation exposure that we have,” he said. As evidence he cited the tens of thousands of nuclear, chemical, and biological weapons remaining in the arsenals of countries carved out of the former Soviet Union; the out-of-work Soviet scientists who know how to build those weapons; and the growing nuclear capacity of nations such as Pakistan, India, and North Korea.

Nunn, the Senate Armed Services Committee’s ranking Democrat and former chairman, outlined his views during the opening address of the 1995 Emerging Issues Forum.

He praised the Clinton Administration for convincing three former republics of the Soviet Union, particularly the Ukraine, to give up their nuclear weapons and supported U.S. assistance in a weapons destruction program. “Those weapons that are not dismantled and destroyed will still be pointed primarily at us,” he said. “We’ve spent trillions and trillions and trillions of dollars defending against these weapons over the last 40 years, and if we can spend a few billion dollars now helping to get rid of them, it is a direct contribution to our own national security.”

Nunn’s speech was framed in the context of the *Obligations of a Superpower*. “There is a great deal to

think about when you wake up and realize you’re the only superpower in the world,” he said.

While arguing against isolationist tendencies, he acknowledged the need to give attention to domestic concerns—from the low rate of savings to the breakup of families. Furthermore, he said, “Our most important line of defense in the world today is not some line through the Korean peninsula or some line through Berlin or some line in the Middle East. Our most important, fundamental line of defense in American today is the line of young children going to school in North Carolina and in Georgia... Education is the front line of defense in the information age.”

On the international front, Nunn said, the United States must be careful to assess its role in the unstable world that has emerged at the end of the Cold War. This includes defining the purpose and relative importance of potential military missions. “We cannot get involved every time there is a tragedy or conflict, no matter what we see on TV,” he said.

Strong international alliances will be vital in the post-Cold War era, he said, and those alliances include the United Nations. “We’ve never had a period in history when we’ve so needed an international organization to be able to take its responsible course in the world,” Nunn said.

He defended the United Nations against criticism resulting from the deaths of U.S. soldiers in Somalia. That criticism has led to bills in Congress that would forbid placing U.S. troops under international command. While



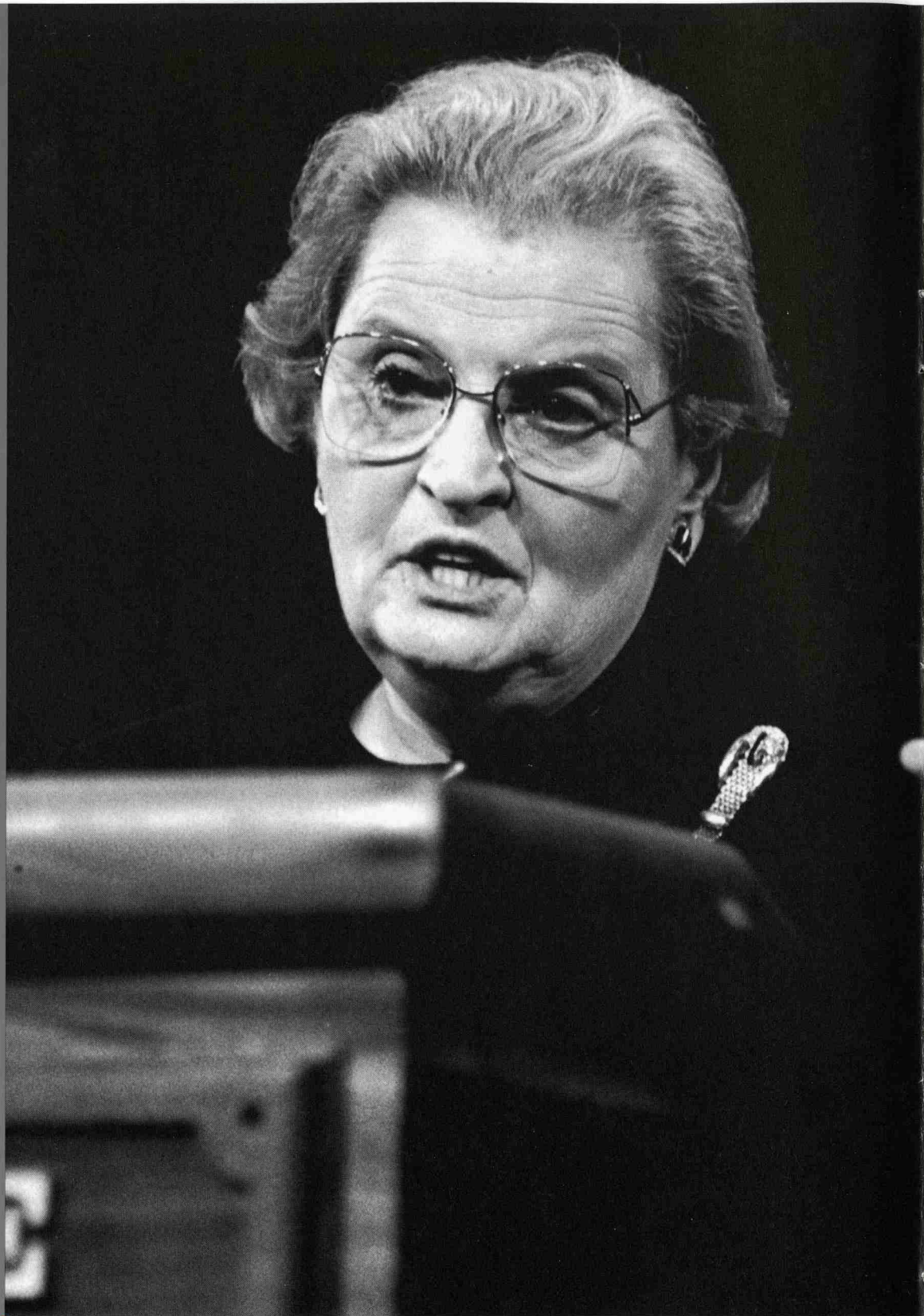


the soldiers in Somalia were participating in a U.N. mission, Nunn said, they were under U.S. command.

