AS PREPARED

FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR THE UNIVERSITY OF AMSTERDAM
AMSTERDAM, THE NETHERLANDS
MAY 27, 1997

Princess Margriet; Mrs. Kok; Mayor Patijn; Ambassador and Mrs. Dornbush; Vim Slootweg of UNICEF; Sylvia Borrem of NOVIB; President Gevres, Administrators, Faculty, Students, and Friends:

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In a few hours, my husband will arrive in the Netherlands to help mark the 50th anniversary of the Marshall Plan -- and to help celebrate a legacy of international commitment and cooperation that is needed just as urgently among our nations now as it was 50 years ago.

For today, on the eve of a new century, we see even more clearly that the enduring power of Secretary of State George Marshall's vision rested not solely in the financial commitment it represented, but in its understanding of our joint opportunities and responsibilities to create a united, peaceful and democratic Europe.

The Marshall Plan helped restore the economies of nations on this side of a cruel and arbitrary line that divided the Continent. But just as important, it gave strength to the democratic ideals upon which prosperity and peace depended: freedom, opportunity, responsibility, community and respect for human dignity.

It reminded us, through the darkest days of a Cold War, that economic renewal and the flowering of democracy go hand-in-hand.

Today, we live in a time of great transformation. As promising as the future is, powerful forces are reshaping our world -- both for good and for ill. And the map to the future is still filled with uncertain forks in the road, just as it was in Marshall's day.

One need only read the daily headlines to know that, even as country after country embraces democracy and free markets, the rapid pace of change, global competition and the Information Revolution are creating new pressures on every institution in society, from governments on down to families.

The greatest threat to democracy is no longer a Communist monolith with imperial designs, but the volatile economic, political and social conditions that have emerged in the aftermath of the Cold War.

While the superficial homogenization of the world means that people on every continent wear the same jeans, eat the same fast food, and listen to the same music, these surface similarities do not override a longing for identity and meaning in our lives. Despite improving material conditions in advanced economies such as ours, families seem under greater stress. The gap between rich and poor in many countries grows wider. The social safety net -- health care, education, pensions, decent wages and good jobs -- is in danger of fraying for those less able to navigate this new world.

These pressures pose unavoidable questions for us as we approach the 21st century:

Questions about how to balance individual and community rights and responsibilities; about how families will raise children in the face of pressures from the mass media and the consumer culture; about personal identity and work in an age of globalization, information overload and high technology; about the roles of women in society; about how people will be able to preserve their ethnic pride and value their national citizenship; about how nations will protect their sovereignty while cooperating regionally and globally with others; about how or whether multinational corporations will be regulated within or across borders; and about how governments will combat threats from international cartels and terrorists.

As my husband often says, our challenge as democratic nations is to balance the competing and sometimes contradictory pressures of global integration and disintegration.

In the United States and across Europe, there is serious debate underway about how to achieve that balance -- and particularly, how to sustain economic growth without tearing at the social fabric.

In my country as in yours, the government is working hard to provide citizens with the tools of opportunity they need to confront the realities that await them in the 21st century. We are working hard to promote disciplined economic policies while still ensuring that our people are equipped with the education, health and jobs they need to succeed in a highly competitive world.

This is not to minimize equally pressing concerns of trade, diplomacy, and defense. We know, for example, that expanding the family of democratic nations in Europe is vital to our interests individually and collectively as democracies.

However, I would suggest that the future of democracy depends not solely on our concept of *realpolitik* between and among nations, but on what I have come to call *real life politik.* In other words, building and sustaining democracy is not just about allowing free elections, creating free markets, and protecting people's legally protected rights. It's about the internalization of democratic values in people's hearts, minds and everyday lives. It is about developing an "alliance of values" based on a shared belief in freedom, opportunity, responsibility, community and respect for human rights.

And it is about every nation rethinking how it can strengthen this alliance of values by doing more for its own people and for humanity.

You, the Dutch, have understood this better than most. Both when it comes to investing in your own people -- and in supporting social investments that improve the prospects for democracy and prosperity around the world.

Your leadership is reflected not only in the amount of foreign assistance you provide -- seven-tenths of your gross national product -- but in the public support such assistance enjoys among your own citizens. This has been an historic commitment: I recently learned that the first loan John Adams secured for the new Congress of the United States in 1782 came from banks in Amsterdam.

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From India to Uganda, I have seen a growing commitment to the education of girls. Economic prosperity is simply not possible when half of the population is not taught to read and write. And no investment yields greater rewards in developing nations than investments in the schooling of girls. I have seen myself how education has lifted whole populations out of poverty, enhanced women's roles as mothers, and increased their participation in civic life.

Equal rights and equal opportunities for women must also mean increasing access to health care and valuing women for the work they do.

> Economists – women don't contribute to GNP –

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And I want to offer special thanks for the Dutch role in drawing world attention to the tragic abuse and exploitation of children. You have galvanized many people and many nations to respond to that challenge, as I have seen from Thailand, to Brazil, to Nepal, where programs are working to rescue girls and boys from bondage, sexual exploitation, and abuse in sweatshops and factories.

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AMSTERDAM, HOLLAND
MAY 27, 1997

Princess Margriet; Mrs. Kok; Mayor Pitijn; Ambassador and Mrs. Dornbush; Vim Slootweg of UNICEF; Sylvia Borrem of NOVIB; President Gevres, Administrators, Faculty, Students, and Friends:

It is an honor to be here. Let me thank UNICEF, Novib and the Atlantic Pacific Exchange for sponsoring this gathering. This is my first trip to the Netherlands and I must say that the individuals and groups assembled in this hall are a testament to the Dutch example of community and partnership: A university that gives voice to ideas and knowledge and is part of this great city's living history. An organization that reflects the commitment of nations and governments to securing our common future by protecting our children. An NGO that brings together public and private interests to create opportunity for more people worldwide. A foundation that provides for greater dialogue and understanding between our nations. And of course, lots of tulips which, for me, just confirms something that you already know: Social progress and flowers go hand-in-hand.

In a few hours, my husband will arrive in the Netherlands to help mark the 50th anniversary of the Marshall Plan -- and to help celebrate a legacy of international commitment and cooperation that is needed just as urgently among our nations now as it was 50 years ago.

For today, on the eve of a new century, we see even more clearly that the enduring power of Secretary of State George Marshall's vision rested not solely in the financial commitment it represented, but in its understanding of our joint opportunities and responsibilities to create a united, peaceful and democratic Europe.

The Marshall Plan helped restore the economies of nations on this side of a cruel and arbitrary line that divided the Continent. But just as important, it gave strength to the democratic ideals upon which prosperity and peace depended: freedom, opportunity, responsibility, community and respect for human dignity.

It reminded us, through the darkest days of a Cold War, that economic renewal and the flowering of democracy go hand-in-hand.

Today, we live in a time of great transformation. As promising as the future is, powerful forces are reshaping our world -- both for good and for ill. And the map to the future is still filled with uncertain forks in the road, just as it was in Marshall's day.

One need only read the daily headlines to know that, even as country after country embraces democracy and free markets, the rapid pace of change, global competition and the Information Revolution are creating new pressures on every institution in society, from governments on down to families.

The greatest threat to democracy is no longer a Communist monolith with imperial designs, but the volatile economic, political and social conditions that have emerged in the aftermath of the Cold War.

While the superficial homogenization of the world means that people on every continent wear the same jeans, eat the same fast food, and listen to the same music, these surface similarities do not override a longing for identity and meaning in our lives. Despite improving material conditions in advanced economies such as ours, families seem under greater stress. The gap between rich and poor in many countries grows wider. The social safety net -- health care, education, pensions, decent wages and good jobs -- is in danger of fraying for those less able to navigate this new world.

These pressures pose unavoidable questions for us as we approach the 21st century:

Questions about how to balance individual and community rights and responsibilities; about how families will raise children in the face of pressures from the mass media and the consumer culture; about personal identity and work in an age of globalization, information overload and high technology; about the roles of women in society; about how people will be able to preserve their ethnic pride and value their national citizenship; about how nations will protect their sovereignty while cooperating regionally and globally with others; about how or whether multinational corporations will be regulated within or across borders; and about how governments will combat threats from international cartels and terrorists.

As my husband often says, our challenge as democratic nations is to balance the competing and sometimes contradictory pressures of global integration and disintegration.

In the United States and across Europe, there is serious debate underway about how to achieve that balance -- and particularly, how to sustain economic growth without tearing at the social fabric.

In my country as in yours, the government is working hard to provide citizens with the tools of opportunity they need to confront the realities that await them in the 21st century. We are working hard to promote disciplined economic policies while still ensuring that our people are equipped with the education, health and jobs they need to succeed in a highly competitive world.

This is not to minimize equally pressing concerns of trade, diplomacy, and defense. We know, for example, that expanding the family of democratic nations in Europe is vital to our interests individually and collectively as democracies.

However, I would suggest that the future of democracy depends not solely on our concept of *realpolitik* between and among nations, but on what I have come to call *real life politik.* In other words, building and sustaining democracy is not just about allowing free elections, creating free markets, and protecting people's legally protected rights. It's about the internalization of democratic values in people's hearts, minds and everyday lives. It is about developing an "alliance of values" based on a shared belief in freedom, opportunity, responsibility, community and respect for human rights.

And it is about every nation rethinking how it can strengthen this alliance of values by doing more for its own people and for humanity.

You, the Dutch, have understood this better than most. Both when it comes to investing in your own people -- and in supporting social investments that improve the prospects for democracy and prosperity around the world.

Your leadership is reflected not only in the amount of foreign assistance you provide -- seven-tenths of your gross national product -- but in the public support such assistance enjoys among your own citizens. This has been an historic commitment: I recently learned that the first loan John Adams secured for the new Congress of the United States in 1782 came from three banks in Amsterdam.

Today, the impact of Dutch assistance is felt around the world. In Bosnia. Among refugees in Central Africa. In the special attention you have paid to health, health, education, and women's issues at home and abroad.

Given this long tradition of social investments, I am especially proud of the collaborative efforts between our governments and their development programs to enable people the world over to take responsibility, seize opportunities and live up to their God-given promise.

Two years ago I had the privilege of speaking at the United Nations Summit on Social Development in Copenhagen. What I said at the time, and what I believe is equally true today, is that social investments are as critical to democracy and prosperity around the world as free markets and trade.

But as we think of ways to protect our most vulnerable citizens at a time of increased global competition . . . as we consider the best strategies for creating conditions that can encourage individual initiative and a vibrant civic life . . . as we seek to ensure human rights, especially for women and children . . . we must also recognize that solutions cannot be solely government-driven or market-driven. They must reflect a balance of public, private, and individual power.

From the great capitals of Central Europe to villages in Africa, I have seen how social investments are giving more people, especially women, the chance to participate fully in the political, economic, social and civic lives of their countries.

And more often than not, I have seen that such investments are the result of innovative public-private partnerships sponsored by groups like NOVIB and other non-governmental organizations, UNICEF, corporations, foundations, and governments.

When I was in Central Europe last summer, I saw how the development of NGOs was becoming synonymous with the burgeoning of civil society. Grass roots organizations were building the pillars of democracy by helping to strengthen the free press, create an independent judiciary, establish a civics pedagogy for teachers, steward the environment, and honor the rights of all citizens, including minorities.

I saw the same grass roots efforts in a village in Senegal, where women performed a skit that taught local villagers about the importance of participating in local politics and taking responsibility for their common concerns.

From India to Uganda, I have seen a growing commitment to the education of girls. Economic prosperity is simply not possible when half of the population is not taught to read and write. And no investment yields greater rewards in developing nations than investments in the schooling of girls. I have seen myself how education has lifted whole populations out of poverty, enhanced women's roles as mothers, and increased their participation in civic life.

Equal rights and equal opportunities for women must also mean increasing access to health care and valuing women for the work they do.

Recently I was in Central America, where government leaders, private economists, and business people are recognizing that expanding economic opportunity to those on the margins -- especially women -- is essential to democratic progress. No wonder microcredit is finally finding its rightful place as a vital tool in the alleviation of poverty and the building of democracy around the world.

Throughout the developing world, we have also seen the transformation that can occur when women have access to health care, including family planning. Not only do such programs givs women the chance to determine the number of children they have, they help reduces maternal mortality. And family planning is shown to have positive economic effects, enabling families to become more prosperous and thus improving the prosperity of nations as well.

In places as distant as Brazil and Zimbabwe I saw family planning programs that brought education and resources to people too long deprived of what most of us take for granted. And I am pleased that the United States Agency for International Development is working with your government in the Philippines on a program for medical education in reproductive, maternal and child health.

We have also witnessed in recent years the toll that ethnic conflict and civil strife have taken on the world's poor and disadvantaged, especially women. In Bosnia. In Rwanda. In other areas where the cataclysmic effects of violence and war leave their greatest scars on women and children.

Here again, I commend the Dutch people for recognizing that those of us who care about democracy have an obligation to help people rebuild their lives when history and circumstances have conspired against them.

And I want to offer special thanks for the Dutch role in drawing world attention to the tragic abuse and exploitation of children. You have galvanized many people and many nations to respond to that challenge, as I have seen from Thailand, to Brazil, to Nepal, where programs are working to rescue girls and boys from bondage, sexual exploitation, and abuse in sweatshops and factories.

Although I am not a student of Dutch history, I do know that your country has long been a leader in upholding the ideals of tolerance and respect for individual dignity and in promoting the common good. One reason that these values have thrived here is that you seem to have an uncommon capacity to achieve consensus, even in the face of serious problems. In fact, I recently read an article in which a leading Dutch economist, discussing the "polder economy," said that "a tradition of consensus runs deep in the Dutch psyche."

It is a tradition that every nation would do well to learn from as we confront the political, social and economic challenges of a new century. Cooperation, partnership, and a belief in our shared future is as essential to us now as it was when this continent was emerging from the ruins of war a half century ago.

Later today, I will visit the house on Prisengracht Street where Anne Frank and her family hid during the Second World War. Tomorrow, I will travel with my husband to The Hague for the commemoration of the Marshall Plan.

At each stop, I know I will gain greater insight into the unique role this country has played in moving us closer to a world in which peace, justice, and freedom prevail. And I will leave for home on Thursday with a new appreciation of the ties that have existed between our nations -- from the time the Dutch traders arrived in New York in 1609 to our joint efforts to bring peace and democracy to Bosnia and Haiti in the 1990s.

Benjamin Franklin once said: "In love of liberty and in defense of it, Holland has been our example." And I might add, the world's example. With your continued leadership -- and with the continued cooperation of our friends across this continent and around the globe -- we will fulfill George Marshall's vision in a lasting testament to humanity.

Thank you.

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Speech by First Lady
Hillary Rodham Clinton
Aula, Universiteit van Amsterdam
Amsterdam, The Netherlands

May 27, 1997
11:30–1:00

Program:
President Jankarel Gevers,
Universiteit van Amsterdam
Sylvia Borren, NOVIB
Wim Slootweg, UNICEF
Hillary Rodham Clinton

Thanks to the following organizations:
Atlantic & Pacific Exchange Program
NOVIB
UNICEF
The American Embassy

AMSTERDAM NOTES — Vermeer exhibit

John Paul Jones - famous naval ofc. received shelter in the Netherlands - part of Dutch children's story

John Adams received first loan for Congress from 3 Amsterdam banking houses (helped rebels cause + prestige)

Dutch foreign assistance
actively support pop'n programs.

Strong legal protections
rape, abuse, harassment
equal pay.

Very active vs. child labor.

"Polder" economy —
employers + employees = social partners.
→ one of lowest unemployment rates in Europe. (5.7%)
→ have struck a balance btwn welfare state + a sound economy.

Environment
Consensus — govt, industry, NGOs set policy

Dutch helped in Gulf War, IFOR, UNPROFOR, SFOR
nuclear issues in Korea.

Leading economist: "traditional consensus" runs deep w/in the Dutch psyche:
part-time work (can cut both ways)

Balance btwn mkt and public sectors

THE ATLANTIC & PACIFIC EXCHANGE PROGRAM

The Atlantic & Pacific Exchange Program is both an American and a Netherlands non-profit foundation headquartered in Rotterdam, Holland and with offices in Washington, D.C., and Tokyo. The foundation has been organizing international exchange programs for senior government and business executives since 1981. In that year, Founder and former President Bob Williams set out to recruit executives from Dutch and American government, politics and business as individual or group participants and take them to the other country for a tailor-made visit experience lasting from one to three weeks. The exchange program was soon extended to include Japan, and has continued to expand to other countries ever since.

With these exchanges, the Program aims to promote and enhance international understanding between the participating countries. The Program does absolutely not attempt to sell any political philosophy or idea, and is completely neutral in this regard. Both the American foundation and the Dutch foundation, which were established almost simultaneously and have an identical board of directors, are non-profit, educational foundations.

Its Advisory Council gives the Program unquestioned standing internationally: it consists of Chairman Wim Duisenberg, the sitting President of the Netherlands Bank, the Dutch Central Bank; Vice Chairman Andries van Agt, former Prime Minister of the Netherlands, and Gerrit Wagner, former Chief Executive Officer of Royal Dutch Shell, which is, of course, the largest corporation in Europe. The international prestige of this executive committee, coupled with the ever-increasing global network of senior executives from the very top-levels of government and business, gives the Atlantic & Pacific Exchange Program incredible access worldwide.

The Board of the Program consists of Harry H.M. Groen, Chairman; William (Bill) Sweeney; David J. Gribbin III; A.A.M.F. (Jos) Staatsen; Rein Jan Hoekstra; and Lisette Tidders, Treasurer. The daily management rests with Vice Presidents Lia E. Rosenbrand, Elaine P. Springford and Dolly Lim.

The organization is financially supported by more than 80 government and business organizations such as Canon (world-leader in fax and photocopying technology), all Dutch ministries, the Netherlands Bank, Central Bank of Japan, ABP (world's second largest pension fund), Unisys (world-leader in information technology), ING (world's 2nd largest diversified financial services group), Heineken (world's second largest brewer), Aegon (one of Europe's leading insurance companies), Port of Rotterdam (world's biggest seaport), and Joh. Enschedé (the world-famous Dutch currency printer). Other examples are Olympus, Hitachi, Rabobank, Deloitte & Touche, Nomura Securities, Kikkoman, Pioneer, and Amsterdam Schiphol Airport.

In addition to its international standing, reputation, and global networking ability, the Atlantic and Pacific Exchange Program is unique in that it focuses on the ferociously busy top executive and provides him with an intensive one or two week program - offering him a floating seminar consisting of meetings and experiences, directly in point to the issues which he had previously told the Program he wished to explore in the other country. A similar approach is used with group programs.

FROM: EXECUTIVE OFFICE FAX NO.: + 31 70 310 9222 23-05-97 16:39 P.04

DRAFT #2

FIRST LADY HILLARY RODHAM CLINTON
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Giving women a greater stake in their own futures also means access to health care, including family planning. Throughout the developing world, we have seen that family planning not only gives women the chance to determine the number of children they have, it reduces maternal mortality. And it has positive economic effects, enabling families to become more prosperous and thus improving the prosperity of nations as well.

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From India to Uganda, I have seen a growing commitment to the education of girls. Economic prosperity is simply not possible when half of the population is not taught to read and write. And no investment yields greater rewards in developing nations than investments in the schooling of girls.

Recently I was in Central America, where government leaders, private economists, and business people are recognizing that expanding economic opportunity to those on the margins -- especially women -- is essential to democratic progress. No wonder microcredit is finally finding its rightful place as a vital tool in the alleviation of poverty and the building of democracy around the world.

Giving women a greater stake in their own futures also means access to health care, including family planning. Throughout the developing world, we have seen that family planning not only gives women the chance to determine the number of children they have, it reduces maternal mortality. And it has positive economic effects, enabling families to become more prosperous and thus improving the prosperity of nations as well.

In places as distant as Brazil and Zimbabwe I saw family planning programs that brought education and resources to people too long deprived of what most of us take for granted. And I am pleased that the United States Agency for International Development is working with your government in the Philippines on a program for medical education in reproductive, maternal and child health.

We have also witnessed in recent years the toll that ethnic conflict and civil strife have taken on the world's poor and disadvantaged, especially women. In Bosnia. In Rwanda. In other areas where the cataclysmic effects of violence and war leave their greatest scars on women and children.

Here again, I commend the Dutch people for recognizing that those of us who care about democracy have an obligation to help people rebuild their lives when history and circumstances have conspired against them.

And I want to offer special thanks for the Dutch role in drawing world attention to the tragic abuse and exploitation of children. You have galvanized many

people and many nations to respond to that challenge, as I have seen from Thailand, to Brazil, to Nepal, where programs are working to rescue girls and boys from bondage, sexual exploitation, and abuse in sweatshops and factories.

Although I am not a student of Dutch history, I do know that your country has long been a leader in upholding the ideals of tolerance and respect for individual dignity and in promoting the common good. One reason that these values have thrived here is that you seem to have an uncommon capacity to achieve consensus, even in the face of serious problems. In fact, I recently read an article in which a leading Dutch economist, discussing the "polder economy," said that "a tradition of consensus runs deep in the Dutch psyche."

It is a tradition that every nation would do well to learn from as we confront the political, social and economic challenges of a new century. Cooperation, partnership, and a belief in our shared future is as essential to us now as it was when this continent was emerging from the ruins of war a half century ago.

Later today, I will visit the house on Prisengracht Street where Anne Frank and her family hid during the Second World War. Tomorrow, I will travel with my husband to The Hague for the commemoration of the Marshall Plan.

At each stop, I know I will gain greater insight into the unique role this country has played in moving us closer to a world in which peace, justice, and freedom prevail. And I will leave on Thursday with a new appreciation of the ties that have existed between our nations from the time the Dutch traders arrived in New York in 1609 to our joint efforts to bring peace and democracy to Bosnia and Haiti in the 1990s.

Benjamin Franklin once said: "In love of liberty and in defense of it, Holland has been our example." And I might add, the world's example. With your continued leadership -- and with the continued cooperation of our friends across this continent and around the globe -- we will fulfill George Marshall's vision in a lasting testament to humanity.

Thank you.

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DRAFT/MON
LM 1

FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR THE UNIVERSITY OF AMSTERDAM
AMSTERDAM, HOLLAND
MAY 27, 1997

Princess Margriet; Mrs. Kok; Mayor Pitijn [Pah-tang]; Ambassador and Mrs. Dornbush; Vim Slootweg of UNICEF; Sylvia Borrem of NOVIB: President Gevres [Gev-ers] Administrators, Faculty, Students, and Friends:

It is an honor to be here. Let me thank UNICEF, Novib and the Atlantic Pacific Exchange for sponsoring this gathering. This is my first trip to the Netherlands and I must say that the individuals and groups assembled in this hall are a testament to the Dutch example of community and partnership: A university that gives voice to ideas and knowledge and is part of this great city's living history. An organization that reflects the commitment of nations and governments to securing our common future by protecting our children. A foundation that brings together public and private interests to create opportunity for more people worldwide. And of course, lots of tulips which, for me, just confirms something that you already know: Social progress and flowers go hand-in-hand.

Later today, my husband will arrive in the Netherlands to help mark the 50th anniversary of the Marshall Plan -- and to help celebrate a legacy of international commitment and cooperation that is needed just as urgently today among the world's democracies as it was 50 years ago.

terms of the financial assistance it required,

On the eve of a new century, we see even more clearly that the genius of Marshall's vision was not solely in the amount of assistance dollars it recommended, but in an understanding of the United States' and Europe's joint opportunities and responsibilities.

to build a stronger democratic

The Marshall Plan helped restore the economies of nations on this side of a cruel and arbitrary line that divided Europe. But just as important, it gave strength to the democratic ideals upon which prosperity and peace depended: freedom, opportunity, responsibility, community and respect for human dignity.

[In the last 50 years we have learned that when nations are strong at home, democracy can and does thrive. And when nations are strong at home, they are also strong abroad.]

a prosperous democratic and peaceful Europe

Today, we live in a time of great transformation. As promising as the future is, powerful

Economic prosperity, democratic ideals go hand-in-hand.

our example." And I might add, you continue to be an example for the world today.

Americans of Dutch ancestry have contributed beyond measure to our national life -- including two of our greatest leaders: Presidents Theodore and Franklin Roosevelt. And one of my best friends -- Eleanor Roosevelt. Who sends her regards, by the way. But beyond the contributions of any individual are the values the early Dutch settlers and those who followed them helped to plant in our young nation: Love of family, hard work, a belief in individual freedom and in human rights -- and a commitment to sharing those values with the rest of the world. Peacefully.

My husband has come to Europe to advance that commitment. Along with your Prime Minister and the other leaders of NATO, he is in Paris today to sign an historic Founding Act that will allow NATO and Russia to consult, coordinate, and -- where possible and appropriate -- act jointly. This is an extraordinary moment. Instead of eyeing each other warily from behind barriers built by mistrust, we are agreed to work together as partners to ensure our common security.

This is one more stage in a process we are forging to secure the hard-won gains of democracy. Already, our two countries are partners in bringing peace to Bosnia, in restoring civil society in Haiti, in freezing nuclear weapons in North Korea, in laying the groundwork for lasting stability in the Middle East.

I know that the Netherlands and the United States have pledged to do even more to see to it that the turmoil of the 20th century finds no home in the 21st --by expanding the NATO alliance...opening markets to free and fair trade...building vibrant economies...fighting terrorism, drugs, and international crime...protecting our land, air, and water.

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These goals are at the heart of our partnership. They are all of tremendous importance to our security and to the security of the world. But what I would like to talk with you about today is our shared belief in another realm of foreign policy -- one that appears less dramatic, is often less noticed, but is no less important in the strengthening of democracy: Social development.

Let me say first, that when it comes to a national commitment to promoting social development -- and by that I mean investments in women, in children, in those who for too long and in too many places have been living on the outskirts of opportunity -- the Netherlands is truly a world leader.

For many years now, you have contributed more than .7% of your GNP to foreign assistance -- the most of any country in the European Union. [*U.S. contribution is 2/10 of 1%.*]

I think we all understand why this is a vital part of our overall efforts to strengthen democracy.

A democracy is not just about legally protected rights, elections, or even free market economies. It is about the internalization of democratic values in people's hearts, minds, and everyday lives. It is about developing among nations what I call an "alliance of values" based on a shared belief in freedom, opportunity, responsibility, community, and respect for human rights.

Investments in social development hasten this internalization of values. Through social investments, we help people to help themselves. In so doing, we give them the chance to learn that they can live up to their full God-given promise. They can go to school, run a business, assume the responsibilities of citizenship.

DRAFT 5/24/97 6:00 P.M.

FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO UNIVERSITY OF AMSTERDAM
AMSTERDAM, HOLLAND
MAY 27, 1997

Acknowledgments: Princess Margriet; Mrs. Kok; Amsterdam Mayor; President of University; Ambassador; Unicef person TK; Novib person TK; students, members of the community.

It is an honor to be with you today. When I look around this room, I cannot help but think: This is how the world can work: A great university that not only spreads knowledge throughout the community, but is also a living part of a magnificent city...an organization that represents the commitment of nations and governments to securing our common future by protecting our children...another organization that reflects the commitment of individuals and the private sector to widening the circle of opportunity the world over...and, of course, lots and lots of tulips. Clearly, social progress and flowers go hand-in-hand.

As you may know, President Clinton is coming to the Netherlands later today to mark the 50th anniversary of the Marshall Plan, which aided in the rebuilding of Europe after the Second World War.

He is also coming to reaffirm the strong ties between our two countries. Those ties go back a long time -- to 1609, when Dutch traders arrived in what is now New York. It was from the Netherlands in 1620 that British Puritans set sail for Plymouth Rock. The Netherlands is our oldest continuous diplomatic partner.

But more than that, it is one of our oldest inspirations. The Pilgrims who laid America's foundation stone left from your country because no one else would have them. Like so many others who have been persecuted because of where they came from or what they believed in -- including the tens of thousands of Jews who passed through here to escape Nazi terror -- the Netherlands has been a home to tolerance. A haven for freedom.

As Benjamin Franklin said, "In love of liberty and in the defense of it, Holland has been our example."

Americans of Dutch ancestry have contributed beyond measure to our national life -- including two of our greatest leaders: Presidents Theodore and Franklin Roosevelt. And one of my best friends -- Eleanor Roosevelt. Who sends her regards, by the way. But beyond the contributions of any individual are the values the early Dutch settlers and those who followed them helped to plant in our young nation: Love of family, hard work, a belief in individual freedom and in human rights -- and a commitment to sharing those values with the rest of the world. Peacefully.

This is not a new idea. In fact, the belief that these investments can help democracy take root served as inspiration for the Marshall Plan. I read the other day that General Marshall pushed for his plan in part because of a photograph he had seen. It was a picture of a little Austrian boy taken shortly after the end of World War II. The boy was holding up a pair of new boots that someone had sent him. The expression on his face was pure radiance. [*Story from Vernon Walters briefing.*]

Now I am not saying that in formulating the Marshall Plan General Marshall and the United States ignored large geo-political considerations having to do with security and trade. Clearly, those were factors. But so, too, was that boy. And his smile. Those boots showed how a small investment can yield enormous returns if that investment helps someone assert control over his or her life. Maybe those boots enabled the boy to walk to school. Maybe they helped him do chores or clean up the ruins of war. Maybe they made it possible for him to care for an sick grandparent.

Whatever the specifics, I would contend that those boots helped democracy take hold in Europe. They helped to usher in a half century of peace.

And I would argue that investing in children -- particularly children in developing countries -- will have the same results in the next century.

There are children around the world who, if they don't need boots, need a lot of other things: basic medical care; basic education; basic nutrition; parents who, through expanded economic opportunities, are able to support them.

UNICEF is helping to meet these needs. I thank them for sponsoring this event, but more importantly I thank them for the work they do on behalf of children every day. [*Specific UNICEF programs to come.*] Unicef is the world's great ally for children. And for that reason, we must be a great ally to Unicef.

Your country has also been a leader in protecting children.

Given your remarkable history, that's not surprising. Starting in the 1600s, the Dutch were among the first people in Europe to value children for who they truly were. Not little angels. Not little adults. But distinct beings who demand love, guidance, and nurturing.

That children were taken seriously can be seen at the time in the low rate of child abandonment; in the high number of orphanages that were started; even in the art. In the paintings of the Dutch Golden Age, children are depicted as apple-cheeked, milk-spilling, toy-breaking, pot-banging, mischief-making characters. That is -- exactly as they are. [*Could mention visit to Rijksmuseum, which has many of these Age paintings.*]

The belief that caring for them properly would result in benefits for all of society was also common wisdom. The most popular physician of the time -- the 17th century equivalent of Dr. Spock, another American of Dutch descent -- wrote that, "Republics that set most store by their good citizens give most attention to the upbringing of their children." [*History drawn from Simon Schama's "An Embarrassment of Riches" Quote from p. 495.*]

[*Information to come on modern investments in children, especially what the Dutch are doing. Then, depending on what is written here, there will be a transition from social investments in children to social investments in women.]*

From Brazil to Bangladesh, Estonia to Eritrea, Mexico to Mongolia, Thailand to Tanzania, I have seen how social investments are giving more people, especially women, the chance to participate fully in the political, economic, social, and civic lives of their countries.

I can't count the times that women have come up to me -- in rural villages, in poor barrios, in inner cities -- to describe how their lives have been transformed because they received a small loan to start a business. Or because their daughters now had the chance to go to school. Or because a family planning clinic opened in their area and, for the first time, they could decide how many children to have and when to have them. Or because a new law had been passed protecting their rights to own property, hold office, or vote.

Increasingly, governments, businesses, and leaders around the world are recognizing that as long as discrimination and inequities persist -- as long as half the citizens on Earth are underpaid, undereducated, under represented, fed less, fed worse, not heard, threatened by violence in their own homes -- our potential to create a stable, peaceful, and ultimately prosperous world will be far from realized.

They are also recognizing that a democracy without the full participation of women is a contradiction in terms. Today, women comprise 70% of the world's poor and 2/3 of those who are not taught to read or write. Women die daily from diseases that could have been prevented or treated. They too often are forced to watch their children succumb to malnutrition caused by poverty. They too often are denied the right to go to school by their own fathers and brothers. And they too often are barred from the back lending office and banned from the ballot box.

In some countries, women continue to be denied the right to participate fully on cultural or historical grounds. But as my country's Secretary of State, Madeleine Albright, has said -- excluding women, denying them their God-given rights, is not cultural...it is criminal.

It is also impractical and shortsighted. I will always remember the words of Uganda's Vice President -- a woman -- who told me: "For too long our leaders forgot that women are the ones who knit society together. They forget that women are the ones who care for their families, anchor their communities, look to the future and worry not just about themselves, but about society. Finally, today, we are remembering. And our country is better for it."

DRAFT 5/24/97 6:00 P.M.

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AMSTERDAM, HOLLAND
MAY 27, 1997

Acknowledgments: Princess Margriet; Mrs. Kok; Amsterdam Mayor; President of University; Ambassador; Unicef person TK; Novib person TK; students, members of the community.

It is an honor to be with you today. When I look around this room, I cannot help but think: This is how the world can work: A great university that ~~not only~~ spreads knowledge throughout the community, ~~but~~ and is also a living part of a magnificent city...an organization that represents the commitment of nations and governments to securing our common future by protecting our children...another organization that reflects the commitment of individuals and the private sector to widening the circle of opportunity the world over...and, of course, lots and lots of tulips. Clearly, social progress and flowers go hand-in-hand.

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We know that we cannot build the kind of future we want without the contributions of women. In fact, I often wonder what would happen to the economies of the world if women just stopped working -- inside and outside the home.

[*Information to come on what the Dutch and Novib are doing to invest in women.*]

In our own country, and across Europe, there is a serious debate underway about how to sustain economic growth without tearing at the social fabric and ripping apart the social safety net. There is a growing awareness that solutions cannot be solely government-driven or market-driven. They must reflect a balance of public private and individual power.

You have clearly achieved that balance -- with NOVIB and with your government.

You have done something else. You have maintained your commitment to the developing world even as you have put your fiscal house in order.

You have reformed your economy -- and it is booming. The Netherlands has the world's highest productivity rate and the fastest-growing jobs market in the European Union

This, of course, benefits not just the people of the Netherlands, but the people of the world. The stronger your economy, the higher your GNP. The higher your GNP, the greater your contribution to social investments in developing countries. The greater these investments, the greater the number of people who will be able to lift themselves out of poverty and join the community of democratic, free market nations. The wider this community, the greater the prosperity and stability for us all. [*Could link this with our balanced budget and continued social investments? Proud that the President has insisted on doing the same?*]

In closing, I would like to say a word about Anne Frank, whose house I will visit this afternoon, and whose memory, in many ways, underscores the urgency of social investment.

When I think of Anne Frank, two thoughts run through my mind. The first is, "Why?" And the second is, "What if?" What if she had lived? What would she have been like? What contributions would this lovely young girl with a wonderful mind have made?

We'll never know. What we do know, is that the world lost something irreplaceable. Her diary shows us, in the starkest possible way, that we do not have a person to waste -- that we cannot afford to take for granted the potential of any person, of any age, of any sex, anywhere.

The social investments we commit ourselves to today are an expression of that belief, because they give people the opportunity -- people who might not otherwise have had the chance -- to live up to their God-given promise. There is no better cause.

Thank you and God bless you.

forces are reshaping our world -- for good and for ill. And the map to the future is no clearer than it was in Marshall's day.

One need only read the daily headlines to understand that, even as country after country embraces democracy and free markets, the rapid pace of change, global competition and the Information Revolution are creating new pressures on every institution in society, from governments on down to families. The greatest threat to democracy is no longer a Communist monolith with imperial designs, but the volatile economic, political and social conditions that have emerged in the aftermath of the Cold War.

While the superficial homogenization of the world means that people on every continent wear the same jeans, eat the same fast food, and listen to the same music, these surface similarities do not override a longing for identity and meaning in our lives. Despite improving material conditions in advanced economies such as ours, families seem under greater stress. The gap between rich and poor in many countries grows wider. The social safety net -- health care, education, pensions, decent wages and good jobs -- is in danger of fraying for those less able to navigate this new world.