Instead of reducing its participation in the United Nations, he said, the United States should use its position on the Security Council to ensure that the U.N. limits its military role to situations in which it can be effective. It is most effective, he said, in a *peacekeeping* role, “where the parties have agreed that they want to end the conflict and where the problem is getting someone they trust in the middle so that they will not have any kind of flare up by accident or by miscalculation.” It has been less effective at *peacemaking*, he said.

Finally, he said, the United States has an obligation to remain a shining example of democracy for all the world. “I believe the foremost obligation of a superpower called America in 1995 and for the years to come is to keep alive that flame of liberty, that flame of democracy, that flame of individual freedom and responsibility in our country and in the world.”

“There are few matters more important to us than whether nuclear weapons fall into the wrong hands.”



Madeleine Albright

INTERNATIONAL COOPERATION VITAL FOR U.S. INTERESTS, AMBASSADOR SAYS

American interests demand ongoing participation in the United Nations, Ambassador Madeleine Korbelt Albright told the Emerging Issues Forum.

"On the things that matter most to our families, international cooperation has become a necessity," said Albright, who represents the United States at the U.N. "We can't create good jobs without expanding exports. We can't free our neighborhoods from drug-related crime without aid from countries where drugs are produced or transported. We can't track down terrorists without help from foreign police. We can't respond ourselves to every conflict that could explode into war. And we can't keep nuclear weapons from falling into the hands of dictators and terrorists through our vigilance alone."

Albright's appearance coincided with the 50th anniversary of the United Nations. She titled her address *The United States and the United Nations: What's in It for Us?* The answer she supplied was: "Plenty."

Albright acknowledged that some criticisms of the United Nations have been justified. It had grown wasteful, she said, but those excesses are being addressed through, among other measures, a ten percent reduction in staff. In addition, lessons learned over the past several years are being applied to ensure greater success in peacekeeping missions, she said. Questions

about scope, costs, risks, and duration are being answered up front, with the result being fewer and smaller missions, she said.

She called movement to end U.S. participation in U.N. peacekeeping missions a bad idea and suggested it may result from frustration. "The United Nations is an easy scapegoat when it doesn't do what member countries are not willing to do," she said.

But even with its problems, she said, the United Nations gives "the good guys...an organized vehicle for achieving gains."

The increasing complexity and interdependence of the world require the United States to use every available tool in foreign policy to advance its interests, Albright said. Like any tool, the United Nations will not be appropriate in every situation, she said, but she outlined a sampling of areas in which it has proved beneficial.

- Peacekeeping. "Peace keepers can accomplish much where local parties have grown weary of war, but they will have great difficulty where one or more of the factions remains more interested in conquest than co-existence."

- Economic sanctions. International sanctions have been used effectively against Serbia, Libya, and Iraq, she said. "They have become a useful way to make despots pay for lawless behavior without going to war."

- Support for U.S. positions. U.N. backing gives global legitimacy to causes the United States supports, she said. Actions in both the Persian Gulf and Haiti provide examples.

- Controlling nuclear proliferation through the International Atomic Energy Agency. "There are few matters more important to us than whether nuclear weapons fall into the wrong hands."

- Human rights. The United Nations has emerged as an instrument of dignity and freedom as it promotes war crimes trials in Yugoslavia and aids the movement to democracy worldwide, she said. These efforts will be

continued on page 10



continued

furthered with the creation last year of the U.N. Commission on Human Rights.

• International regulations. "If you have ever traveled on an international airline or shipping line, or placed a phone call overseas, or received mail from outside the country, or been thankful for an accurate weather report—then you have been served by the regulatory and coordinating agencies of the U.N. system," she said.

• Humanitarian efforts. Through health programs and economic development, the United Nations "has made an enemy of chronic poverty and human suffering," she said.

For all of these benefits, she said, the price to each American is \$7 a year.

Albright recalled the origins of the United Nations, when a world emerging from a devastating war sought to build a framework to preserve peace. The world needs a new framework, she said, and now as before, it needs U.S. leadership.

She concluded:

"We have a responsibility in our time, as our predecessors did in theirs, not to be prisoners of history, but to shape it; to build a world not without conflict, but in which conflict is effectively contained; a world, not without repression, but in which the sway of freedom is enlarged, a world not without lawless behavior, but in which the law-abiding are progressively more secure. That is why we participate in the United Nations."



David R. Gergen

WORLD'S OLDEST LIVING DEMOCRACY
NEEDS SHORING UP, GERGEN SAYS

The United States today holds a unique position in the history of the world, journalist David Gergen said at the 10th anniversary gala for the Emerging Issues Forum.

"History, that great teacher, has made it clear that economic and military power go hand in hand," said Gergen, who has advised presidents of both parties and now teaches at Duke University. "We are now in the late 20th century, when that power is in a nation whose commitment is not to conquest and domination but to freedom. That is what America has done and why we must continue."

The nation must continue not merely to hold its position as a world superpower, but as the world's oldest living democracy, he said. To do so will take initiative in public, private, and social sectors.

The private business sector may be in the best shape of the three, he said. Only ten years ago, American industry appeared to be on a downward spiral, unable to compete in the global marketplace. "Since then, American companies have come roaring back until their products and services are the envy of the world," he said. "They have again made us proud to see the label *Made in America*."

On the other hand, the public sector continues to live on borrowed money. "The reason to balance the budget is simple," Gergen said. "So we can stop borrowing and start investing in our kids' future."

President Clinton has rightly cited three consecutive years of declining deficit spending, Gergen said, but his latest budget proposal reverses the trend. "We must not shy away from continuing this fight," he said. "We need all the deficit hawks we can get, of both parties. It is time to show more political will."

And it is time, he said, for both the White House and Republicans to stop claiming they can balance the budget, cut taxes, and leave Social Security in tact. "My friends, we have been down that road before, and the result is a \$4 trillion debt," he said. "How are we going to find several hundred million dollars to cut taxes and then cut a trillion more to balance the budget?"

Balancing the budget will require bringing entitlements under control, he said. These include a host of programs, from welfare to Social Security and farm subsidies.

"Everyone agrees welfare is out of whack and we'll proba-



“The reason to balance the budget is simple. So we can stop borrowing and start investing in our kids’ future.”

—David R. Gergen

bly fix it,” he said, “but is it responsible to pretend that will fix the problem with entitlements? We’re shelling out too many subsidies for the middle class, and our children cannot afford it.”

By some estimates, he said, middle class families receive direct subsidies averaging \$10,000 a year and even more in indirect subsidies such as mortgage interest deductions. “In all fairness, we can’t change what we’re giving in Medicare and Social Security to people who have already retired,” he said, “but shouldn’t we start asking whether baby boomers should enter a system that’s different?”

Public debate about such issues must become more rational, he said, adding: “We must have a dialogue that doesn’t serve up politicians’ heads on a platter.”

Similarly, he noted the severe criticism often directed at Paul Volcker and Alan Greenspan, the former and current chairmen of the Federal Reserve, as they adjusted U.S. monetary policy to keep inflation in check. “These are the kinds of public servants we need,” he said. “They’ve taken the heat and done the right thing.”

The social sector may be the most seriously troubled of all, Gergen said. At the root of the troubles are divisive economic trends. “The

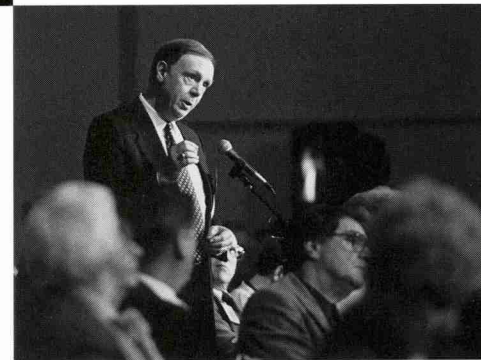
country is splitting apart as the top 40 percent get better off and the bottom 60 percent get worse off,” he said.

Gergen said much of the anger evident in society and politics can be traced to this widening gap. People are frightened and confused and are unleashing their anger in ways that poison society. “We label people not just as those with whom we disagree, but as enemies,” he said. “We don’t talk about each other as neighbors any more.”

The solution lies in rebuilding the civic culture, Gergen said. Americans need to accept that “the other side” has a point, that “the other side” makes a contribution.

Too often in all of the rancor, he said, “we forget about the people in the middle,” especially the lower middle class. The nation should use its resources, including nutrition and education programs, to empower them to succeed, he said. “These are people who deserve a chance.”

Everyone in America deserves a chance, he said. It is what makes America strong. And “a strong and growing America is good for us and good for the rest of the world.”



“The collapse of the Soviet Union to historians, I think, will rank as revolutionary as the French Revolution or the Russian Revolution. And after revolutions of great magnitude, everything is up for grabs.”

This is no time for the United States to withdraw from world affairs, former Secretary of State Lawrence S. Eagleburger told the Emerging Issues Forum. Instead, he said, it must engage in creative thinking and reassert leadership to shape the world order for the 21st century.

The dissolution of the Soviet Union and the end of the Cold War marked a victory for bipartisan U.S. policies, Eagleburger said. But they leave behind a world of danger and disarray. “After revolutions of great magnitude, everything is up for grabs,” he said.

Setting the proper course, he said, will require a new generation of leaders like Truman, Acheson, Marshall, Dulles, and Vandenberg. In an act of creativity “seldom matched in history,” he said, those men built a new world after the chaos of two world wars, the Holocaust, and the Great Depression.

“And now we need to do it again,” Eagleburger said. “It’s that kind of a time.”

He said the world needs “institutional” solutions to its most pressing problems. “There

is in my mind simply no question that one of the worst challenges we will face in the next decades is the issue of the proliferation of weapons of mass destruction, and we have not the vaguest idea of how to deal with that problem,” he said. What happens, he asked, if North Korea develops nuclear weapons and sells them? If Japan responds to North Korea by developing its own nuclear capability? “How do we establish an international regime that can deal with that kind of threat? We’re not paying enough attention to that question.”

Civil wars pose a different kind of problem. The ethnic and tribal conflicts arising today are rooted in animosities hundreds of years old, he said, and the crisis in Yugoslavia demonstrates how far the world political body is from being prepared to deal with them. Had an institution like NATO thought through the questions beforehand, he said, it could have responded immediately and prevented the ongoing bloodshed.

International organizations, including NATO and the United Nations, are the places to look for the necessary cooperation, he said. “And we must stop these silly debates about whether American troops should be commanded by foreign generals,” he said. “It’s my impression that General Montgomery was British.” One bad incident in Somalia doesn’t change the wisdom of a policy of international cooperation, which served the United States well in the Persian Gulf War, he said.

Eagleburger said he understood and agreed with those who believe the United States must attend to domestic issues. “But we also must be prepared to deal with the world beyond,” he said. “If we’re not prepared to deal with those threats, it isn’t necessarily going to make a lot of difference what we do at home.”





“We should not confuse toughness in our trade negotiations with protectionism. Neither should we equate

Erich Bloch

CONFUSION ABOUNDS AMID CHANGES
IN COMPETITIVENESS AGENDA

Anyone made uncomfortable by the move to a global marketplace probably will not find comfort any time soon, said Erich Bloch, former director of the National Science Foundation and now a fellow with the Council on Competitiveness.

The world is in the midst of massive changes in the economic, political, and technical arenas, he said. “All these changes demand a rethinking of our institutions and the roles of various sectors of our society, especially that of government, academia, and industry,” he said.

Without drawing conclusions, Bloch discussed several changes that are causing confusion.

He referred, for example, to a new social compact in industrial policy. For years, the U.S. policy was to fund basic research but let industry take care of its own needs, Bloch said. “Today, we understand cooperation between business and government is necessary,” he said.