These pressures pose unavoidable questions for us as we approach the 21st century: Questions about how to balance inidivdual and community rights and responsibilities; about how families will raise children in the face of pressures from the mass media and the consumer culture; about personal identity and work in an age of globalization, information overload and high technology; about the roles of women in society; about how people will be able to preserve their ethnic price and value their national citizenship; about how nations will protect their sovereignty while cooperating regionally and globally with others; about how or whether multinational corporations will be regulated within or across borders; and about how governments will combat threats from international cartels and terrorists.

As my husband often says, our challenge as democratic nations is to balance the competing and sometimes contradictory pressures of global integration and disintegration.

In the United States and across Europe, there is serious debate underway about how to sustain economic growth without tearing at the social fabric. [more details here]

In the ~~Netherlands, and in the United States, we have come to recognize that strength of democracy must coincide with progressive policies at home and~~ abroad.

Expanding NATO, EU, are part of this effort,

Economic viability necessary to international engagement.

~~It is no accident that nations such as yours had not led the way on issues such as~~

how do we make these investments —

[xxxxxxxxx].

[Do we want to say something here about the balanced budget and what we are doing today to ensure that we can remain strong abroad?]

On both sides of the Atlantic, there is growing awareness that solutions cannot be solely government-driven or market-driven. They must reflect a balance of public, pravate, and individual power.

I ~~thought of this a few weeks ago when I heard~~ President Zedillo of Mexico say something that seems to apply universally: "The economy should be a means to an end, not an end."

Soc. dolphi engi democracies or in our societies

Travel would be good —
NOVIB + UNICEF —
perfect examples of the kind of partnerships I'm describing

C. Europe
Russia > increased Dutch commitments
+ where we know transition to democracy + free mkt economies r/o

The President is coming to reaffirm the strong ties between our two countries. Those ties go back a long time. In 1609, Dutch traders arrived in what is now New York. And it was from the Netherlands in 1620 that British Puritans set sail for Plymouth Rock.

Not only are you among my country's oldest continuous diplomatic partners, you are one of our oldest and greatest inspirations as a haven for those seeking opportunity, justice, tolerance and freedom from persecution.

As Benjamin Franklin once said: "In love of liberty and in defense of it, Holland has been

full potential of

DRAFT #2

FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR THE UNIVERSITY OF AMSTERDAM
AMSTERDAM, HOLLAND
MAY 27, 1997

Princess Margriet; Mrs. Kok; Mayor Pitijn [Pah-tang]; Ambassador and Mrs. Dornbush; Vim Slootweg of UNICEF; Sylvia Borrem of NOVIB: President Gevres [Gev-ers] Administrators, Faculty, Students, and Friends:

It is an honor to be here. Let me thank UNICEF, Novib and the Atlantic Pacific Exchange for sponsoring this gathering. This is my first trip to the Netherlands and I must say that the individuals and groups assembled in this hall are a testament to the Dutch example of community and partnership: A university that gives voice to ideas and knowledge and is part of this great city's living history. An organization that reflects the commitment of nations and governments to securing our common future by protecting our children. An NGO that brings together public and private interests to create opportunity for more people worldwide. A foundation that provides for greater dialogue and understanding between our nations. And of course, lots of tulips which, for me, just confirms something that you already know: Social progress and flowers go hand-in-hand.

In a few hours, my husband will arrive in the Netherlands to help mark the 50th anniversary of the Marshall Plan -- and to help celebrate a legacy of international commitment and cooperation that is needed just as urgently among our nations as it was 50 years ago.

For today, on the eve of a new century, we see even more clearly that the enduring power of Secretary of State George Marshall's vision rested not solely in the financial commitment it represented, but in its understanding of our joint opportunities and responsibilities to create a united, peaceful and democratic Europe.

The Marshall Plan helped restore the economies of nations on this side of a cruel and arbitrary line that divided the Continent. But just as important, it gave strength to the democratic ideals upon which prosperity and peace depended:

freedom, opportunity, responsibility, community and respect for human dignity.

It reminded us, throughout the darkest days of a Cold War, that economic renewal and the flowering of democracy go hand-in-hand.

Today, we live in a time of great transformation. As promising as the future is, powerful forces are reshaping our world -- both for good and for ill. And the map to the future is still filled with uncertain forks in the road, just as it was in Marshall's day.

One need only read the daily headlines to know that, even as country after country embraces democracy and free markets, the rapid pace of change, global competition and the Information Revolution are creating new pressures on every institution in society, from governments on down to families.

The greatest threat to democracy is no longer a Communist monolith with imperial designs, but the volatile economic, political and social conditions that have emerged in the aftermath of the Cold War.

While the superficial homogenization of the world means that people on every continent wear the same jeans, eat the same fast food, and listen to the same music, these surface similarities do not override a longing for identity and meaning in our lives. Despite improving material conditions in advanced economies such as ours, families seem under greater stress. The gap between rich and poor in many countries grows wider. The social safety net -- health care, education, pensions, decent wages and good jobs -- is in danger of fraying for those less able to navigate this new world.

These pressures pose unavoidable questions for us as we approach the 21st century: Questions about how to balance individual and community rights and responsibilities; about how families will raise children in the face of pressures from the mass media and the consumer culture; about personal identity and work in an age of globalization, information overload and high technology; about the roles of women in society; about how people will be able to preserve their ethnic pride and value their national citizenship; about how nations will protect their sovereignty while cooperating regionally and globally with others; about how or whether multinational corporations will be regulated within or across borders; and about how

governments will combat threats from international cartels and terrorists.

As my husband often says, our challenge as democratic nations is to balance the competing and sometimes contradictory pressures of global integration and disintegration.

In the United States and across Europe, there is serious debate underway about how to achieve that balance -- and particularly, how to sustain economic growth without tearing at the social fabric.

In my country as in yours, the government is working hard to provide citizens with the tools of opportunity they need to confront the realities that await them in the 21st century. We are working hard to promote disciplined economic policies while still ensuring that our people are equipped with the education, health and jobs they need to succeed in a highly competitive world.

This is not to minimize equally pressing concerns of trade, diplomacy, and defense. We know, for example, that expanding the family of democratic nations in Europe is vital to our interests individually and collectively as democracies.

However, I would suggest that the future of democracy depends not solely on our concept of *realpolitik* between and among nations, but on what I have come to call *real life politik.* In other words, building and sustaining democracy is not just about allowing free elections, creating free markets, and protecting people's legally protected rights. It's about the internalization of democratic values in people's hearts, minds and everyday lives. It is about developing an "alliance of values" based on a shared belief in freedom, opportunity, responsibility, community and respect for human rights.

And it is about every nation rethinking how it can strengthen this alliance of values by doing more for its own people and for humanity.

You, the Dutch, have understood this better than most. Both when it comes to investing in your own people -- and in supporting social investments that improve the prospects for democracy and prosperity around the world.

Your leadership is reflected not only in the amount of foreign assistance you

provide -- seven-tenths of your gross national product -- but in the public support such assistance enjoys among your own citizens. This has been an historic commitment: I recently learned that the first loan John Adams secured for the new Congress of the United States in 1782 came from three banks in Amsterdam.

Today, the impact of Dutch assistance is felt around the world. In Bosnia. Among refugees in Central Africa. In the special attention you have paid to health, health, education, and women's issues at home and abroad.

Given this long tradition of social investments, I am especially proud of the collaborative efforts between our governments and their development programs to enable people the world over to take responsibility, seize opportunities and live up to their God-given promise.

Two years ago I had the privilege of speaking at the United Nations Summit on Social Development in Copenhagen. What I said at the time, and what I believe is equally true today, is that social investments are as critical to democracy and prosperity around the world as free markets and trade.

But as we think of ways to protect our most vulnerable citizens at a time of increased global competition . . . as we consider the best strategies for creating conditions that can encourage individual initiative and a vibrant civic life . . . as we seek to ensure human rights, especially for women and children . . . we must also recognize that solutions cannot be solely government-driven or market-driven. They must reflect a balance of public, private, and individual power.

From the great capitals of Central Europe to villages in Africa, I have seen how social investments are giving more people, especially women, the chance to participate fully in the political, economic, social and civic lives of their countries.

And more often than not, I have seen that such investments are the result of innovative public-private partnerships sponsored by groups like NOVIB and other non-governmental organizations, UNICEF, corporations, foundations, and governments.

When I was in Central Europe last summer, I saw how the development of NGOs was becoming synonymous with the burgeoning of civil society. Grass roots

organizations were building the pillars of democracy by helping to strengthen the free press, create an independent judiciary, establish a civics pedagogy for teachers, steward the environment, and honor the rights of all citizens, including minorities.

I saw the same grass roots efforts in a village in Senegal, where women performed a skit that taught local villagers about the importance of participating in local politics and taking responsibility for their common concerns.

From India to Uganda, I have seen a growing commitment to the education of girls. Economic prosperity is simply not possible when half of the population is not taught to read and write. And no investment yields greater rewards in developing nations than investments in the schooling of girls. I have seen myself how education has lifted whole populations out of poverty, enhanced women's roles as mothers, and increased their participation in civic life.

Equal rights and equal opportunities for women must also mean increasing access to health care and valuing women for the work they do.

Recently I was in Central America, where government leaders, private economists, and business people are recognizing that expanding economic opportunity to those on the margins -- especially women -- is essential to democratic progress. No wonder microcredit is finally finding its rightful place as a vital tool in the alleviation of poverty and the building of democracy around the world.

Throughout the developing world, we have also seen the transformation that can occur when women have access to health care, including family planning. Not only do such programs givs women the chance to determine the number of children they have, they help reduces maternal mortality. And family planning is shown to have positive economic effects, enabling families to become more prosperous and thus improving the prosperity of nations as well.

In places as distant as Brazil and Zimbabwe I saw family planning programs that brought education and resources to people too long deprived of what most of us take for granted. And I am pleased that the United States Agency for International Development is working with your government in the Philippines on a program for medical education in reproductive, maternal and child health.

We have also witnessed in recent years the toll that ethnic conflict and civil strife have taken on the world's poor and disadvantaged, especially women. In Bosnia. In Rwanda. In other areas where the cataclysmic effects of violence and war leave their greatest scars on women and children.

Here again, I commend the Dutch people for recognizing that those of us who care about democracy have an obligation to help people rebuild their lives when history and circumstances have conspired against them.

And I want to offer special thanks for the Dutch role in drawing world attention to the tragic abuse and exploitation of children. You have galvanized many people and many nations to respond to that challenge, as I have seen from Thailand, to Brazil, to Nepal, where programs are working to rescue girls and boys from bondage, sexual exploitation, and abuse in sweatshops and factories.

Although I am not a student of Dutch history, I do know that your country has long been a leader in upholding the ideals of tolerance and respect for individual dignity and in promoting the common good. One reason that these values have thrived here is that you seem to have an uncommon capacity to achieve consensus, even in the face of serious problems. In fact, I recently read an article in which a leading Dutch economist, discussing the "polder economy," said that "a tradition of consensus runs deep in the Dutch psyche."

It is a tradition that every nation would do well to learn from as we confront the political, social and economic challenges of a new century. Cooperation, partnership, and a belief in our shared future is as essential to us now as it was when this continent was emerging from the ruins of war a half century ago.

Later today, I will visit the house on Prisengracht Street where Anne Frank and her family hid during the Second World War. Tomorrow, I will travel with my husband to The Hague for the commemoration of the Marshall Plan.

At each stop, I know I will gain greater insight into the unique role this country has played in moving us closer to a world in which peace, justice, and freedom prevail. And I will leave for home on Thursday with a new appreciation of the ties that have existed between our nations -- from the time the Dutch traders arrived in New York in 1609 to our joint efforts to bring peace and democracy to

Bosnia and Haiti in the 1990s.

Benjamin Franklin once said: "In love of liberty and in defense of it, Holland has been our example." And I might add, the world's example. With your continued leadership -- and with the continued cooperation of our friends across this continent and around the globe -- we will fulfill George Marshall's vision in a lasting testament to humanity.

Thank you.

###

SAIS

Broader statement re: for policy

2 conflicting trends

Integration - trade, technology

Disintegration - tribal, ethnic, etc.

Dangerous trend →

- multinational in concert w/ Western libertarians to undermine nation-state
- conservative approach to governance weakens capacity to govern -- even military

The travels I've made clearly pted out what the importance / priority govt is for prosperity, governance etc.

World Policy Journal

Sandy Berger - speeches (V to see if says as I do)

→ national identity

Many of those weakly nat'l i.d. - are also most belligerent abt U.S. vs. other countries ("Make Saddam)

Can't have a govt that functions strictly domestically + intlly + vice-versa

Multinationals

Media

Defining Event

Domestic // Overseas

Govt Intervention

Success stories

- Cons. demean state bc only see in terms of defense / see no other role for n-s

SB/ - New realities demand not obsolescence of n-s but new roles + functions

- Experts talk abt what n-s incapable of doing — we need to talk abt what it needs to do

Can it be unilateral w/o n-s

Who makes agreements?

sets stds (environment, trade)

Blair / "social chapter" — social contracts (min. wages) (med. W.) } do our version

Africa, Bosnia examples (from trips)

Community / Nat'l Identity

- Relate community to interest -

- Unless you are a certain kind of country you're not going to thrive

(What EU is abt; exp'n of NATO)

Mc/ Implosion of nation in certain areas

Slowly, anarchy + chaos will affect those of us who live elsewhere

One scenario of what can happen —

We've seen signs of what can happen in Africa, Bosnia

Bal bndy beg agreed upon at same time as Russia agreed to NATO exp'n

End of wars

Lifting burdens of the past

ex of

- Def budget in US represents ~1% of U.S. overseas
- Helps us be leader in creating a Post Cold War World
- In Europe countries have to get deficits to 3% of GDP (and are struggling)
  - as part of Maastricht
- Why Britain getting its house in order is so important

Fulfillment of Marshall's vision
Poland, Czech, Russia originally included in M. Plan - Their rejection was beginning of C. War
~~Burden~~ Burdens of past & (save my budget)

What is nation-state
(Also have to talk abt it in terms of democracy + values)

Marketplace can't sustain itself w/o other forces
Balance of power — Hamiltonian
"Economy" is a means to an end, not an end

"The national authority" = Lincoln
" " community"

Mktplace devoid of values

→ You have to deal w/ yr internal weaknesses (insolvency, etc) to be able to engage

The state is a reflection of the nation
The govt. is us.

Nation state under stress
New realities
New demands + N-S
Travels (or see above)
Categories of new realities
Perforation of ships -
Only if govts respond to these new realities + demands can we avoid disintegration of nukes + interests
→ inevitable rise of tribalism, nationalism

FRC

This is an issue that studies for policy
First I have to talk about dom policy last 15 yrs
Finally we can claim that U.S. can have a greater role in the world than just military deterrence
(NEO cons: w/o Reagan build-up, no end of C. War)
Fixing insolvency
fighting anti-govt
Creating conditions to work w/ dom. + int'l partners.

SB/ Beginning premise –

– Precisely why I want to begin w/ dom policy –

bc w/o sound dom. policy → stagnant

Remember headlines of 1990:

NYT, WSJ, Economist – all doomsday

anti neo-con arguments

No longer possible to be anti govt at home

& have an itinerant for. policy bc of the new realities

1993 budget

NAFTA
Crime
} preconditions to us being
as the indispensable
nation

Unless we are an example to the world, (John Adams, TJ both said,)
our for. policy is ineffective

Stats

Galvanizing foreign policy

5/10/ Testament to the "indispensability" of the U.S.
essential role
in securing int'l stability, democracy –
The int'l sys that → from WW2 + lasted for
42 yrs from init'n of NP to fall of B Wall
depended upon the strength of the U.S.
One could not exist w/o the other.
(Int'l sys // the American community
were complementary)
Our security depended on our int'l pol'y.
At the same time the dvlpt / elaborate int'l
instns that did not exist before depended
on the Amer. role
Today our challenge is to meet new
realities in a way that the Amer.
nation + int'l sys can ~~continue to~~ complement
each other
Requires new purposes not just new realities
↳ #5

Some writers are fatalistic; some who are critics; some who are reactionary nationalists & (Buchanan Le Pen et al)

Conditions that describe early obsolescence of nation state in fact are ~~that~~ the new realities that require new purposes & ~~s~~

→ 6

→ 7 social contracts, MNCs, rights, Int'l trading system can only be maintained by nations /

Historical folk

Always been a diff proposition to sustain the relationship ~ treason btw nations + world comm ~ —

blurs our dom + for policy

When MP + Truman Doctrine were proposed, highly unpopular in polls
Yet entire post war prosperity resulted from it

#11 / Political abt b-b
Say something positive abt b-b -
→ Good buzz for future progressive policies

#13 State up front + at end

#7 In EU - free + fair trade explicit in
social contract
- Fam + Med. Lv
- Min. wage
Budget advances social contract

Microcredit = widely fr mkts.
We're used to it - Ag Extension Service
SBA

Microcredit → extends mkts where didn't exist

Civil society includes everything from rule of law to volunteerism + NGO activity —

Risks: when oppr + mkt is closed off —
can go hand
when business becomes monolithic →
tribalism; nationalism - ethnocentrism —

Worst instances of this have come when direct transition from totalitarianism w/o any intervening period

Marshall Plan

Basic Themes:

① We have an oppt. to complete what couldn't be realized
peaceful undivided Europe.