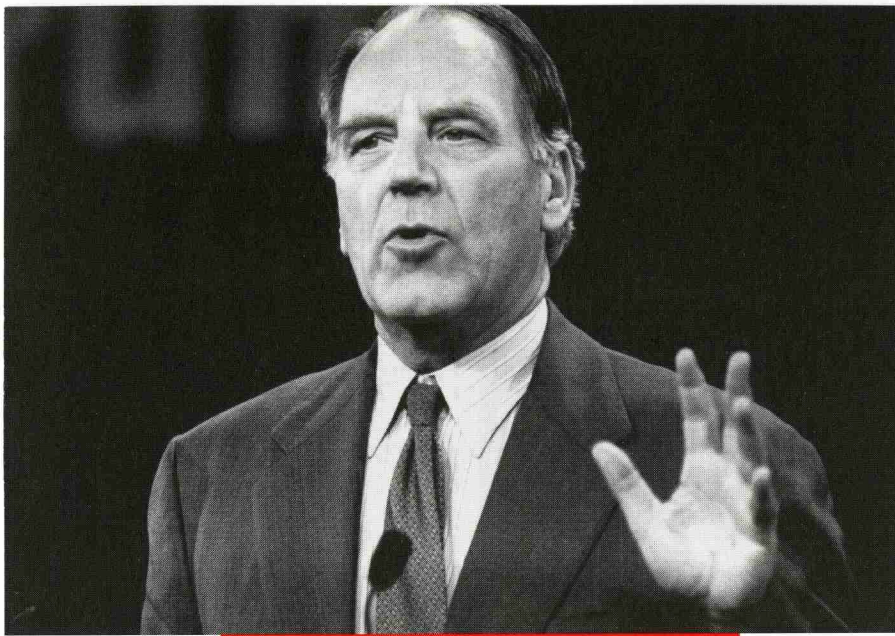
Less clear, he said, are the interrelationships between technology and jobs and between multinational corporations and their countries of origin. Are American multinationals still American companies, he asked, and does it matter? Arguments are made on both sides.

“There is no single answer to this set of issues,” Bloch said, “but I think we need to take all of these problems seriously.”

U.S. competitiveness depends on more than the productivity of its industries, he said, and the United States should continue to work to level the playing field for its goods and services. “We should not confuse toughness in our trade negotiations with protectionism,” he said. “Neither should we equate collaboration in R&D between government and industry with industrial policy. And neither should our focus on our technical infrastructure...be looked at as an intrusion of an over-bloated federal government impairing free markets.”

collaboration in R&D between government and industry with industrial policy.”





John Young

TECHNOLOGY REMAINS KEY TO U.S. COMPETITIVENESS,
BUSINESS LEADER SAYS

“It’s technology that has been and continues to be the greatest competitive advantage generator for our nation.”

John Young, keynote speaker at the first Emerging Issues Forum, returned for the 10th anniversary with a considerably brighter picture to portray.

In 1986 he had said, “Our competitive decline is a little like slowly bleeding to death from a lot of little wounds, many of them self-inflicted.”

In 1995 he noted enormous improvements, including productivity increases in manufacturing and non-manufacturing industries. But, he noted, “The job is not done.”

Young currently is chair of Smart Valley, Inc. He served as president and CEO of Hewlett-Packard for 14 years and chaired President Reagan’s Commission on Industrial Competitiveness.

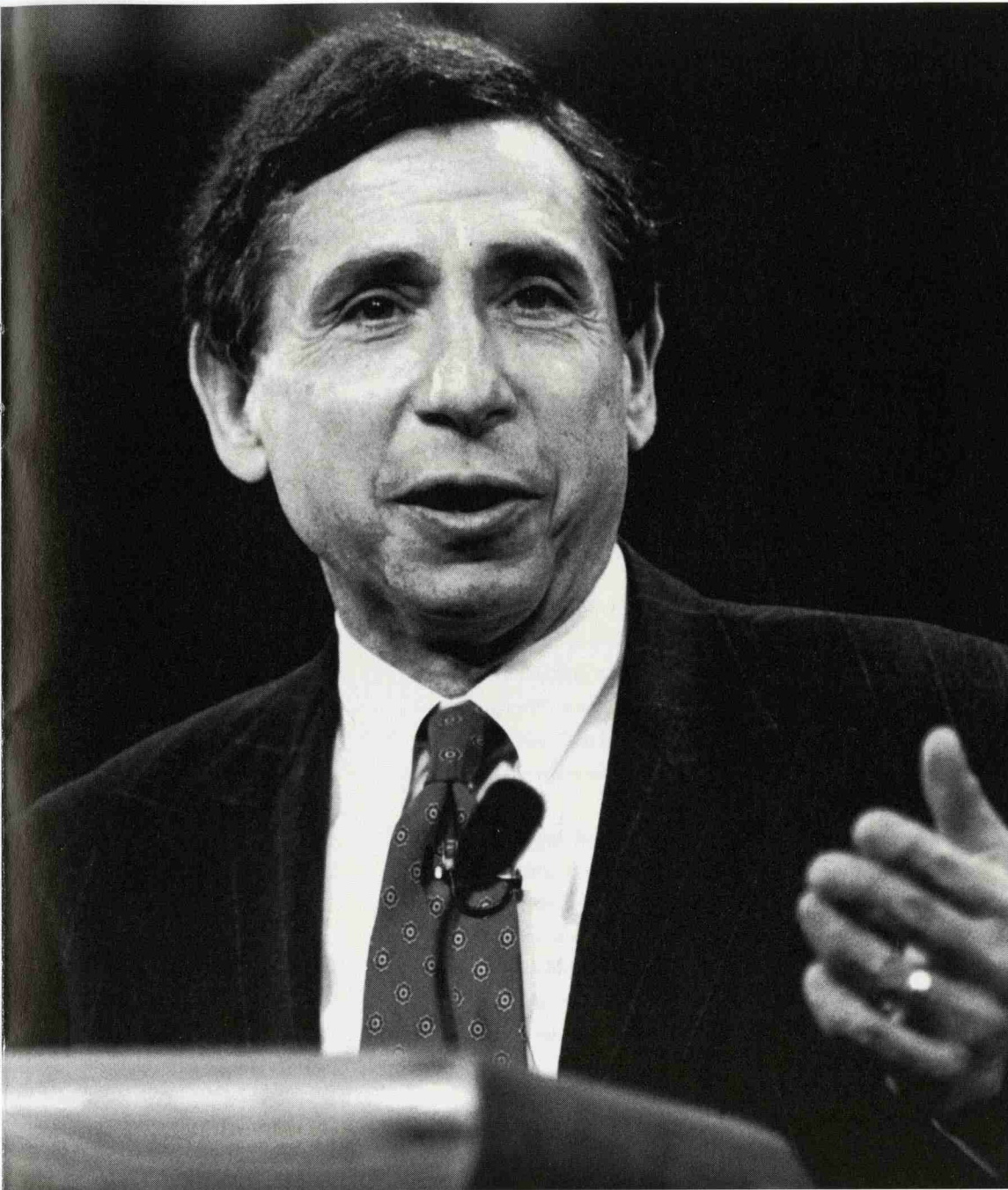
In his second Forum appearance, Young focused his remarks on U.S. technology policy. Technology policy is important, he said, because “it’s technology that has been and continues to be the greatest competitive advantage generator for our nation.” To maintain this advantage requires rethinking the way the country spends public money on research, he said, and major advances are taking place.

“The Clinton administration has made some very big moves in terms of bringing organized rationality to the federal technology program,” Young said. He cited the creation of the National Science and Technology Council, which in turn is creating a database describing all R&D projects and drawing up strategy papers for future activity.

“You are going to see for the first time something that looks like a management process for the federal R&D establishment,” Young said. “We may even see some measurable results. You’re going to see some impact of reinventing government, trying to run the R&D establishment almost like a business would.”

Young also mentioned a number of other initiatives and some of the difficulties involved as federal laboratories try to find new missions.

“The key is going to be working together, that public-private partnership,” he said, “making sure we don’t get bogged down in these political battles of winners and losers, making sure that we keep in mind the public interest, and remembering that better technology and technology investments are the key to the American standard of living.”



“For years we in this country used trade as a political tool instead of economic tool. We opened markets to them, but they did not open their markets to us. Now we must level the playing field.”

Mickey Kantor

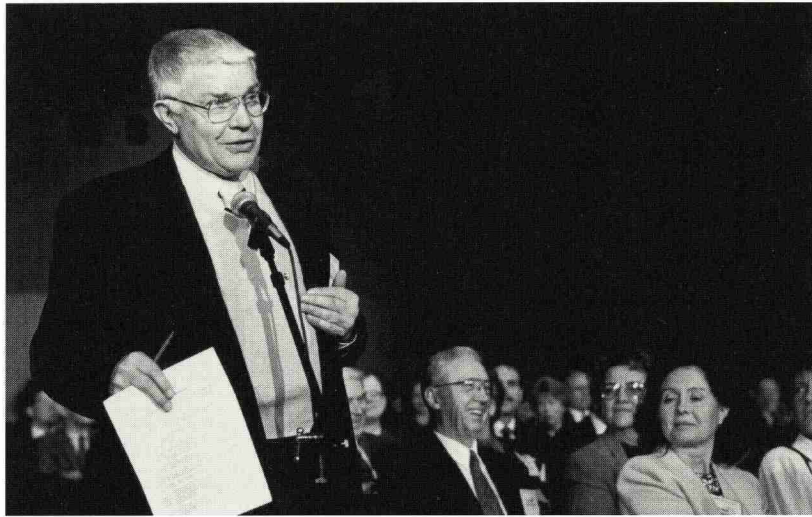
FOCUS ON OPENING MARKETS FOR
U.S. BUSINESS, NEGOTIATOR SAYS

“**C**ompete, not retreat” is the Clinton Administration’s trade policy, U.S. Trade Representative Mickey Kantor said.

The administration signed 71 trade agreements in its first 24 months, opening markets and leveling the playing field for American industry, Kantor said. These agreements, particularly with developing nations, are key to growth of the domestic economy, he said.

Kantor cited a number of statistics as evidence of the growing importance of exports:

- Wages paid to workers in export markets are 17 percent higher than average wages.
- As a percentage of the total commerce, exports have grown from 13 percent in 1970 to 27 percent in 1994. By the turn of the century, exports are expected to account for 33 percent of goods and services.



- Exports accounted for 6.5 million U.S. jobs in 1986 and 11 million jobs in 1994.

- In North Carolina alone, exports have grown from \$3 billion in 1987 to \$8 billion today.

Nor is exporting solely in the interest of major corporations. Ninety-three percent of exporters are small to medium-sized companies, he said.

Because the growth of domestic markets has stabilized, Kantor said, the United States must continue to build its export markets to increase jobs and wages at home. The Clinton Administration took a twofold approach to trade, he said, first addressing such domestic issues as education and the federal deficit, then seeking out new markets.

The trade agreements include the Uruguay round of the General Agreement on Tariffs and Trade (GATT), the North American Free Trade Agreement (NAFTA), and scores of smaller accords.

Developing nations hold the greatest growth potential for U.S. exports, Kantor said. "That's where you have the faster growing labor forces, the faster growing economies, the younger populations, more consumption, more need for capital goods," he said.

With this understanding, he said, President Clinton in his first year in office called together 17 nations for the Asian Pacific Economic Cooperation Forum. The forum has been repeated each year since and has resulted in plans to connect Asia and the Pacific Basin to NAFTA by the year 2010 or 2020.

The nature of U.S. trade policy has changed radically, Kantor said. "For years we in this country used trade as a political tool instead of economic tool," he said. "We opened markets to them, but they did not open their markets to us. Now we must level the playing field."