② Previous generations of Americans won the war; kept ~~another~~ another war;
our job to keep the peace

③ Marshall showed that those who tried what others say is impossible are those who make history

510/ The nations that had caused the war –
+ collaborated were reconstructed
– a lot by nations themselves –
– that contributed to their failing a severe
/ democratic capability +
internationalism

It was clearing [to reconstruct nations on
a diff. basis] that a new unity
could be built on the reconstruction –
/ nations that had been the aggressors
+ collaborators in the war

Not just a new Europe – Old nations
being turned into new nations

Marshall Pl allowed the indiv countries
to dispose the $$ as they

p.2 NLO Cons. argument:
anti Continental European view
Europe too bound to unit – needs to
be freer mkts
In order for nations to thrive,
need freer mkts + State
must be weaker

Need social compact – as well as fiscal discipline
in order
Only strong nations can build a strong unit/union
Strong nations depend on vitality of democracy –

HRC/ I can't look like I'm an instant expert
Too abstract

The Pgs we have to do >
New Deal
Civ. Rights
Strong at home

I subscribe to Necessity of strong nation —
strong internationalism

strong nation / strong internationalism
strong internationalism — necessary

Could use more from Prague speech >
(alliance / values)

Hodge podge - no central thesis
Anecdotes: talk abt trips I've made
democracy
By example - here is what is why —
Can't have a strong democracy if
only committed in theory — have to do it by example
Can't have a strong int'sm if
you don't have strong nation

Try to create an alliance of int & values
we are indispensable
at moment of our greatest triumph
we cannot withdraw —
not just from int'l commitment
but from ourselves at home

SAIS

Dave Heymann – environmental policy
Microcosm of the world
Graduates go on to:
- Reflect the world - also reflect
full scope of int'l relations - has degree
well beyond traditional diplomacy —
journalism
env. studies
dvlpt
business

Nick Burns
Wolf Blitzer

SAIS over 2 yrs have organized community
events + dvlpt - strong sense of community
activism
Career office - may know what to
go into domestic work

Long standing tradition to have SAIS do a
"crisis simulation"
Prof Fred Holborn – abt 10% of class
will participate every spring
1989 Shaky E. Europe _ Pakistan detonated a
nuclear device -

Practical

If you are an intl dealer -

have →

<⇒ Not just an issue re drug nations
we're dep re our own cmty - Debate goes re Europe -
how make ourselves
Int'l terrorism - FBI
Justice Dept - violence

we are dep to do in our cmty when
we are surrounded by an
Now cmty have special police forces

"Uganda problem -
what happened to us -
Those who led our cmty fought

how we can fix each other.

Can I
Not just with drugs
govt disagreements
flow to be a balance of
power - political, civil, individual -
& women have to be
part of that equation

Unit socially together
core unit - families
- mind dep

Today, the Berlin Wall is gone. There is no Iron Curtain. In country after country around the world, Communism has crumbled and democracy has come alive. The threat of large-scale nuclear war no longer casts its long shadow. Opportunities for peace and prosperity are greater than ever before. And the promise of a new and even more dynamic world civilization is on the horizon.

Yet at the same time, we feel the strains of growing global competition and scarcer resources. The rapid pace of change -- the superficial homogenization of the world -- inflames ancient tensions and weighs us down with new ones. Families the world over are under greater stress. The gap between the rich and the poor grows wider. Even countries with advanced economies know that gaps remain in their social safety nets -- in education, health care, pensions, good wages and jobs.

The greatest threat to democracy today is no longer a Communist monolith with imperial designs, but the volatile economic, social and political conditions that have emerged in the aftermath of the Cold War -- from Bosnia to Zaire.

Powerful forces are reshaping our world for good -- and for ill. As the President has said, our challenge is to balance the competing and contradictory pressures of global integration and disintegration brought about by the fall of Communism, the Information Revolution and the Global Economy.

The same open borders that encourage trade and prosperity also open our doors to drugs and international terrorism. The same communications technology that tore down communism also spreads information that supports the forces of extremism. The same science that is developing new life-saving drugs also has the power to create poisons of mass destruction.

To meet all of these challenges, democracies new and old must establish wider political, economic, and strategic alliances, as we are doing with NATO.

But we must also consciously develop an alliance of democratic values to guide us as we confront the unavoidable questions of the 21st century. Questions about how to balance individual and community rights and responsibilities; about how families will raise children in the face of pressures from the mass media and the consumer culture; about personal identity and work in an age of globalization, information overload and high technology; about the roles of women in society; about how people will be able to preserve their ethnic pride and value their national citizenship; and about how nations will protect their sovereignty while cooperating regionally and globally with others.

How do we convey to ourselves and to the world the values upon which this alliance is based? By being strong at home. And by being engaged overseas. And by recognizing that we cannot do one without the other.

That is why I am so puzzled by those who insist today that we can dismantle our government at home **and** remain strong abroad.

If anything is obsolete, it is not the role of the nation, but a virulent anti-government ideology -- one that says that, instead of educating our children or protecting our environment or investing in science and technology or caring for those who cannot care for themselves, government should really just confine itself to protecting our borders and securing our defenses and opening up foreign markets.

I don't think it's an accident that the growth of democracy worldwide in the last 50 years coincided with our own progressive agenda at home.

Just think what would have happened in the Cold War if the United States had not been seen as a progressive nation -- the nation of the New Deal, of the G.I. Bill, of the Civil Rights movement -- working, however imperfectly, to live up to its democratic ideals. Think how much more difficult it would have been for us to be an ally to other democracies, an example to newly independent nations, an alternative to communism.

And think of the example we are setting around the world today. By finally putting our fiscal house in order, and by doing so in a way that not only preserves our values, but actually advances them, we are showing others how a democratic nation can prepare itself for the 21st century. A deficit moving toward zero. The largest investment in education in decades. A renewed to commitment to health insurance for the children of working families. More rigorous environmental protection, including the clean up of a record number of toxic waste sites. Tax relief to help working parents get their children quality child care or go back to school themselves.

These are the emblems of a nation that recognizes not only its obligation to invest in its own people, but to engage with the world. Simply put: We cannot be the indispensable nation abroad if we undermine our government at home.

And protecting and advancing our interests around the world has never been more important than it is today.

If not for an alliance of nations built on democratic principles, who would stand as a bulwark against the threats that plague our world today? International criminal cartels; rogue governments that countenance and even encourage the promotion of drugs and terror; countries and private entities that profit from the exploitation and destruction of our natural resources; ethnic and religious hatreds, both new and old, that tear at the heart of civil society. All these would thrive in the vacuum left behind.

Just as they did in your recent "Crisis Simulation," where illegal immigration, drug cartels, oil shortages, unstable world currencies, terrorism, religious extremism, and adventurism by a totalitarian state converged to plunge the world into crisis (and make for a very tense few days

around here).

At the moment of our nation's greatest triumph -- when we are truly the indispensable nation in the world -- we cannot withdraw. Neither from ourselves at home nor from our commitments overseas.

In the last four years, I have had the privilege of traveling around the globe on behalf of the United States. Everywhere I have been -- from Brazil to Bangladesh, Estonia to Eritrea, Mexico to Mongolia, Tanzania to Thailand (by the end of the second term I hope to be able to make it through the entire alphabet) -- I have seen how democratic values, expressed through concrete actions, enable people to become full participants in the political, economic, social and civic lives of their countries.

Throughout Central Europe, the Baltic region, and in Mongolia, I have met with men and women who are building democratic government and civil societies from the ruins of dictatorships: Teachers in Romania developing a new pedagogy that emphasizes civic participation and democratic values. Non-governmental organizations in Poland working to strengthen the free press. Citizens of the Czech Republic who proudly went to the polls last year to elect a new government through free and fair elections. Men and women in Slovakia, Hungary and Estonia working to strengthen the role of minorities, incorporate women more fully into the political process, and promote an independent judiciary. And the people of Mongolia who, despite enormous hardship in the aftermath of Communism, today are engaged in a vigorous and open debate about the direction of their country. [ck]

Perhaps even more remarkable, however, is what is now transpiring in South Africa, where blacks and whites together rejected decades of apartheid and are embarking on a process of racial reconciliation that is crucial to realizing their democratic aspirations.

When I was in Capetown in March, Archbishop Tutu invited me to a meeting of the nation's Truth and Reconciliation Commission, which he heads. In the most ordinary of conference rooms, people are undertaking the most extraordinary of efforts: They are working to complete South Africa's healing. They are seeing to it that South Africans fully understand their past so that they may also create a future in which every citizen finally the has the opportunity to live up to his or her God-given promise.

What democracy does better than any form of government yet invented is to invest in the potential of people -- be it our efforts here at home to expand educational opportunity or efforts in Thailand and Uganda to combat AIDS.

And we all know that a democracy without the full participation of women is a contradiction in terms. For too long, and in too many places, women have lived on the outskirts of opportunity. Today, women comprise 70% of the world's poor and two-thirds of those who cannot read and write.

Yet we know we cannot build the kind of future we want without the contributions of women. In fact, I often wonder what would happen to the economies of the world if women around the globe just stopped working -- inside and outside the home.

More countries are now realizing that the equality of women is prerequisite for long-term progress and prosperity. It is why many countries, from Chile [ck] to Uganda, are making the education of girls and women a top priority. It is why countries like Brazil, Bolivia and Zimbabwe are promoting family planning efforts, which not only lower the birth rate and the rate of abortions, but give women the power to decide how many children they want to have and when they want to have them.

As President Museveni of Uganda said, "Women form more than half of our society, so you'd be hurting yourself if you left behind six of every 10 people." And I would add to Uganda's wise President: "You would not just be hurting yourself; you wouldn't be living in a democracy."

I have seen democracy at work widening the circle of economic opportunity. Not only through trade agreements and policies to spark growth, but also by giving people the tools to raise their own standards of living. I'll never forget walking into a one-room bank in Ahmedabad, India -- run by the Self-Employed Women's Association. Inside was an old table stacked with worn and yellowed ledgers, where tens of thousands of loans had been duly recorded. Those loans went for $10 for sewing materials or $15 for a cow. And women literally walked 12 hours from their villages to take out these loans, which would in turn enable them to invest in their own livelihoods.

In the two years since I was in India, I have seen the wonderful effects of microenterprise on just about every continent. In the barrios of Nicaragua...in sub-Saharan Africa...in neighborhoods of Denver, Colorado and Washington, D.C., and, just two weeks ago, in Costa Rica and Barbados.

What we are learning from all of these projects is that when you widen economic opportunity you give people a stake in their nations and their economies, instill a greater sense of personal responsibility and community, build confidence, promote growth, reduce income disparities, and create greater social stability.

Let us remember that this progress has not taken place in isolation. I am proud of the role that the United States has played in fostering democracy, expanding economic opportunity and promoting human rights around the world. It is remarkable that a modest investment in foreign aid -- less than 1% of our national budget -- can yield such enormous returns. This, coupled with our example for freedom and democracy, is helping to lead our world through this challenging time.

Fifty years ago, when George Marshall advanced his idea, the world seemed just as complicated and unpredictable as it does today. It seems so clear now. But it wasn't then.

So we have much to learn from Marshall's example: First, from his belief in the strength of vibrant internationalism, and the conviction that internationalism can only be sustained by strong, democratic nations. And second, from his courage and creativity -- his willingness to imagine a better world that others could not yet see.

I hope as you leave this wonderful school, you will carry his vision with you: A belief in democracy and in America's indispensable role in the world. And a belief in your own capacity -- and in the promise of your generation -- to move us closer to a peaceful, just, and prosperous world.

Thank you. And God bless you.

###

Speech Acknowledgements

Mrs. Ria Kok ("Cuk")
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Jan (or Gen) Karel Gevres (Pres, University of Amsterdam)
Atlantic Pacific Foundation

Dornbusch
(Terry & Maureen)

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The European

April 10, 1997

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HEADLINE: Dutch find miracle cure for ills of unemployment

BYLINE: Saskia Sissons

BODY:

FIFTEEN YEARS ago the Dutch were known as the sick men of Europe. With nearly a million people out of a population of 15 million claiming disability benefit, unemployment increasing fourfold between 1975 and 1982, and a bloated welfare state, the Netherlands seemed gripped by a collective aversion to work.

Today all symptoms of the Dutch disease are gone: unemployment is running at half the European Union average - 6.2 per cent and falling - and Prime Minister Wim Kok presides over an unprecedented employment boom which will soon have yielded the 350,000 extra jobs promised by his coalition government in 1994.

Analysts are calling it the "employment miracle". Now the Netherlands boasts the world's highest productivity rate and the fastest-growing jobs market in the Union. In the ten years it has taken for unemployment to be halved, the Dutch have lost fewer days through industrial action than any of their European partners.

"It's now business as usual in Holland. We've got a healthy economy and low unemployment," said stockbroker and historian Martien van Winden. "It was the government's abandonment of the Keynesian theory of stretching budget deficits to create employment, coupled with the consensus-based industrial policy created by employers and unions that got the nation back to work."

Many believe that Kok deserves much of the credit. When he was still a union leader in 1982 he struck a deal with the employers' union known as the Agreement of Wassenaar, in which wages were frozen in return for jobs. It was also agreed that the average working week would be cut from 40 hours to 38 in order to create more jobs.

"The Agreement of Wassenaar was based on consensus, a tradition that runs deep within the Dutch psyche," said economist Peter Oomens. "Everyone agreed that high wages were a disaster. Employees were too protected, companies were losing money, profits were down and unemployment was rising. The effects of this trade-off between money and jobs were soon visible in the competitiveness of Dutch industry."

The process of modernisation begun in 1982 coupled the mastering of public spending and labour market reforms which increased flexibility. But the key factor was the restraint shown by Dutch workers in their pay demands, something that could not have been achieved without the so-called social partnership between government, unions and employers, who meet at "platforms of consensus".

This dialogue has resulted in measures such as the new Flexibility and Security Bill which comes into force at the end of the year. This will result in more security for casual and temporary staff and workers on short-term contracts while offering more flexible contracts of employment for permanent staff. A law protecting employees against age discrimination is also likely.

Part-time jobs have proved popular with the Dutch, enabling more women to enter the workforce. Initially businesses feared that such jobs would prove to be too costly while women's groups suspected that women would be palmed off with low-wage, low-status work. But soon the business community realised that part-time jobs offered more manoeuvre for flexibility, and the unions realised it offered chances for men and women who wanted to carry on working while raising children. Now one-third of the labour force is working part-time - by far the highest figure in the EU.

Full-time job creation has been aided by the fact that the Netherlands has traditionally been more dependent on services for economic growth. Many of the new jobs are in the service industries, or in rapidly expanding sectors such as information and technology. Companies such as Baam Software, the world's fastest growing company, and Schiphol airport, whose expansion is expected to create 55,000 new jobs in addition to the 73,000 it already provides directly and indirectly, are typical.

Ad Melkert, the minister for social affairs and employment, argues that the secret of the Dutch economy is the balance between the market and the public sector. Melkert has targeted those most alienated from the labour market, the long-term unemployed and the under-skilled, creating 40,000 full-time jobs in the past four years in urban areas.

"We are seeking to combine the best of two worlds," he said. "The market may have entered the public sector, such as when the Dutch health law was privatised, but conversely the public sector enters the market by creating employment in larger cities. It is precisely this mix that opens a perspective of mobility and that enables an economy of competition and free trade.

"In the past we would probably have successfully applied for an entry in the Guinness Book of Records for the country with the most people applying for disablement benefits. That time is over. Reforms of our social structure have yielded savings while maintaining social protection at an acceptable level."

The Dutch treatment has not been painless as Melkert's spokesman Jos Bienemann points out. "It didn't happen overnight. It was a painful process and could not have been achieved without cutting into your own flesh as a nation."

Few disagree that the sacrifices have been worthwhile. "We now have the flexibility we needed," said Peter Oomens. "Household consumption is booming, not because of wage increases but because more people have got jobs."

LOAD-DATE: April 11, 1997

MEMORANDUM

TO: Mrs. Ryan - White House

FROM: POL - Ruud Hooijkaas, U.S. Embassy, The Hague

DATE: 21 May 1997

SUBJECT: Information on NOVIB

Rob Rosen asked me to pass to you the attached information on NOVIB, the biggest Dutch nongovernmental development assistance organization, similar to AID in the U.S. Here at the Embassy, we have recently dealt with them with regard to democratization projects in Cuba. A number of their recent projects include: assistance to homeless girls in the Brazilian town of Recife; the establishment of a college in Dakar, Senegal; an anti-child labor campaign in India; and restoration of food production in the war-invested Tigray region in Ethiopia.

NOVIB

Voor meer informatie:
NOVIB
Mauritskade 9
Postbus 30919
2500 GX Den Haag
Telefoon 070 3421777

E-mail: admin@novib.nl

Novib works for sustainable development by supporting the efforts of poor people in developing countries and by championing their cause in the North.

Novib has three related goals: structural poverty alleviation through cooperation with partners in Africa, Asia, Latin America, the former Soviet Union and Eastern Europe, educating Dutch public opinion and standing up for the interests of the poor in policy-making.

In its poverty alleviation efforts, Novib cooperates with local organisations working with and for the poor. Novib strives to improve their material living standards through financial contributions and other services. The aim of this cooperation is to increase the capacity of local organisations to raise living standards sustainably and to empower them to overcome social and economic oppression. Novib gives priority to human rights, the position of women and the protection of the environment.

Novib informs the Dutch public about the non-western world by challenging conventional images and encouraging deeper insights. Novib also tries to make the cultures of the South accessible to the Dutch public. Novib stimulates consumer awareness in order to promote an equitable distribution of the world's resources.

Novib defends the interests of developing countries in the political and economic power centres of the West and tries to influence policy decisions in favour of the world's poor.

Financial contributions from individual supporters, institutions and governments enable Novib, as an independent organisation, to realise its objectives. Novib accounts for the efficient use of these resources through detailed annual reports and project evaluations.

To: Jennifer Windsor@G.DG
Cc: Gary Hansen@G.DG.SA2
Bcc:
From: Lisa Peterson@G.DG.SA2@AIDW
Subject: NOVIB-Dutch NGO
Date: Wednesday, May 21, 1997 11:20:50 EDT
Attach: ATTRIBS.BND
Certify: N
Forwarded by: Jennifer Windsor@G.DG@AIDW

Forwarded to: Cynthia Gire@AID.A@AIDW
cc: Lisa Peterson@G.DG.SA2@AIDW
Forwarded date: Wednesday, May 21, 1997 12:05:49 EDT
Comments by: Jennifer Windsor@G.DG@AIDW
Comments:

Here is one group we've come up, but not just democracy.

---------- [Original Message] ----------

Jennifer: Following is info on NOVIB. I will explore a few other Dutch NGO alternatives in the next half hour and get back to you:

Netherlands Organisation for International Development Co-operation (NOVIB)
Mauritskade 9
Postbus 30919
2500 GX Den Haag
Telephone: 070 3421777
Email: admin@novib.nl

MISSION STATEMENT:
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In its poverty alleviation efforts, Novib cooperates with local organisations working with and for the poor. Novib strives to improve their material living standards through financial contributions and other services. The aim of this cooperation is to increase the capacity of local organisations to raise living standards sustainably and to empower them to overcome social and economic oppression. Novib gives priority to human rights, the position of women and the protection of the environment.

Novib informs the Dutch public about the non-western world by challenging conventional images and encouraging deeper insights. Novib also tries to make the cultures of the South accessible to the Dutch public. Novib stimulates consumer awareness in order to promote an equitable distribution of the world's resources.

Novib defends the interests of developing countries in the political and economic power centres of the West and tries to influence policy decisions in favour of the world's poor.

Financial contributions from individual supporters, institutions and governments enable Novib, as an independent organisation, to realise its objectives. Novib accounts for the efficient use of these resources through detailed annual reports and project evaluations.

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Cc:
Bcc:
From: Lisa Peterson@g.dg.sa2@aidw
Subject: Dutch D/G Foundation (party-affiliated)
Date: Wednesday, May 21, 1997 12:10:06 EDT
Attach: ATTRIBS.BND
Certify: N
Forwarded by: Jennifer Windsor@G.DG@AIDW

Forwarded to: Cynthia Gire@AID.A@AIDW
cc:
Forwarded date: Wednesday, May 21, 1997 12:30:20 EDT
Comments by: Jennifer Windsor@G.DG@AIDW
Comments:

This is all we could fine. Maybe Norm Nicholson could help with more specifics

---------- [Original Message] ----------

Jennifer: The Alfred Mozer Foundation doews D/G work in Central and Eastern Europe. It is affiliated with the Dutch Labour Party. I found this info on the NED Website:

Alfred Mozer Foundation

At the beginning of 1990 the Dutch Labour Party (PvdA) established a foundation to make and maintain contacts in Central and Eastern Europe. The foundation was named after Alfred Mozer, the first international secretary of the PvdA. The Alfred Mozer Foundation established stable contacts in almost every Central and Eastern European country. In 1996 the AMS is active in: Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Bulgaria, Rumania, Croatia, Serbia/Montenegro, Albania, The Russian Federation, Estonia, FYR of Macedonia. The Alfred Mozer Foundation is active in different fields.

Aid and Training

Firstly the Alfred Mozer Foundation - independently or in cooperation with other (western) European institutions - supports social-democratic and other political parties in Central and Eastern Europe, mainly by organizing and financing training and schooling programmes. These programmes cover a wide range of subjects. For example: methods of organizing a political party, drawing up election-programmes, choosing candidates, regulation of contacts between representatives and other parts of the party, bringing in new members and organizing campaigns and 'train the trainers' programmes. Also seminars on policy-issues are organized. The Alfred Mozer Foundation provides activities in the above-mentioned fields either on the spot or in the Netherlands.

Reports

Secondly, the Alfred Mozer Foundation contributes to the discussion and the cultivation of public-opinion within the Dutch Labour Party, in the Netherlands in general and abroad on future relations between European [illegible] AMF-publication will often be

combined with an international conference on the subject in the Netherlands or abroad.

District Contacts

Thirdly, the Alfred Mozer Foundation promotes and supports the contacts between PvdA-districts and districts of social democratic parties in Central and Eastern Europe. Of course, the districts are free to define the content of the contacts themselves. Sometimes, cultural exchanges can arise from these contacts, sometimes the contacts have business consequences or result in a twinning of towns.

For more information

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ATLANTIC & PACIFIC EXCHANGE PROGRAM

The Atlantic & Pacific Exchange Program is both an American and a Netherlands non-profit foundation headquartered in Rotterdam, Holland and with offices in Washington, D.C., and Tokyo. The foundation has been organizing international exchange programs for senior government and business executives since 1981. In that year, Founder and former President Bob Williams set out to recruit executives from Dutch and American government, politics and business as individual or group participants and take them to the other country for a tailor-made visit experience lasting from one to three weeks. The exchange program was soon extended to include Japan, and has continued to expand to other countries ever since.

With these exchanges, the Program aims to promote and enhance international understanding between the participating countries. The Program does absolutely not attempt to sell any political philosophy or idea, and is completely neutral in this regard. Both the American foundation and the Dutch foundation, which were established almost simultaneously and have an identical board of directors, are non-profit, educational foundations.

Its Advisory Council gives the Program unquestioned standing internationally: it consists of Chairman Wim Duisenberg, the sitting President of the Netherlands Bank, the Dutch Central Bank; Vice Chairman Andries van Agt, former Prime Minister of the Netherlands; and Gerrit Wagner, former Chief Executive Officer of Royal Dutch Shell, which is, of course, the largest corporation in Europe. The international prestige of this executive committee, coupled with the ever-increasing global network of senior executives from the very top-levels of government and business, gives the Atlantic & Pacific Exchange Program incredible access worldwide.

The Board of the Program consists of Harry H.M. Groen, Chairman: William (Bill) Sweeney: David J. Gribbin III; A.A.M.F. (Jos) Staatsen; Rein Jan Hoekstra; and Lisette Tiddens, Treasurer. The daily management rests with Vice Presidents Lia E. Rosenbrand, Elaine P. Springford and Dolly Lim.

The organization is financially supported by more than 80 government and business organizations such as Canon (world-leader in fax and photocopying technology), all Dutch ministries, the Netherlands Bank, Central Bank of Japan, ABP (world's second largest pension fund), Unisys (world-leader in information technology), ING (world's 2nd largest diversified financial services group), Heineken (world's second largest brewer), Aegon (one of Europe's leading insurance companies), Port of Rotterdam (world's biggest seaport), and Joh. Enschedé (the world-famous Dutch currency printer). Other examples are Olympus, Hitachi, Rabobank, Deloitte & Touche, Nomura Securities, Kikkoman, Pioneer, and Amsterdam Schiphol Airport.

In addition to its international standing, reputation, and global networking ability, the Atlantic and Pacific Exchange Program is unique in that it focuses on the ferociously busy top executive and provides him with an intensive one or two week program - offering him a floating seminar consisting of meetings and experiences, directly in point to the issues which he had previously told the Program he wished to explore in the other country. A similar approach is used with group programs.

Some History

In January 1632, two internationally famed scholars, Caspar Barlaeus and Gerard Vossius, delivered their first lectures in the Athenaeum Illustre, the Illustrious School. It is generally regarded as the forerunner of the *Universiteit van Amsterdam*.

In 1815 it achieved official status as an institute of higher education, although it could not confer the doctoral degree. This changed in 1877, when the Athenaeum Illustre became the municipal university of Amsterdam and was finally allowed to grant the highest degrees.

As the new name indicated, the university was still a municipal institution. Professors were appointed by the city, and the Burgomaster was ex officio president of the governing body of the university. This did not change until the 1960s, when state government assumed financial responsibility and the adjective 'Municipal' was dropped from the university's name. Years of rapid growth were to follow.

In recent years the expansion of the *Universiteit van Amsterdam* took on an even more frantic pace. The university now employs about six-thousand people, and there are about 26.000 students. At the same time the number of university faculties has increased to fourteen. Some of them had to be housed outside the city centre, and a new teaching hospital (the AMC) and research facilities for the natural sciences were build at the city's edge. The result of this is today's large institution with a wide range of fields of study, numerous unique and high quality research projects, educational opportunities in approximately one hundred degree programmes and a sound international orientation. And yet the *Universiteit van Amsterdam* remains closely linked, in geography, history and culture, to the city whose free-spririted Burgomasters established the Athenaeum Illustre.

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Figures *(12-01-94)*

STUDENTS:	FACULTY:	STAFF(fte):
609	Biology	251
3429	Economics and Econometrics	239
1714	Medicine	798
114	Theology	23
6037	Arts	641
673	Educational Sciences	185
4862	Social Sciences	335
1841	Psychology	207
4297	Law	266
1222	Environmental Sciences	273
483	Chemistry	359
372	Dentistry	168
916	Physics, Astronomy Mathematics and Computer Science	340
276	Philosophy	40
- -	Non-departmental staff	639
26845	**Total**	**4759**

INCOME AND EXPENDITURES (in millions of Dutch guilders)

Income	
Governmental contributions	601
Tuition and other contributions	56
Income from research	78
Other Income	37
Total income	**772**
Expenditure	
Staff expenses	455
Other expenses	305
Total expenditure	**760**

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Administration & Organisation

The structure and the administration of the universities in the Netherlands are established by law. The central governing bodies are the Executive Board and the University Council. The Executive Board is responsible for the day-to-day management of the university and has three members. Two of them, among whom the President, are appointed and discharged by Royal Decree. The third member is the Rector; he is the chairman of the Board of Deans.
The University Council consists of thirty members. Ten of them are elected by the university's academic staff, ten by the managerial and auxiliary staff, and ten by the students. The University Council is responsible for general policy planning and approval of the budget. The Board of Deans, chaired by the Rector, is an advisory body that consists of the deans (chairmen) of the university's departments. This board advises the Executive Board and the University Council on education and research.

Faculties In the Netherlands, universities are subdivided into faculties; the *Universiteit van Amsterdam* has fourteen of these. Faculties are also run by a board and council. The council includes representatives of academic staff, managerial and auxiliary staff, and students. The council decides on study programmes and draws up regulations for research. The board, which is elected by the council, deals with the day-to-day running of the faculty. The faculty's board is chaired by the Dean, who also represents the department in the university's Board of Deans.

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Anne Frank House

The whole world, it seems, knows the story of Anne Frank, one of the Jewish victims of Nazi persecution during World War II. During her period of hiding as a young girl, Anne Frank kept a diary, in which she described daily life in the back annex, the isolation and the fear of discovery. The house where Anne Frank spent over three years, 263 Prinsengracht, has been open to the public since 1957. Since then it has been a symbol of the battle against prejudice, discrimination and oppression.

Talking Points

-- I read "The Diary of Anne Frank" as a young girl myself, as has my daughter Chelsea. I was moved then as now by her courage and strength, as well as impressed by her ability to articulate her feelings so thoroughly.

-- I know that in just a couple weeks she would be celebrating her 68th birthday. I am only one of millions of people worldwide who mourn her loss, and the loss of so many others like her.

-- Thank you for allowing me to see where she spent so much of her young life. The house speaks for itself and remains a symbol of what we must never allow to happen again.

International law
Peace can occur only
through equality.

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Netherlands: Women's Issues

Dutch women are increasingly entering the job market, but traditional cultural factors and inadequate child care facilities can discourage women -- especially those with young children -- from working. Although more than 40 percent of the Dutch work force is female, many women work only part time. Only 52 percent of women ages 15-64 have jobs, and only 42 percent of those work more than 35 hours a week. By contrast, 75 percent of men in this age group are employed, 88 percent of whom work 35 or more hours per week.

Women are making up the arrears they had experienced in education. At present, girls form the majority in higher secondary education where they also score better then their male colleagues, and in 1996, for the first time, as many women as men entered college and university. Nonetheless, women are often underemployed and have less chance of promotion than their male colleagues. The unemployment rate of women reentering the labor market is high. A 1993 study of central government civil servants showed that, while 58 percent of those in the lowest salary grade were women, only 9 percent in the highest grade were women. These problems notwithstanding, women are making steady progress by moving into important professional and high-visibility jobs.

In 1988, the government instituted affirmative action programs for women. Collective labor agreements usually include schemes to strengthen the position of women. Legislation mandates equal pay for equal work, prohibits dismissal because of marriage, pregnancy, or motherhood, and provides the basis for equality in other employment-related areas. A legislatively mandated Equal Treatment Commission pursues complaints of discrimination and allegations of pay differences.

The Dutch social welfare/national health systems provide considerable assistance to working women with families. Women are eligible for 16 weeks of maternity leave at full pay. The Parental Leave Law allows new parents to work only 20 hours a week over a 6-month period. Women have full legal and judicial rights and enter marriage with the option of choosing community property or separate regimes for their assets.

Women's groups dedicated to such issues as equal rights in social security, the legal position of women, sexual abuse, taxation, education, work, and prostitution operate freely. The law requires employers to take measures to protect workers against sexual harassment; research showed that one in three working women has experienced sexual harassment in the workplace. The Government runs an ongoing publicity campaign to increase awareness of the problem. As the biggest employer in the country, it has taken measures to counter harassment among civil servants, for example, in the police force.

Battered women can find refuge in a network of 48 government-subsidized women's shelters offering the services of social workers and psychologists. In addition, battered women who leave their domestic partners become eligible for social benefits which include an adequate basic subsidy as well as an allowance for dependent children. Nongovernmental organizations also advise and assist women who have been victims of sexual assault. Since 1991 marital rape has been a crime and carries the same penalty as rape. Spouse abuse carries a one-third higher penalty than ordinary battery. However, since the judicial system does not compile statistics distinguishing spouse abuse from battery, it is difficult to estimate the extent of the problem. The most recent study, by the Ministry of Welfare, Health, and Culture in 1989, showed that over 20 percent of women in heterosexual relationships were victims of violence during their lifetimes. Slightly over half of these suffered repeated severe violence.

Government priority measures to combat trafficking in women for prostitution include a more aggressive prosecution policy and closer international cooperation. The Dutch government recently sponsored a conference of EU ministers on this issue. A number of police forces have established special units to handle related crimes. The Dutch Foundation Against Trafficking in Women estimates that each year around 1,000 women are brought into the Netherlands for the purpose of prostitution, not only from Central and Eastern Europe, but also from the Far East and West Africa. Women who are forced to work illegally as prostitutes and who are apprehended have special exemptions in immigration law and receive counseling and legal assistance.

On the international scene, the Netherlands played an active role in the Beijing Women's Conference and the Cairo Population Conference. The Dutch actively support population programs as part of their foreign assistance which totals about $4 billion per year.

Suggested Talking Points

-- The Netherlands record on promoting the full involvement of women in all aspects of society is exemplary. I am especially encouraged by the high number of women university graduates and strong tradition of legal protection for women. I commend you.

-- We may have something to learn from the Netherlands on the use of part-time employees -- is this seen as a way of combining child care and professional opportunities for both men and women?

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Netherlands: Children's Issues

The Netherlands works to ensure the well-being of children through numerous well-funded health, education, and public information programs. The Council for the Protection of Children, operated through the Ministry of Justice, enforces child support orders, investigates cases of child abuse, and recommends remedies ranging from counseling to withdrawal of parental rights. Justice Minister Sorgdrager wants a European Center for Missing/Exploited Children like that in the U.S. In addition, the Government has set up a popular hot line for children and a network of pediatricians who track suspected cases of child abuse on a confidential basis. There is no societal pattern of abuse of children.

The minimum employment age is 16; completion of ten years of schooling is required before a child can work full time. The Dutch are very active against child labor abuses and work closely with the U.S. The Dutch government hosted a major international conference on child labor as a centerpiece of its current EU Presidency. The U.S. participated actively. There is strong support here for the use of labels on foods and other products (e.g. Rugmark and Fair Trade labels) showing that products were produced without child labor and for a fair wage. Fair Trade shops specialize in such products.

International sex tourism involving abuse of minor children is prosecutable under Dutch law. For the first time ever, a Dutchman was tried in the Netherlands in 1996 for abuse of minors in the Philippines. In October he was convicted and sentenced to 5 years' imprisonment for sexual abuse of minors, some as young as age 11. The maximum penalty for child pornography was raised from 3 months' to 4 years' imprisonment, 6 years in the event of financial gain, and the maximum fine was more than tripled. New legislation allows for provisional arrest, house searches, and criminal financial investigations. Moreover, the authorities will no longer have to prove that a person possesses child pornography for the purpose of distribution or public display. The possession of pictures of sexual behavior with minors alone will be sufficient cause for prosecution. There is a national contact point to report Internet pornography, but Dutch police need permission from prosecutors to work under cover to obtain evidence for prosecution.

All drugs are illegal, but the Dutch treat drug use as a health, not a crime problem. There are strong anti-drug programs in schools and in places where the young congregate focused on demand reduction. A national study showed 13.6% of youth aged 12-18 had used cannabis at least once; 6.5% had used it "last month". Alcohol abuse has declined among the young, but the rise in XTC use causes grave concern. An education

campaign is underway; law enforcement action against XTC production has increased. The number of hard drug addicts (about 25,000) has stabilized; the average age has risen.

The 1976 Public Prosecutors' decision not to prosecute for small marijuana sales led to the coffeehouse phenomenon. While the number and operation of coffeehouses is being controlled more tightly due to international and community pressure; the wall between "soft" and "hard" drugs is unlikely to fall soon.

Suggested Talking Points

-- We need to continue to work together to end child labor and child abuse. These are issues of great importance to the President and his Administration.

-- While we disagree with the Dutch approach to cannabis, we do agree on the need to reduce demand for drugs and to continue working cooperatively internationally to combat narcotics trafficking and the crime it spawns.

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Netherlands: Education System

Freedom of education is guaranteed by the Dutch Constitution (1848). The broad range of schools in the country include Roman Catholic, Protestant, Jewish, Islamic and Hindu as well as public schools established by municipalities and private schools funded by other private parties. These schools employ a variety of educational principles.

Three-quarters of schools in the Netherlands are privately-governed, but the government supervises the entire system. All schools which comply with statutory requirements receive government funding. Children must attend school between the ages of 5-18. Attendance may be part-time after the age of 16. All schools conduct lessons in Dutch. In the province of Friesland, the Frisian language is also used.

Primary education is intended for children between the ages of 4-12 and there are 7,822 primary schools in the country. The program is divided into eight "year groups" aimed at promoting the child's emotional, intellectual and creative evolution as well as the developing adequate social, cultural and physical skills. In addition to standard subjects, attention is given to gymnastics, religion, and in the final two years, to English.

The Dutch Education Ministry is currently examining way in which education and society can address the question, "what will we need to know in the year 2010?" This year the government will implement measures designed to promote the quality of primary education. It plans to reduce the size of classes with priority given to the lower forms and make substantial investments in information and communications technology in primary and secondary education.

There are 994 special schools for students aged 3-20 suffering from mental, physical and/or social disability. A government project entitled "Back to School Together" encourages greater cooperation between mainstream and special primary schools aimed at keeping disabled children in mainstream schools as long as possible. Since the two types of schools have been working together, fewer children require places in special schools.