Negotiators also understand that leveling the playing field goes deeper than eliminating tariffs, he said. Protection of intellectual property, internal policies that lock out American companies, and labor and environmental standards all must be addressed. But in the end, when trade is done right, he said, everybody wins.





“We must redefine patriots as men and women who tackle the problems, resolve the conflicts, and renew the values in their own communities.”

John Gardner

AMERICAN SPIRIT MUST BE REVIVED
IN THE NATION'S COMMUNITIES,
SAYS COMMON CAUSE FOUNDER

If there is hope for America, John W. Gardner told the concluding session of the Emerging Issues Forum, it lies at the grass-roots level. “The rebirth of this nation will rise out of the nation’s communities,” he said.

The rebirth cannot be guaranteed, however. Cynicism has paralyzed action. Individual initiative has been squelched. Shared values have been lost. As a result,

Gardner said, the central question has become: “Do we still have the guts and the character to create a future worthy of our past?”

Former U.S. secretary of health, education, and welfare, founder of Common Cause, and professor in public service at Stanford University, Gardner made an eloquent plea for the revitalization of the American spirit.

“Do we still have the guts and the character to create a future worthy of our past?”

— John Gardner



Without this revitalization, he said, America—like so many great civilizations before it—will be doomed, unable to solve the myriad problems facing it.

He said, “Most civilizations die from within and are conquered less often by traitors within the gate than by traitors within the heart: loss of belief, cynicism, corruption, loss of a sense of control, and disintegration of shared purposes.”

To revive the spirit, Gardner said, America must unleash human potential and re-create a sense of community.

“The greatest asset any society can have is the effectiveness and capacity, the quality and dynamism of the human beings in the

system,” he said. To release human talent, he said, society needs to work on several fronts: eliminating such drains as poverty, illness, and racism; setting everyone on a course for lifelong learning; and redesigning large-scale organizations that smother indi-

vidual talent and energy.

One key, he said, is to spread initiative and responsibility as broadly as possible. American corporations discovered this in the 1970s and now are reaping the rewards, he said. The movement for “reinventing government” is based on the same principles, he said, and they also apply to any large-scale organization, including non-profits. “The goal is to offer people opportunities and challenges favorable to the flowering of whatever gifts they may have,” he said.

Sense of community becomes important because it is the source of shared values, Gardner said, and those shared values have

been disintegrating, making it difficult to achieve a group purpose. “Most of the problems that afflict this nation we can endure,” he said. “But a final disintegration of our shared values, that we won’t survive.”

To generate shared values, Americans must rebuild their communities—schools, families, and places of worship, he said. “A healthy community is an arena in which we learn responsibility to and for others,”

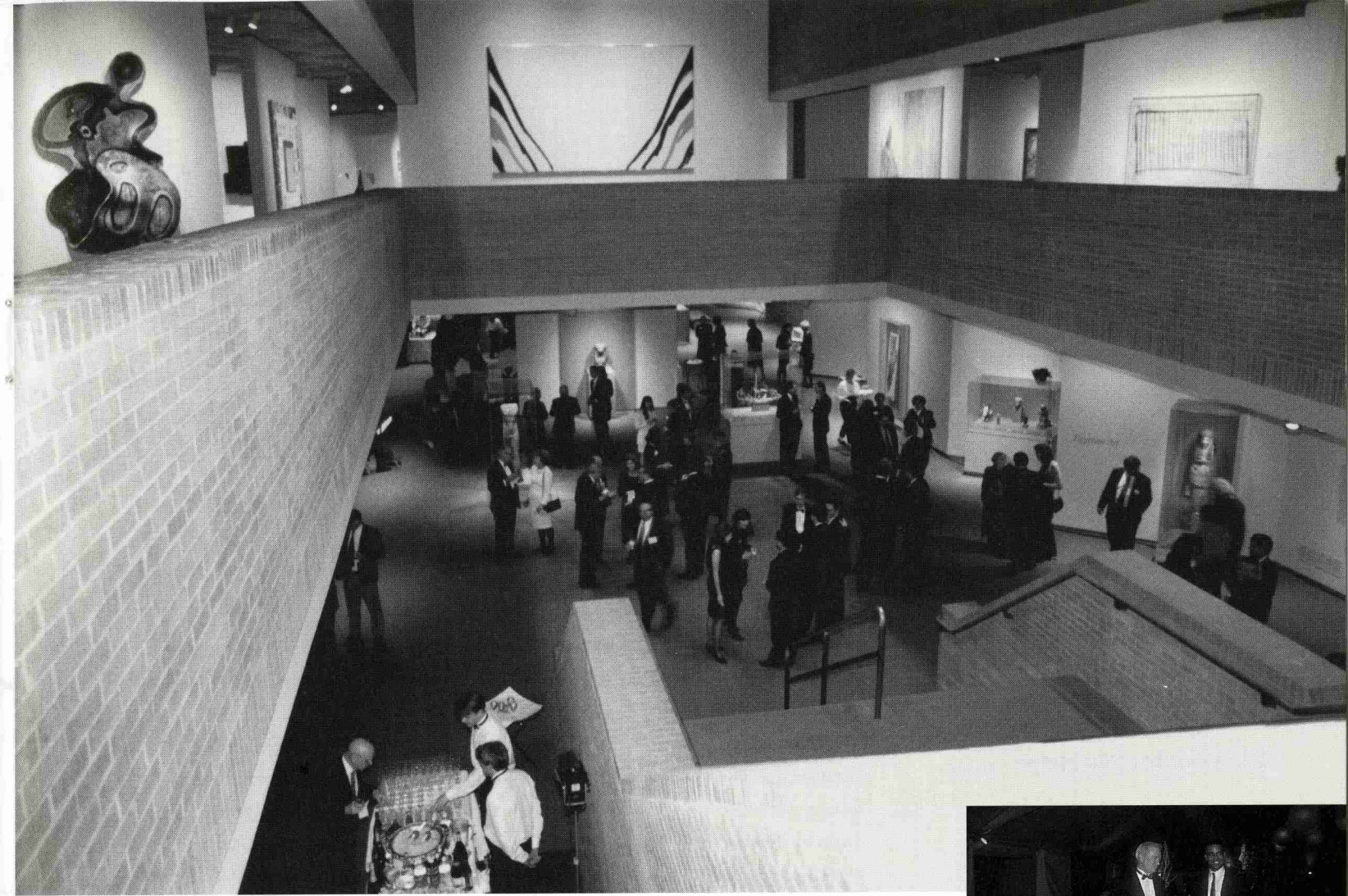
Gardner said. It reconciles group purpose and individual differences, achieving wholeness while incorporating diversity. This diversity may be represented by individuals or by subgroups, whether they are defined in national, ethnic, religious, linguistic, or other terms, he said. “In either case,” he said, “the goal is to achieve wholeness incorporating diversity.