Secondary education begins at age 12 and varies considerably from the U.S. system. It is sub-divided into pre-vocational education (VBO); junior general secondary education (MAVO); senior general secondary education (HAVO) and pre-university education (VWO).

Suggested Talking Points

-- I applaud the Dutch government's initiative in looking ahead to the year 2010. With technology advancing as quickly as it is today, it is crucial that we all try our best to stay one step ahead.

-- I was interested to learn of the primary education system which involved "year groups" as opposed to grades of one-year each and would like to know more about what that involves and how they work.

-- The Netherlands excels in education, as demonstrated by the high number of university graduates, as well as your outstanding language skills. I commend you.

THE LABOUR GOVERNMENT AND CHILDREN'S ISSUES

Education and children's issues were at the heart of Labour's campaign in the recent general election. One of Blair's five main promises in the campaign was to lower class sizes to 30 or under for five, six and seven year-olds. At the same time, he pledged to create a youth employment program that would help 250,000 unemployed young people find work. Labour also promised to expand nursery education and child care, though the party did not make specific spending commitments to do so. Since coming to office, Labour's Secretary for International Development, Clare Short, has promised to strengthen British support for the International Labor Organization's efforts to eliminate child labor.

All things considered, the status of children in the U.S. and UK is roughly comparable. However, Britain in 1996 had a higher general poverty rate than the United States and the highest in the European Union (22 percent of the population in the UK as compared to 13.8 percent in the U.S. in 1995), and a concomitantly higher child poverty rate (32 percent as compared to the 1995 U.S. rate of 20.8 percent). Unemployment and child poverty remain rooted in several distinct geographical areas, especially Liverpool and Northern Ireland. In Liverpool for example, some 56 percent of young men over age 16 remain jobless - and this has been the case since the destruction of the city's docks in World War II.

The connection between child poverty and crime has been at the center of Labour's concerns and prompted the coining of Prime Minister Blair's most successful campaign slogan, "tough on crime and the causes of crime." To break the cycle of poverty, Labour has set out a program intended to provide increased early childhood education and jobs-training for older teenagers leaving the equivalent of high school.

Labour has also begun preparing legislation that will implement "zero tolerance" programs to curb disorder on the streets and reduce the time between arrest of juvenile offenders and their trial and sentencing. As Home Secretary Jack Straw explained in a recent BBC radio interview, Labour believes that reducing the length of time from several years to several months between the committing of an offense and trial will contribute to a cultural understanding that there is a price to pay for crime. Straw is also proposing establishing a curfew for children under 10; if found outside the home during curfew hours, such children would be taken home by a policeman and a social worker.

Post-it® Fax Note 7671 | Date 5/21 | # of pages ▶ 3
To Brenda Costello | From M A Peters
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THE LABOUR GOVERNMENT AND WOMEN'S ISSUES

Women's issues played a distinctive role in the recent British election. During a campaign in which the Labour party positioned itself near the Conservatives on a number of key domestic and foreign policy issues, Labour's support for its women candidates clearly distinguished the party from the Tories. One hundred and ten women Labour MP's won seats in Labour's landslide victory, five of whom became cabinet secretaries in the new government (by seniority: Margaret Beckett, President of the Board of Trade; Ann Taylor, President of the Council and Leader of the House of Commons; Harriet Harman, Social Security Secretary; Mo Mowlam, Northern Ireland Secretary; and Clare Short, International Development Secretary).

Although Labour advocated creating a cabinet-level women's affairs secretary in its election manifesto, the limit on cabinet positions (no more than 23) prevented Prime Minister Blair from carrying out that pledge. Consequently Health Secretary Harman has received the women's affairs portfolio. Given the strength of Labour's commitment, however, it is possible that Prime Minister Blair may revise his cabinet and create the position.

Scholars have long pointed out that one significant difference between the U.S. and Britain is the somewhat larger number of women active in politics and holding high office. But despite the greater achievement of British women in the politics, one of the greatest similarities between the two countries is the relatively unequal status of women in the workforce in comparison to men.

For example, in Britain in 1996-97, women accounted for 45 percent of the workforce; in the U.S. in 1995 the figure was 46 percent. In the UK, 80 percent of part-time employees were women, versus about 68 percent in the U.S. In both countries, women remain over-represented in low-paying jobs: in the UK, women's average earnings (excluding overtime) were about 80 percent those of men, compared to about 75 percent in the U.S.

Before the election, the Labour party committed itself to ending unequal pay by revising existing legislation and by taking steps to increase job creation and employment. In addition, Labour pledged to provide educational opportunities to women to enter professions in which they are currently underrepresented. The party also promised to provide for "family friendly" employment by "encouraging employers to help women and men combine work with family responsibilities."

Labour's campaign promise to adopt the European Social Chapter, announced formally as part of the government's program in the Queen's Speech on May 14, will provide for family leave. The new government has also announced it will implement EU working-week limits.

THE LABOUR GOVERNMENT AND EDUCATION

During the campaign, Tony Blair said his top three priorities were: "Education, education, and education." Indeed, education is one of the foremost issues before the British public today, because of the economic need for better educated young people, shifts in education policy by previous Conservative governments, and continuing budget cuts. For most parents of school-age children, the prime issues are standards, safety, and budgets.

Standards

There is a widespread perception in Britian that educational standards continue to drop, particularly in the basic areas of reading, writing and arithmetic. Labour's election manifesto claimed that "nearly half of 11 year olds in England and Wales fail to reach expected standards in English and maths." The Queen's speech on May 14, which laid out the government's legislative agenda for the upcoming Parliamentary session, gave top priority to legislation aimed at raising standards in schools.

Safety and Discipline

A recent series of violent incidents have heightened perceptions that many schools are at the mercy of madmen or violent gangs. A growing number of schools have become more security-conscious. But in many others, particularly in inner cities, students are seen to be out of control-- a situation exacerbated by the pressure on schools to cut staff.

Budgets

Education is widely seen as badly underfunded. Concerns include staff cuts targeting the most experienced (and expensive) teachers; crumbling buildings; and inadequate books and equipment. Most state schools are funded through a local government system, giving the central government little say on local education budgets.

During the election campaign, the Conservatives promised to widen school choice. This included expanding the Assisted Places scheme, which uses government money to send children to independent (private) schools. In contrast, Labour vowed to abolish this scheme to finance increased teacher-to pupil-ratios for 5 to 7 year olds.

Labour has also proposed cutting primary school class sizes for 5 to 7 year olds; establishing a General Teaching Council to raise teaching standards; improving the vocational curriculum for 14 to 19 year olds; and abolishing grant maintained schools, one of the Conservative reforms of the 1980s, by which schools could opt out of local government control. Tony Blair attracted much criticism when, as Opposition Leader, he chose to send his oldest son to an independent school in west London.

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The Rijksmuseum

The Rijksmuseum is the largest museum in the country and home to a splendid and internationally renowned collection of art. Its main attraction is a magnificent selection of Dutch paintings from the Golden Age (17th century), including works by Rembrandt (of particular interest is "The Nightwatch"), Vermeer and other famous masters such as Frans Hals, and Jan Steen.

Talking Points:

-- I appreciate the opportunity to see even a small part of your vast art collection.

-- Although I did have a chance (if she did) to see the Vermeer collection when it came to Washington last year, it will be a special pleasure to see some of it here, in its natural environment.

-- Thank you for preparing a tour for me which will, I know, only whet my appetite for more, perhaps at a later date.

DUTCH CONSENSUS OR "POLDER" ECONOMIC MODEL

-- Consultation is a characteristic and decisive element of the Dutch economy, in particular in industrial relations.

- o After the war, government, labor and management joined forces to rebuild the country. Dutch unions agreed to wage freezes to permit the accumulation of capital needed to recreate the national economy. Wage demands were only made again in the 1960's.
- o Since 1950, organizations of both employers and employees (the social partners) and the government have been discussing the main lines of policy on subjects such as wage developments, training and employment.
- o All parties strive toward reaching agreement. This is why the Dutch economy is sometimes referred to as a "consensus economy" or the "polder model" (after the "polders" or areas of land which Dutch communities, working together, have created by draining marshes or pushing back the sea)

what is Dutch foreign aid

-- The Dutch "polder model" has received much international praise.

+ bradder

- o Because of the tripartite agreements on wage restraint and reduced public burdens, the economy and employment have grown considerably. Unemployment in the Netherlands (5.7% in February 1997) is the lowest of all EU member-states, except for Austria and Luxembourg. The Netherlands has met the targets to qualify for the EMU.

- o In the Netherlands, agreements made between employers and employees on terms of employment are generally set out in a collective labor agreement. More than 70% of all Dutch workers work under the terms of such an agreement. There have been very few strikes in the Netherlands over the years.

-- The Netherlands operates an extensive social security system. Every Dutch person who due to sickness, unemployment or old age, is unable to work has the right to a benefit. Despite the rather generous system, the Dutch have been able to strike a balance between the welfare state and a sound economy.

ENVIRONMENT POLICY: ANOTHER AREA OF CONSENSUS

-- Another example of the successful Dutch consensus model is in environmental policy. The Dutch government works closely with industry and NGOs on the formation and implementation of environmental policy.

-- To be able to reach environmental targets, the government has signed voluntary contracts, "covenants", with the private sector and other related organizations. These covenants are also based on the Dutch concept of close partnership between government and industry. One of the key issues for the Dutch is the integration of environment and a sustainable industry.

  o There is interest in the U.S. in adapting the covenant process as a way of building consensus on measures to protect the environment.

-- The Netherlands is a major player in fostering new environmental policy initiatives, both in the EU and in international fora. They are active in promoting sustainable development and the integration of environmental policy into areas such as trade, economics, energy, agriculture, technology, transport and development cooperation.

-- The Netherlands has formally incorporated environmental issues into its diplomatic agenda.

Points for POTUS remarks in the Netherlands:

-- Our partnership with the Netherlands is our oldest continuous diplomatic relationshio and dates back to 1782.

-- Our excellent bilateral relations are based on close historical and cultural ties, and a common dedication to individual freedom and and human rights.

Economics/Trade

-- The Dutch share our commitment to an open market and free trade.

-- We enjoy among our strongest bilateral economic and commercial ties with the Netherlands. It is our 8th-largest bilateral trading partner; we run a $10 billion-plus annual trade surplus with the Dutch. The Netherlands is the 3rd-largest direct investor in the US ($70 billion).

-- The Dutch have been in the European vanguard of liberalization and privatization, and their economy is one of the most open in the world to trade and investment.

-- The Dutch benefit from one of the strongest economies in EU, with growth rates the the envy of Europe.

-- More than 1,600 US companies have operations in the Netherlands, and more than 40 percent of US exports to Europe pass through the Netherlands.

-- The Dutch have worked with us in the Uruguay Round, at the WTO, in the OECD, and within the EU for a more open, honest, and market-led global economy.

-- Dutch strongly support keeping EU markets open to CEE and of expanding EU eastward, both major US goals.

Foreign Policy

-- Dutch role in world affairs is disproportionate to its size.

-- The Dutch have been a close ally since World War II and today host the U.S. Air Force's 32nd Fighter Group at Soesterberg (Check).

-- The U.S.-Dutch relationship is characterized by frequent and frank exchanges of views on the full range of foreign policy issues. We value the advise of

-- The warmth of our relations was emphasized by two successful visits by President Bush (in 1989 and 1991) and now by the visit of President Clinton.

-- During the Gulf War, the Dutch contributed militarily and economically to the Allies victory. They also sent Partiot Missiles to Israel, as well as 1400 troops for Operation "PROVIDE COMFORT" for the Kurds.

-- The Dutch participates actively in multinational interdiction force to monitor UN sanctions against Iraq and joined international efforts to bring democracy to Haiti.

-- As a NATO member and active participant in efforts to develop European security architecture, the Dutch are committed to maintaining a strong transatlantic connection.

-- Similarly, the Dutch have encouraged their European partners to see the benefits of strong transatlantic cooperation.

-- The Dutch remain central to achieving full implementation of the Dayton Agreement and making progress toward reconstruction in Bosnia.

-- Dutch soldiers took part in UNPROFOR and IFOR, and now SFOR. Dutch police officers are the mainstay of the International Police Task Force.

-- The Dutch commitment worldwide extends far beyond Europe, to reinforcing the Middle East peace process, assisting in Africa, reforming the United Nations, and promoting market economics, democracy and respect for human rights globally.

-- The Dutch are major bilateral contributors of foreign assistance throughout the world. In addition to assistance provided through the EU and IFIs, the government manages a national aid budget of $4 billion per year.

-- In Latin America, the Dutch have taken active steps to promote democracy and human rights in Cuba and wage a common war against drug traffickers and international criminals in the Caribbean and elsewhere.

-- The Netherlands has joined us in efforts to freeze and terminate North Korea's nuclear weapons program, and has contributed to the Korean Peninsula Energy Development Organization (KEDO). In addition, the Dutch have provided the political leadership to bring to a conclusion negotiations for EU accession to KEDO.

FAX

TO: From: **WENDY GRAY**
WHITE HOUSE COMMUNICATIONS OFFICE

FAX #: 202-456-9370

OF PAGES: FOURTEEN (14)

~~FROM:~~ TO: → GARY ROBBINS
AMEMBASSY THE HAGUE

FAX #: 31-70-310-9348

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SUBJECT: ROTTERDAM INFO

Have received only the attached 11 pages. Thanks!!

Attached is background information about the history and present significance of Rotterdam. Also attached FYI are copies of recent speeches delivered by Rotterdam Mayor Bram Peper ("PAY-per") which relate to the ties between Rotterdam and the US.

For purposes of the visit of POTUS and FLOTUS, we suggest that Rotterdam remarks focus on the following themes:

(1) Historic Links: From the small port of Delftshaven ("DELFS-hah-ven"), now part of Rotterdam, the Pilgrims set sail in 1620 on a voyage which ended (via England) at Plymouth Rock. From this historic beginning, Rotterdam became the ...

(2) Gateway to America: (FYI: The "Thank You America" event will take place on the Wilhelmina Pier, site of the Holland-America Lines terminal, situated directly in front of where POTUS will speak). Approximately one million European emigrants -- Dutch and non-Dutch alike -- embarked over the years from this site for the US..

(3) Rebirth/renewal: After total devastation during WWII, Rotterdam rose from the ashes to once again become the largest port in the world. Marshall Plan assistance played a central role in this process., as did the elbow grease of Rotterdamers.

(4) Gateway to Europe: Rotterdam was also the principal port through which MP aid flowed to other European destinations. Today, it is the world's largest port.

(5) Common Man/Woman: (FYI, a Dutch musical ensemble will play Copland's "Fanfare for the

Common Man" after POTUS' arrival.) Rotterdam has always been a working-class town, deriving its strength and character from its docks, ships, and the commerce they serve.

(6) People-to-People/Global Outlook: As a seafaring people, Rotterdamers are outward-looking, always seeking ways to expanding links to other lands and other peoples.

(7) Bridges from the Past, to the Future: Known as "The Swan", the recently-opened and modernistic Erasmus Bridge will be a powerful visual backdrop to the POTUS event.

Rotterdam

The second-largest city in the Netherlands; the largest port in the world; the economic, social and cultural center for the Rijnmond area; the industrial heart of the Netherlands; the country's largest metropolitan area...
These are a few characteristics of Rotterdam. More than one million people live in the region. 600,000 of them living within the city limits.
The total land surface covered by Rotterdam is almost 67,000 acres of which 26,044 acres is harbor area.

History

The fact that Rotterdam is situated at the meeting point of various waterways has played an important role in the city's development. It is in the port of Rotterdam that the North Sea meets the estuaries of the rivers Rhine and Meuse. That the port is easily accessible for the import and export of a wide variety of goods, is partly thanks to the 'Nieuwe Maas' and the 'Nieuwe Waterweg'. It is for the same reason that Rotterdam can consider itself one of the world's largest and most important ports....

The beginning

It is generally accepted that the name Rotterdam derives from the river the Rotte where a dam was supposedly built around 1250. A settlement grew up around the dam, originally inhabited by fishermen. In the course of time, however, trade and shipping activities developed, whereby Rotterdam really began to take shape.
In approximately 1328 the first port activities began, with the construction of the Old Harbour (Oude Haven). Duke William IV granted the city its official city charter in 1340. This date was later taken to signify the 'birth' of Rotterdam.
It was not long before the traffic in products attracted attention to the city, and links developed with ports in England and Portugal. Exports increased. In the 14th and 15th centuries another twelve harbours were constructed and Rotterdam developed into a prosperous Dutch harbour town.
Many floods and resulting changes to the delta meant that Rotterdam was only accessible to sea-going vessels via a long detour. Despite this poor sea link, the city experienced a revival in the second half of the 16th century. One of the reasons for this was the Eighty Years War with Spain. Tradesmen fleeing from Antwerp, bringing with them their expertise, connections and knowledge of foreign parts, were of particular use to Rotterdam at this time.

Development of port and city

City Pensionary Johan van Oldenbarnevelt is one of those responsible for initiating new port expansion. In 1592 the 'Haringvliet' formed the home port for the herring boats, and shipyards emerged along the river banks. Rotterdam by now had 20.000 inhabitants. In the second half of the 17th century Rotterdam was not only a trading centre, but had also become the home of sea heroes like Piet Heyn, Tromp and Witte de With.

In the centuries which followed, migration caused a sharp rise in the number of inhabitants: in 1857 the city already had a population of some 100.000.
Industrialization in Germany and England led to an increase in the transit of goods after 1850. This was further stimulated by the introduction of more liberal customs regulations by King William I.
Around 1850, a start was made on the construction of a bridge to the southern banks of the river, still virtually virgin territory. Port construction provided employment for tens of thousands of workers, and so emerged a new city: Rotterdam South.

The opening

In the middle of the last century Rotterdam was still struggling with the problem of the Meuse estuary. In order to solve this blockage dilemma once and for all, a start was made, in 1864, on digging a channel, free from sluices, which would form the mouth of the Rhine and Meuse as they entered the North Sea. This waterway, the 'Nieuwe Waterweg' turned out to be deep enough to accommodate large ships. The direct connection with the sea meant that Rotterdam was now the import and export point for the German coal and steel industry. Bulk transport was born.

Setbacks

In 1878 Rotterdam's first permanent cross-river connection became operational: the Willemsbrug (William Bridge). The leap across to the southern banks had been made. The huge flow of new inhabitants led to an urgent need for more housing.
Epidemics broke out as a consequence of insufficient supplies of clean drinking water. Institutions such as waterworks, public cleansing, public transport and gas and electricity works had therefore been established by the municipality by the end of the 19th century.
The Housing Act, which compelled the municipality to make plans for expansion, took effect in 1902 and led to the initial construction of such districts as Tuindorp, Vreewijk and Spangen.

The great crisis of the thirties hit Rotterdam harder than most other towns. The Second World War also caused serious damage to the city; on May 14th 1940 German bombs destroyed the whole city centre. This meant the loss of 900 lives and the destruction of a built-up area covering some 258 hectares.
Following liberation, the City Council decided to give priority to the recovery and expansion of the port area. The opening up of the Botlek area and the construction of the Botlekbrug (Botlek Bridge) were necessary for the realization of heavy seaport industry, with industrial activities (mainly petro-chemicals) now emerging in Rotterdam alongside the transit operations.

Within the context of economic recovery in Europe, the port played an important role in the supply of raw materials and goods. The port- and industrial area began to shift more and more towards the west. Residential estates were built on the edge of the city.

Growth and exodus

The port- and industrial areas Botlek and Europoort were completed in 1957 and 1968. In the meantime, construction of the Maasvlakte had begun.
The huge growth in employment opportunities in Rotterdam encouraged many migrant workers from Mediterranean countries to settle here in the fifties. By 1962 Rotterdam had become the world's largest port for the transshipment of goods.
Two years later the city reached its highest ever number of inhabitants: 731.564.
Many Rotterdammers then tended to leave the city, to settle in neighbouring municipalities. In order to counteract this process of 'exodus' and to make the city habitable, the City Council decided to renovate and build more houses. Despite these building activities, the demand for housing simply could not be met.
When the oil crisis broke out in 1973, Rotterdam was hit hard. The city is very sensitive to swings in the trade cycle, particularly due to its petro-chemical industry; unemployment struck hard, also due to the decline in the ship building industry in Western Europe.

Lately, Rotterdam has been fully engaged in developing new possibilities for growth in the port and city. With the programme for 'The New Rotterdam' renewal in the economic, physical and social sense has been put into effect. *Work* and *safety* have a high priority in the policy programme for the coming years.
At present, Rotterdam is the administrative and economic centre of the region, which consists of 18 municipalities. Together they form the city region of Rotterdam. In the spring of 1997 the City Council will decide about the future strategy for the city till the year 2005.

.....

Three hundred and seventy five years ago the Pilgrim Fathers sailed away from the small port of Delfshaven, the landlocked city of Delft's gate to the river Rhine and the North Sea. After a stopover in their home country, in Southampton and Plymouth, the Pilgrims set out for their, at that moment for them unknown destination, a place on the coast of the bay protected by the Cape Cod peninsula, a place that we call today Plymouth in Massachusetts.

Thus the stream of emigrants from the port of Rotterdam to the North-American continent begins to flow.

By the way, you may be aware of the fact that I deliberately violate the historical truth a little bit by making Delfshaven in the 17th century already a part of the city of Rotterdam. But such a mistake one can easily make nowadays.

The stream of European emigrants sailing to North America from our qays along the river Rhine steadily broadened in the centuries. That stream would create a special relationship between Rotterdam and America. The Rotterdam emigrants slowly crept into the American continent by settling down, apart from Massachusetts, in Pennsylvania, Michigan and Iowa.

Permit me, ladies and gentlemen, to make a big leap forward in history now. At the end of the 19th century the flow of European emigrants to the United States had become a wild whirling stream. From 1892 onwards Ellis Island was the sluice through which this stream had to be directed. All those millions of people that, after passing through the gates of Ellis Island, spread like an oil-slick westwards across the United States.

About one million emigrants came from Rotterdam. And the Holland-America Line carried them across the Atlantic Ocean. This Rotterdam shipowner became an expert in the transportation of emigrants. The Line not only carried its 'tween-decks' passengers

from the river Rhine to the river Hudson. No, they took care of the emigrants' voyage by train from places deep in the European continent to Rotterdam, and from New York to whatever place in the States.

But, ladies and gentlemen, the most important link in the chain that was forged for the transport of emigrants was the ship. The Holland-America Line steamship 'Rotterdam' of 1908 was one of those ships. A special one. The biggest vessel of the then Dutch merchant fleet, that could carry an ample two thousand two hundred emigrants each voyage.

In her days the 'Rotterdam-four', as she is officially called, many, many times arrived at her jetty in the river Hudson in downtown Manhattan. From there her third class passengers were transferred to Ellis Island for a final check before entering the United States.

And now, ladies and gentlemen, we arrive at the point where I must clarify the presence of our distinguished American guest, mrs Ann Belkov. Superintendent mrs Belkov is today's director of the Statue of Liberty National Monument and Ellis Island National Park. She is managing the American immigration museum on Ellis Island, a house full of memories of the heydays of the immigration.

Mrs Belkov, I am very glad that you are here today. And to celebrate your presence here I should like to give you a present for your museum, a present that has been promised to you some time ago.

I should very much appreciate indeed your disclosing the character of that present yourself - thus officially opening the exhibition 'When they left Rotterdam, four centuries of emigration'.

Points of interest for the speech to be given by Mayor Dr. A. Peper at the dinner gathering of the Rotterdam America Business Club, 11 April 1996.

A special tie between Europe and the United States

Europe, and the Netherlands in particular, has traditionally had a special relationship with the United States. By way of the Pilgrim Fathers, Peter Stuyvesant and the enormous stream of European emigrants who have established themselves in the United States since the end of the last century, these ties have already become strongly anchored in history. The relationship, however, has become particularly deepened during this century, and strong economic ties have developed as well. Europeans and Americans understand each other; in general, they have the same view of the world. The military alliances are a good example of this. But our philosophies in the areas of commerce and politics also display great similarities; here we agree time and again.

The port

Between Rotterdam and America there exists yet another tie: that of the port. Since 1962, Rotterdam has been the largest port in the world, a title taken over from the port in New York. The Port of Rotterdam is a modern, reliable, environmentally conscious, well-equipped and safe port where more than 30.000 ocean-going vessels put in every year and where almost 300 million tons of cargo are transshipped. It's become the centre of a worldwide web of trade, transport and distribution. The Mainport for Europe.

One of the unique aspects in regard to the quality of Rotterdam harbour is its favourable geographic location within Europe. The Netherlands is centrally located with a market of 350 million European consumers within easy reach. For storage and distribution, this makes it an ideal location, with great advantages when it comes to efficiency and costs. The Netherlands as Europe's distribution centre - this applies even more so to Rotterdam, a city that also has an exceptionally good system of transport modes: pipelines, maritime shipping, inland shipping, railways and roads.

An ideal base of operations for internationally oriented businesses.

But it's also a port that occupies an important place in American military logistics. After all, a substantial part of the American materiel that was launched during the Gulf War was shipped from Germany by way of Rotterdam - a fact that certainly says something about the quality of the services provided in our port...

Quality of life

A peaceful work climate, a high production rate, the thorough knowledge of languages possessed by Dutch people, the tax regime and the communication ties - all of these form important advantages when international companies are looking for a new location. Rotterdam also directs attention to its quality of life. The city and the surrounding region must be an attractive place in which to live, to work and to spend one's free time.

Some examples:

- High-quality residential areas in Prinsenland, developments in the Kop van Zuid with the beautiful Erasmus Bridge, the revitalization of the area surrounding the central railway station, the Weena and the Schouwburg Squares, the facelift in the city's shopping centre known as the Beursplein and Lijnbaan.
- The International Education Centre (Japanese and American international schools). Rotterdam is proud to have this outstanding educational centre within its city limits.
- The international culture scene in Rotterdam with such events as Poetry International, the Filmfestival, world-famous museums, and the Rotterdam Philharmonic Orchestra under the direction of Valery Gergjev.

An approach to the problems associated with drug use

The quality of life in the city is also a driving force behind the large-scaled approach to problems associated with drug use within the city. The Dutch

drugs policy is not only aimed at repressing the use of drugs but also at the management of the public health aspects of drug use. In this regard, we are achieving good results. Rotterdam has approximately 4000 people who are addicted to hard drugs. Only a few hundred of this number cause the majority of the problems. In addition to addicts living in the city, addicts from France, Belgium and Germany come to Rotterdam to buy drugs, with all the problems associated with this trading. This is the less attractive result of our internationalization.

Platform One (known as Perron Nul in Dutch), the shelter for addicts next to the central railway station, had to be closed at the end of 1994 because the situation there had got entirely out of hand. Last summer, the people living in the old neighbourhoods such as Spangen mounted a heavy resistance campaign against what was happening around them. The problems associated with drugs had taken on dimensions which were absolutely unacceptable.

The Victor Campaign (a mutual campaign engaged in by police, the public prosecutor and the local government) that was launched in the spring of 1995 has definitely born fruit. Hundreds of French drug-tourists were removed from the country, and agreements were made with residents of the city regarding the approach to drug-dealing locations that were causing problems. Peace, at any rate, has been restored. But the approach to this problem continues undiminished. The national government has also been convinced of the seriousness of the matter. Better criminal regulations (a combination of care and custody) are on the way in regard to problem-causing drug addicts, and it is becoming increasingly possible for communities to close down problem-causing drug-dealing locations.

Investments from multinationals

In the future, the quality of life as an added value will be an even stronger factor in Rotterdam's international market position as a port and trading centre. As far as this is concerned, multinationals such as ARCO, ICI and Eastman have the greatest confidence in Rotterdam, and this can be seen

in the billions of guilders they have invested in our port area or are still planning to invest.

Some examples:

- Last year, ARCO Chemie put a new propylene glycol ether factory by the name of ARCOSOL V into use in the Botlek area. This factory has an annual capacity of 70,000 tons; the investment amounted to 100 million guilders.
- In 1995 ICI started building its previously announced "world-scale" MDI factory which will be ready for operation in mid-1997. This factory has an annual capacity of 160,000 tons of MDI; the investment amounts to approximately 300 million guilders. As a result of this investment, companies who supply the factory (Air Liquide, AKZO, Blagden and Paktank) will be investing another 200 million guilders.
- Eastman Chemical announced this year that it will be starting construction of two factories on its terrain in Europoort. One of these will produce 290,000 tons of PTA per year; the other will produce 130,000 tons of PET per year. Their investment amounts to 500 million guilders.

1995: A special year in the relationship between Rotterdam and the United States

The sound economic relationship between Rotterdam and the United States is being reinforced by our historic ties. In this respect, 1995 was a special year. This year marked the 375th anniversary of the time when the Pilgrim Fathers set sail from Delfshaven toward a future which was unknown to them but yet offered them the freedom to worship as they pleased - a journey that was to take them to Cape Cod, the present location of Plymouth, Massachusetts. This, however, was just the beginning of a huge stream of emigrants coming from all over Europe. Did you know that approximately a million people have made the crossing from Rotterdam to America on the passenger ships from the Holland-America Line? This resulted in another special tie between Rotterdam and

enemy of our time is inaction —

possibilities of peace —

1. complete + realize vision Marshall had 50 yrs. ago —

Marshall plan was rejected by soviets —

now we have a chance to complete that vision —

ROOSEVELT gen. won the war

Mem. gen. prev. war from returning —

we'll shape the peace —

Truman gen. Thru Reagan gen.

---

historic link btw. our peoples

AID

	ODA[1] million $	ODA % of GNP	Share in Total DAC[2] ODA %	Annual Average % change in volume 1988/89–1993/94	Grant Element % of ODA commitments	Multilateral Aid % of ODA	Grants by Private NGOs[3] % of GNP	Total Resource Flows % of GNP	
Australia	1,031	0.35	1.8	-0.6	100.0	24.5	0.02	0.68	Australia
Austria	555	0.33	1.1	9.2	87.2	18.2	0.02	0.52	Austria
Belgium	726	0.32	1.2	-2.0	84.0	40.1	0.02	0.97	Belgium
Canada	2,250	0.43	3.8	-0.3	100.0	36.7	0.05	1.01	Canada
Czech Republic	..	..	..	..	..	..	..	..	Czech Republic
Denmark	1,446	1.03	2.4	3.9	96.8	44.5	0.03	0.94	Denmark
Finland	290	0.31	0.5	-11.4	99.1	26.4	..	0.59	Finland
France	8,466	0.64	14.3	3.0	88.8	21.9	0.02	0.95	France
Germany	6,818	0.34	11.5	1.5	91.7	39.2	0.05	1.18	Germany
Ireland	109	0.25	0.2	11.0	100.0	48.8	0.12	0.46	Ireland
Italy	2,705	0.27	4.6	-5.2	97.5	32.2	0.01	0.34	Italy
Japan	13,239	0.29	22.4	0	82.5	27.8	..	0.62	Japan
Luxembourg	59	0.40	0.1	19.4	100.0	32.2	0.03	0.43	Luxembourg
Netherlands	2,517	0.76	4.3	-1.2	99.9	32.4	0.08	1.41	Netherlands
New Zealand	110	0.24	0.2	1.4	100.0	22.5	0.03	0.27	New Zealand
Norway	1,137	1.05	1.9	1.4	99.3	27.2	0.12	1.37	Norway
Portugal	308	0.35	0.5	12.4	100.0	30.2	..	0.27	Portugal
Spain	1,305	0.28	2.2	22.4	87.6	34.5	0.03	0.75	Spain
Sweden	1,819	0.96	3.1	0.7	99.8	24.5	0.07	1.26	Sweden
Switzerland	982	0.36	1.7	2.8	100.0	26.3	0.06	0.05	Switzerland
United Kingdom	3,197	0.31	5.4	0.6	98.0	44.9	0.05	1.01	United Kingdom
United States	9,927	0.15	16.8	-1.0	99.4	26.6	0.04	0.89	United States
Total DAC[2]	59,156	0.30	100.0	0.5	92.0	30.2	0.03	0.80	Total DAC[2]

Notes:
.. not available
1. Official Development Assistance
2. OECD Development Assistance Committee
3. Non-governmental organisations.

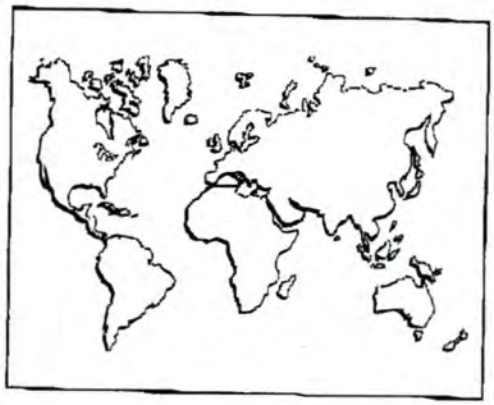
Source: *Development Co-operation: 1995 Report*, OECD, Paris, 1996.

ODA = Overseas Development Assistance

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05/22/97 17:11 ☎202 456 1605 WHITE HOUSE NEC (Peter Orszag) 002



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PAGES:	COVER PLUS ____

As per your request, here are copies of several speeches by Amb Dornbush from which the White House may wish to draw points about the Netherlands.

Regards,

Bill

REMARKS AS GIVEN
HIDC BREAKFAST ON "HOLLAND: EUROPE'S DISTRIBUTION CENTRE
A PROVEN CONCEPT"
WTC SCHIPHOL
22 APRIL 1997

Doc: h:\speeches\hidcspch.wpw

INTRODUCTION

1. EXCELLENCIES, MR KARNEBEEK, MR VAN LEDE,

DISTINGUISHED GUESTS,

LADIES AND GENTLEMEN.

2. FIRST, CONGRATULATIONS TO SCHIPHOL AIRPORT AND

THE DEVELOPMENT CORPORATION ON THIS

BEAUTIFUL NEW BUILDING --

WHAT A SYMBOL IT IS FOR THE DUTCH PREMIER LOGISTICS POSITION

IN EUROPE, AND

WHAT BETTER PLACE TO HOLD A SEMINAR ON

HOLLAND AS EUROPE'S DISTRIBUTION CENTRE

THAN AT ONE OF THE WORLD'S PREMIER AIRPORTS, WHICH

IS ENCIRCLED BY ONE OF THE WORLD'S FINEST

TRANSPORTATION AND COMMUNICATIONS NETWORKS.

4. AND WHAT BETTER PLACE THAN THIS

FROM WHICH TO LOOK OUT TOWARD THE WORLD OF THE 21ST CENTURY.

MAINPORTS ARE VITAL...

1. THERE ARE MANY REASONS FOR

   ECONOMIC AND COMMERCIAL SUCCESS.

   TODAY WE FOCUS ON ONE IMPORTANT ONE:

   THE NETHERLANDS AS

   THE GATEWAY TO EUROPE.

2. THE DUTCH HAVE CREATED --

   AND KEEP IMPROVING --

   A MODERN INFRASTRUCTURE FOR TRADE.

3. AMSTERDAM-SCHIPHOL AIRPORT,

   ALREADY CONSIDERED BY MANY AS THE BEST IN EUROPE,

   IS EXPANDING AND MODERNIZING TO MEET

   NOT JUST TODAY'S,

   BUT ALSO TOMORROW'S DEMANDS, FOR

   PASSENGER AND FREIGHT TRANSPORT

4. THE PORT OF ROTTERDAM KEEPS GROWING AND EMPHASIZING
NEW, VALUE-ADDED SERVICES,
AND IT SOON WILL CONNECT BY RAIL TO GERMANY
VIA THE **BE**TUWE LINE.

5. THE TRANSPORTATION NETWORK --
ROAD, RAIL, CANAL --
THAT TAKES PRODUCTS TO AND FROM THESE MAINPORTS
IS CONTINUOUSLY BEING EXPANDED AND MADE BETTER. ***PAUSE***

6. THE NETHERLANDS HAS ALSO BECOME A LEADER IN
VALUE-ADDED LOGISTICS, OFFERING
ASSEMBLY, LIGHT MANUFACTURING, LABELING
AND ESSENTIALLY WHATEVER IT TAKES
TO MAKE A FOREIGN SUPPLIER
COMPETITIVE IN EUROPE.