That is the transcendent task for our generation at home and worldwide.”

Resolving conflict is central to the task, Gardner said, and the newest techniques in conflict resolution should be taught in every educational system. “The ancient human impulse to hate and fear the tribe in the next valley, the ethnic group on the next block, those who are ‘not like us,’ is deep-seated and, if not curbed, profoundly destructive,” he said.

He spoke of citizen action and community service as ways to improve morale and build meaning into individuals’ lives. “All too many citizens feel hopelessly separated from the centers of decision, hopelessly jerked around by circumstances they can’t understand, much less do anything about,” he said. “For them to act in their own behalf and in behalf of the community is curative.”

Communities—not charismatic national leaders—hold the key to the rebirth of America, Gardner said. For this reason, he said, “We must redefine patriots as men and women who tackle the problems, resolve the conflicts, and renew the values in their own communities.”



EMERGING ISSUES FORUM

CELEBRATES 10TH ANNIVERSARY

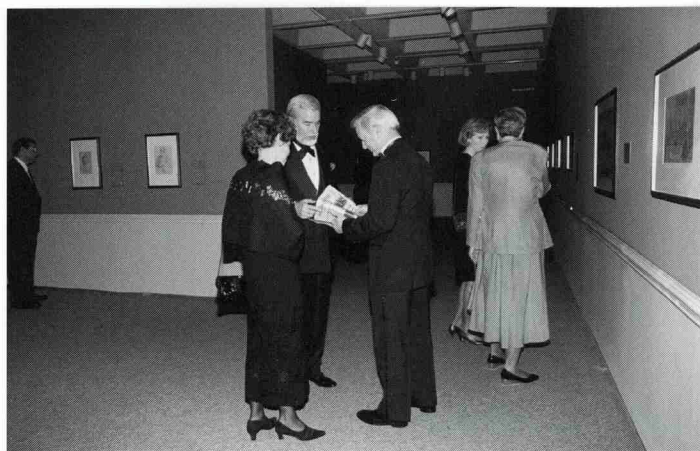
All of us live in a world of thought – all individuals, all organized societies and all nations. We are compelled to engage this world of thought, each with his own capacity to think, with whatever motives, selfish or unselfish, often with simple curiosity.

When North Carolina State University, in 1985, inaugurated this annual mid-winter forum, it was to fulfill a continuing obligation of the university to stir the world of thought, to help thinking individuals come to grips with pressing challenges, with emerging issues.

Now we celebrate the tenth anniversary of these forums. Each one has stirred the thinking of thousands of us. We are grateful for this extraordinary initiative at North Carolina State University, and we are especially grateful to those who have directed its course so impressively.



“When North Carolina State University, in 1985, inaugurated this forum, it was to fulfill a continuing obligation of the university to stir the world of thought, to help thinking individuals come to grips with pressing challenges, with emerging issues.”



The world is churning with change...

- Each decade tens of millions more people populate our planet.
- More demands are made on earth's limited resources.
- Our world is bursting with new knowledge and technology.
- Cultural confrontations multiply and continue to perplex us.
- International conflicts abound.
- Economic competition is ever more intense.

The pace and intensity of such changes put enormous strains on the very institutions humankind has designed to manage relationships among individuals, nations, societies, or simply in our own neighborhoods.

Over the past decade, the Emerging Issues Forum has addressed these changes and the challenges that come with them. Each forum has looked to the future and raised tough questions. Each forum has generated new approaches in areas as diverse as foreign policy and competitiveness, education reform and workforce preparedness, global markets and job security, environmental security and global warming.

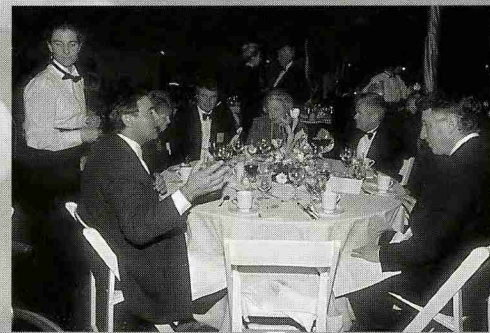
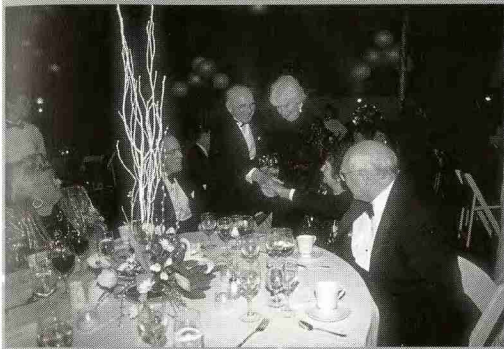
These forums have provided a platform for the ideas of the best and most responsible corporate leaders, the most energetic and committed political leaders, scholars and subject-matter authorities, and experienced policy makers in positions of high accountability. Audiences of leaders and decision-makers like you have listened to their various perspectives on where the world stands and to their ideas for action.

Answers are elusive. But, thinking people in a free society and an interdependent world must share in the search. You and I must share in the search.

It is right that a great university should undertake this stirring of our intellects—without the tyrannies of dogma, without preconceived answers, absent from partisan prejudice, and minus self-serving motives. How else can you and I search honestly for ideas that are morally and practically fit for the human future?

So has this tenth Emerging Issues Forum satisfied our expectations and hopes as we have come together once again to reach out for great ideas in the vast world of thought.

JOHN T. CALDWELL
Chancellor Emeritus, NCSU



1995 ANNUAL MEETING & 10TH ANNIVERSARY GALA CELEBRATION

CONFLICT, COMPETITION, COOPERATION: POWER POLITICS IN A CHANGING WORLD

Monday, February 13

10:30 am OPENING SESSION

Larry K. Monteith
Chancellor, North Carolina State University

Eric Young
Faculty Senate Chair, NCSU

Bobby Johnson Jr.
Student Body President, NCSU

Governor James B. Hunt Jr.
Chair, Emerging Issues Forum

OBLIGATIONS OF A SUPERPOWER

Sam Nunn
Member, United States Senate

12:00 noon Luncheon

1:15 pm AFTERNOON SESSION

C.D. Spangler Jr.
President, The University of North Carolina
POWER POLITICS IN A CHANGING WORLD

Ambassador Madeleine Korbel Albright
United States representative, United Nations

Robin Dorff
Visiting Professor of foreign policy,
United States Army War College
Associate Professor of political science, NCSU

6:00 pm GALA CELEBRATION
North Carolina Museum of Art (black tie optional)
Reception, Entertainment & Exhibition Viewings

7:30 pm Dinner
ON THE ROAD TO THE FUTURE
David R. Gergen
Journalist; advisor to presidents

Tuesday, February 14

9:00 am MORNING SESSION I

Terry Sanford
President Emeritus, Duke University
Former member, United States Senate
Former governor, State of North Carolina

US FOREIGN POLICY IN A NEW WORLD

Lawrence S. Eagleburger
Former secretary, United States Department of State

10:15 am MORNING SESSION II

Dean Joan J. Michael
College of Education & Psychology, NCSU
HEAD TO HEAD IN THE GLOBAL MARKETPLACE

Erich Bloch
Fellow, Council on Competitiveness
Former director, National Science Foundation

TECHNOLOGY & INNOVATION:
THE COMPETITIVE EDGE

John Young
Former president & CEO, Hewlett-Packard
Chair, Commission on Industrial Competitiveness
Chair, Smart Valley, Inc.

11:30 am MORNING SESSION III

Lloyd V. Hackley
President, North Carolina Department of Community
Colleges

TRADE & JOBS: NEW FRONTIERS

Ambassador Mickey Kantor
United States trade representative

12:30 pm CLOSING LUNCHEON SESSION

RENEWAL OF THE AMERICAN SPIRIT

John Gardner
Professor of public service, Stanford University
Founder, Common Cause

COLLATERAL EVENTS

Monday, February 13

9:30 am RECEPTION FOR AMBASSADOR ALBRIGHT
UNA-USA North Carolina Division members & NCSU
leaders

12:00 noon LUNCHEON FOR AMBASSADOR ALBRIGHT
Hosted by Governor Hunt, Chancellor Monteith & EIF
Executive Committee

Tuesday, February 14

**12:30 pm LUNCHEON FOR AMBASSADOR KANTOR &
NORTH CAROLINA BUSINESS LEADERS**
Hosted by Robert B. Jordan & EIF Executive Committee

**2:30 pm PRESENTATION TO UN-SPONSORED SOCIAL
STUDIES TEACHERS**
Certificates of participation presented to twelve teachers
sponsored by the UNA-USA North Carolina Division

EMERGING ISSUES FORUM
NORTH CAROLINA STATE UNIVERSITY

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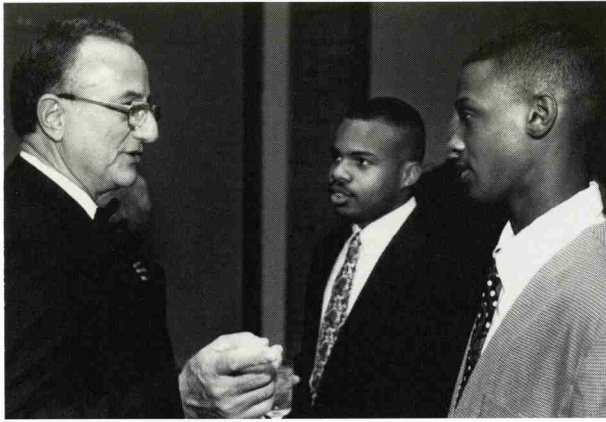
North Carolina Department of Commerce

North Carolina Department of Cultural Resources

North Carolina Museum of Art

UNC Center for Public Television

United Nations Association-USA-North Carolina Division



“With the Emerging Issues Forum, NCSU provides the framework for full and free discussion of matters of global economic and social importance.”

– *Betty Owen*

“We’re shelling out too many subsidies for the middle class, and our children cannot afford it.”

– *David R. Gergen*

“A healthy community is an arena in which we learn responsibility to and for others.”

– *John Gardner*

“We have a responsibility in our time, as our predecessors did in theirs, not to be prisoners of history, but to shape it; to build a world not without conflict, but in which conflict is effectively contained; a world, not without repression, but in which the sway of freedom is enlarged, a world not without lawless behavior, but in which the law-abiding are progressively more secure. That is why we participate in the United Nations.”

– *Madeleine Albright*

Mark your calendar now!

The 11th annual Emerging Issues Forum

will be April 15 and 16, 1996.

Gala photographs courtesy of Lynn Paton Ruck, North Carolina Museum of Art



The Emerging Issues Forum
produces conference proceedings,
speech transcripts and videotapes.

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**“...conditions for America’s success have
rarely been better. It is a far better time in
terms of both national and economic security
than we have had in many decades.”**

–Gov. James B. Hunt Jr.



Emerging Issues Forum

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