7. ALL THIS HAS HELPED MAKE THE NETHERLANDS

THE EUROPEAN GATEWAY.

NEARLY 40% OF US EXPORTS TO EUROPE FLOW THROUGH THE

NETHERLANDS.

AS ONE OF THE RESULTS,

MORE THAN 1600 US COMPANIES HAVE SET UP OPERATIONS IN THE

NETHERLANDS.

US DIRECT INVESTMENT HERE TOTALS $37 BILLION.

SO IS INFORMATION TECHNOLOGY

1. AS WE MOVE INTO THE 21ST CENTURY,

A VITAL COMPONENT OF MAINPORT AND LOGISTICS DEVELOPMENT

WILL BE ADVANCES IN INFORMATION TECHNOLOGY.

2. THE WORLD IS EVER MORE INFORMATION RICH,

AND THE ABILITY TO TAP INTO THE FLOWS OF INFORMATION WHICH

CIRCLE THE GLOBE, WILL BE VITAL TO DOING BUSINESS

IN THE 21ST CENTURY.

3. AS YOU KNOW, THE UNITED STATES HAS TAKEN A LEADING ROLE

TO DEVELOP A NATIONAL INFORMATION INFRASTRUCTURE --

THE SO-CALLED "INFORMATION SUPERHIGHWAY" --

AND TO LINK OUR -- AND OTHER COUNTRIES' -- SUPERHIGHWAYS

INTO A **GLOBAL** INFORMATION NETWORK.

4. OUR VISION IS OF GOVERNMENTS WORKING TOGETHER
TO CREATE THE SORT OF OPEN WORLD ECONOMY
THAT WILL ENCOURAGE THE PRIVATE SECTOR TO INVEST THE TIME,
EXPERTISE, AND CONSIDERABLE MONEY NEEDED
TO BUILD AND OPERATE SUCH A GLOBAL SUPERHIGHWAY.

5. FOR OUR MAINPORTS TO THRIVE AND GROW,
GOODS AND SERVICES MUST FLOW. ***PAUSE***
AND FOR GOODS AND SERVICES TO FLOW,
INFORMATION MUST ALSO FLOW. ***PAUSE***

6. HERE AGAIN, THE DUTCH ARE AMONG THE WORLD'S FRONT RUNNERS. ***PAUSE***
DUTCH GOVERNMENT AND INDUSTRY ARE IN THE FAST LANE
OR THE GLOBAL INFORMATION SUPERHIGHWAY.

7. THIS GOVERNMENT HAS CREATED A LIBERAL BUSINESS ENVIRONMENT
IN WHICH FIRMS CAN -- ***AND DO*** --INNOVATE, AND OFFER
NEW INFORMATION TECHNOLOGY SERVICES TO THEIR CUSTOMERS.

„BUT SO IS A FREE AND OPEN ECONOMY

1. I ADD FINALLY THAT

A FREE AND OPEN WORLD ECONOMY IS JUST AS IMPORTANT AS

THESE PHYSICAL AND INFORMATION INFRASTRUCTURES.

WITHOUT FREEDOM TO TRADE, INVEST, AND COMPETE,

ALL OUR MAINPORTS,

TRANSPORTATION SYSTEMS,

AND INFORMATION SUPERHIGHWAYS

WOULD BE NEXT TO USELESS.

2. THE UNITED STATES SHARES THIS BELIEF

WITH THE NETHERLANDS,

IN THE PAST WE BOTH HAVE WORKED

WITH LIKE-MINDED NATIONS

TO BUILD AN OPEN WORLD ECONOMY. ***PAUSE***

MY EXPERIENCE HERE FOR THE LAST THREE YEARS

HAS CONVINCED ME THOSE JOINT EFFORTS

WILL CONTINUE.

CONCLUSION

1. IN THE FIRST CENTURY BC,

   THE ROMAN LUCRETIUS CLAIMED:

   "NOTHING CAN BE CREATED OUT OF NOTHING."

2. THE DUTCH HAVE, PERHAPS, COME CLOSER THAN ANYONE

   TO PROVING HIM WRONG.

3. STARTING WITH SOME PRETTY UNPROMISING LAND,

   THE DUTCH CARVED OUT -- AND PUMPED OUT --

   ONE OF THE WORLD'S MOST INFLUENTIAL

   AND PROSPEROUS NATIONS.

4. THIS BREAKFAST HIGHLIGHTING THE NETHERLANDS'

   LEADERSHIP IN EUROPEAN LOGISTICS

   IS ANOTHER PROOF OF THAT FACT. ***PAUSE***

   TO ALL OF YOU WHOHAVE MADE IT HAPPEN,

   AS PROVIDERS OR USERS OR FACILITATORS,

   I WISH YOU CONTINUED SUCCESS.

   THANK YOU.

INTRODUCTION

1. MAJESTY,

EXCELLENCIES,

DELEGATES,

LADIES AND GENTLEMEN.

2. I AM HONORED TO HAVE BEEN INVITED TO SPEAK TO YOU TODAY

HERE IN THIS GREAT CITY,

WHICH HAS RISEN PHOENIX-LIKE

FROM THE ASHES OF THE SECOND WORLD WAR

TO STAND AS A SYMBOL OF THE VITALITY OF MODERN EUROPE.

3. WHAT BETTER PLACE TO HOLD THIS CONFERENCE
THAN AT THE WORLD'S LARGEST PORT,
NEAR TO ONE OF THE WORLD'S PREMIER AIRPORTS,
AND ENCIRCLED BY ONE OF THE WORLD'S FINEST
TRANSPORTATION AND COMMUNICATIONS NETWORKS.

4. AND WHAT BETTER PLACE THAN THIS
FROM WHICH TO LOOK OUT TOWARD THE WORLD
OF THE 21ST CENTURY.

THE UNITED STATES AND THE NETHERLANDS

1. MINISTER WIJERS POINTS OUT

IN HIS WRITTEN REMARKS IN THE CONFERENCE PROGRAM

THAT IT IS 375 YEARS

SINCE THE PILGRIMS SAILED FROM HOLLAND TO THE NEW WORLD.

2. IN 1608,

WHEN THE PILGRIMS SOUGHT ASYLUM IN LEIDEN,

THEY RECEIVED THIS ANSWER FROM THE TOWN FATHERS:

"NO HONEST PERSONS WOULD BE REFUSED FREE INGRESS

PROVIDED SUCH PERSONS BEHAVE THEMSELVES

AND SUBMIT TO LAWS AND ORDINANCES,

THEIR COMING WOULD BE AGREEABLE AND WELCOME."

3. THE WELCOME OF THE LEIDEN AUTHORITIES TO THE ENGLISH CALVINISTS,

FINDS ECHO IN AMERICAN AND DUTCH DEALINGS

WITH THE REST OF THE WORLD:

"COME, INVEST, TRADE, WORK,

AND LET US DO THE SAME IN YOUR COUNTRY:

THAT WAY, WE ALL WIN."

4. BECAUSE OF THAT,

WE HAVE BOTH BECOME TRULY GREAT ECONOMIES

AND TRADING NATIONS,

AND FORCES IN THE WORLD FOR ECONOMIC LIBERALIZATION,

DEVELOPMENT, AND GROWTH.

5. AND, AS THIS CONFERENCE SHOWS,

WE ARE WORKING TOGETHER TO FACE THE CHALLENGES --

AND TAKE ADVANTAGE OF THE OPPORTUNITIES --

OF THE COMING CENTURY.

MAINPORTS ARE VITAL...

1. THERE ARE MANY REASONS FOR
ECONOMIC AND COMMERCIAL SUCCESS.
THIS CONFERENCE FOCUSSES ON ONE IMPORTANT ONE:
THE DEVELOPMENT OF MAINPORTS.

2. THE DUTCH ESPECIALLY, HAVE CREATED --
AND KEEP IMPROVING --
A MODERN INFRASTRUCTURE FOR TRADE.

3. THE PORT OF ROTTERDAM KEEPS GROWING
OFFERING NEW, VALUE-ADDED SERVICES,
AND WILL SOON CONNECT BY RAIL TO GERMANY
VIA THE BETUWE LINE.

4. AMSTERDAM-SCHIPHOL AIRPORT,
ALREADY CONSIDERED BY MANY AS THE BEST IN EUROPE,
IS IN THE THROES OF A MASSIVE EXPANSION AND MODERNIZATION
TO ENSURE IT MEETS NOT JUST TODAY'S,
BUT ALSO TOMORROW'S DEMANDS FOR
PASSENGER AND FREIGHT TRANSPORT.

5. THE TRANSPORTATION NETWORK --
ROAD, RAIL, CANAL --
THAT TAKES PRODUCTS TO AND FROM THE MAINPORTS
IS CONSTANTLY BEING EXPANDED AND MADE BETTER. *PAUSE*

6. COMPLEMENTING THE PHYSICAL DEVELOPMENT OF MAINPORTS,
THE NETHERLANDS HAS ALSO BECOME A LEADER IN
VALUE-ADDED LOGISTICS,
COMBINING ASSEMBLY, LIGHT MANUFACTURING,
AND TRANSPORTATION.

SO IS INFORMATION TECHNOLOGY

1. AS WE MOVE INTO THE 21ST CENTURY,
A VITAL COMPONENT OF MAINPORT AND LOGISTICS DEVELOPMENT
WILL BE ADVANCES IN INFORMATION TECHNOLOGY.

2. THE WORLD IS EVER MORE INFORMATION RICH,
AND THE ABILITY TO TAP INTO THE FLOWS OF INFORMATION WHICH
CIRCLE THE GLOBE, WILL BE VITAL TO DOING BUSINESS
IN THE 21ST CENTURY.

3. AS YOU KNOW, THE UNITED STATES HAS TAKEN A LEADING ROLE
TO DEVELOP A NATIONAL INFORMATION INFRASTRUCTURE --
THE SO-CALLED "INFORMATION SUPERHIGHWAY" --
AND TO LINK OUR -- AND OTHER COUNTRIES' -- SUPERHIGHWAYS
INTO A GLOBAL INFORMATION NETWORK.

4. OUR VISION IS OF GOVERNMENTS WORKING TOGETHER
TO CREATE THE SORT OF OPEN WORLD ECONOMY
THAT WILL ENCOURAGE THE PRIVATE SECTOR TO INVEST THE TIME,
EXPERTISE, AND CONSIDERABLE MONEY NEEDED
TO BUILD AND OPERATE SUCH A GLOBAL SUPERHIGHWAY.

5. FOR OUR MAINPORTS TO THRIVE AND GROW,
GOODS AND SERVICES MUST FLOW.
AND FOR GOODS AND SERVICES TO FLOW,
INFORMATION MUST ALSO FLOW. *PAUSE*

...BUT SO IS A FREE AND OPEN ECONOMY

1. A FREE AND OPEN WORLD ECONOMY IS JUST AS IMPORTANT AS THE PHYSICAL AND INFORMATION INFRASTRUCTURES.

   WITHOUT FREEDOM TO TRADE, INVEST, AND COMPETE,

   ALL OUR MAINPORTS,

   TRANSPORTATION SYSTEMS,

   AND INFORMATION SUPERHIGHWAYS

   WOULD BE NEXT TO USELESS.

2. THE UNITED STATES SHARES THIS BELIEF

   WITH THE NETHERLANDS,

   AND WE BOTH WANT TO WORK WITH LIKE-MINDED NATIONS

   TO BUILD AN OPEN WORLD ECONOMY.

3. WE ARE HAVING SOME NOTABLE SUCCESS.

   LAST YEAR,

   THE URUGUAY ROUND NEGOTIATIONS WERE CONCLUDED

   AND THE WORLD TRADE ORGANIZATION WAS CREATED

   IN THE GREATEST LIBERALIZATION OF TRADE IN HISTORY.

4. WE ARE MAKING PROMISING STARTS IN A NUMBER OF AREAS THAT WERE NOT COVERED BY THE URUGUAY ROUND:

* NEGOTIATIONS ARE ABOUT TO BEGIN IN THE OECD ON A MULTILATERAL AGREEMENT TO LIBERALIZE INVESTMENT, UNDER THE ABLE CHAIRMANSHIP OF DIR-GEN FRANS ENGERING.

* TELECOMMUNICATIONS TALKS ARE UNDER WAY IN THE WORLD TRADE ORGANIZATION.

* CIVIL AIRCRAFT SUBSIDIES ARE BEING DISCIPLINED.

* THE US CONGRESS IS CONSIDERING FURTHER BIG REDUCTIONS IN FARM SUPPORTS,

* AND THERE IS A GROWING AWARENESS IN THE EU THAT THE CUMBERSOME, EXPENSIVE COMMON AGRICULTURE POLICY WILL HAVE TO BE FURTHER REFORMED.

5. THE NATIONS OF THE WEST ARE WORKING HARD WITH THE FORMER SOVIET BLOC COUNTRIES TO ENCOURAGE LASTING REFORM BY BRINGING THEM INTO THE WORLD ECONOMY. THAT MEANS, AMONG OTHER THINGS, OPENING WESTERN MARKETS TO THEIR PRODUCTS, AS THE NETHERLANDS AND THE US HAVE FORTHRIGHTLY URGED.

6. ACROSS ASIA ARE BLOWING WINDS OF LIBERALIZATION AND DEVELOPMENT AS WELL.

7. ALL OF THIS IS GREAT NEWS FOR THE MAINPORTS OF THE 21ST CENTURY.

CONCLUSION

1. IN THE FIRST CENTURY BC,

   THE ROMAN LUCRETIUS CLAIMED THAT:

   "NOTHING CAN BE CREATED OUT OF NOTHING."

2. THE DUTCH HAVE, PERHAPS, COME CLOSER THAN ANYONE

   TO PROVING HIM WRONG.

3. STARTING WITH SOME PRETTY UNPROMISING LAND,

   THE DUTCH CARVED OUT -- AND PUMPED OUT --

   ONE OF THE WORLD'S MOST INFLUENTIAL

   AND PROSPEROUS NATIONS.

4. THIS CONFERENCE ATTESTS TO THAT FACT.

5. THE DEVELOPMENT OF MAINPORTS IN THE NETHERLANDS HAS BEEN ACCOMPLISHED BY CREATIVELY BLENDING BUSINESS ACUMEN, LABOR, TECHNOLOGY, TRAINING AND EDUCATION, GOVERNMENT, AND ENVIRONMENTAL CONSIDERATIONS.

6. THERE IS MUCH TO BE LEARNED FROM THESE ACHIEVEMENTS.

7. I WISH YOU MUCH SUCCESS IN THIS MAINPORTS CONFERENCE, AND I THANK YOU FOR THE OPPORTUNITY TO SPEAK THIS MORNING.

Remarks by Ambassador K Terry Dornbush
Mainports in the 21st Century Conference
Rotterdam
27 September 1995

Drafted:ECON:WHCrane
Cleared:ECON:AJCroddy
DCM:MKlosson
Doc. h:\econdep\mainprt2.wpw

Opening Statement of
U.S. Ambassador to The Netherlands
for 5th U.S.-Dutch International Symposium
Noordwijk, The Netherlands
April 13-18, 1997

1. YOUR MAJESTY,
MINISTER DE BOER (NL)
DIRECTOR GENERAL ENTHOVEN (EU)
CHAIRMAN VAN DER SLIKKE (NL)
CHAIRMAN GRANT (USA)
AND LADIES AND GENTLEMEN
GOOD MORNING.

2. I REGRET THAT MRS. BROWNER, EPA ADMINISTRATOR,
COULD NOT BE HERE WITH US TODAY.

3. I UNDERSTAND SHE IS LOOKING FORWARD
TO SEEING MINISTER DE BOER
AT THE 1997 G-7 ENVIRONMENT MINISTERIAL MEETING
IN MIAMI, MAY 5-6.

4. FLORIDA IS MRS. BROWNER'S HOME STATE,
SO I AM SURE SHE WILL BE ESPECIALLY PLEASED
TO WELCOME MINISTER DE BOER
AND HER OTHER COLLEAGUES TO MIAMI.

5. AS YOU KNOW,
PRESIDENT CLINTON HAS MADE ENVIRONMENTAL PROTECTION
A FOCAL POINT OF HIS ADMINISTRATION.

6. THE IMPORTANCE OF ENVIRONMENTAL ISSUES
IN THE CONDUCT OF AMERICAN FOREIGN POLICY
HAS BEEN UNDERLINED BY BOTH SECRETARY ALBRIGHT
AND FORMER SECRETARY CHRISTOPHER. **[PAUSE]**
WHEN DISCUSSING FOREIGN POLICY PRIORITIES,
THEY HAVE PUT ENVIRONMENT HIGH ON THE LIST.

7. THEREFORE, IT GIVES ME GREAT PLEASURE
TO JOIN IN THE OPENING
OF THIS U.S.-DUTCH SYMPOSIUM--
THE FIFTH IN A SERIES OF SUCCESSFUL MEETINGS
DEALING WITH ENVIRONMENTAL ISSUES.

8. THIS SYMPOSIUM,
AND ITS PREDECESSOR MEETINGS AND ACTIVITIES,
REPRESENT THAT COMMITMENT TO ENVIRONMENTAL PROTECTION,
[PAUSE]
AS WELL AS THE FULFILLMENT OF TERMS
OF A BILATERAL AGREEMENT,
THAT HAS BEEN IN EFFECT NOW
FOR NEARLY TWO DECADES.

9. THE ORIGINAL U.S.-DUTCH MEMORANDUM OF UNDERSTANDING
WAS SIGNED IN 1980
DURING THE ADMINISTRATION OF PRESIDENT CARTER.
IT WAS ENVISIONED THAT THIS AGREEMENT
WOULD BE ANOTHER AREA OF BILATERAL COOPERATION
AND CEMENT FURTHER THE MORE THAN TWO CENTURIES
OF CLOSE TIES BETWEEN OUR TWO COUNTRIES.

10. THE ACTIVITIES CARRIED OUT UNDER THE AGREEMENT
HAVE MET THE HOPES AND EXPECTATIONS
ASSOCIATED WITH ITS INITIAL SIGNING,
AND THE SUBSEQUENT RENEWALS EVERY FIVE YEARS.

11. UNDER THAT MEMORANDUM OF UNDERSTANDING, FOUR U.S.-DUTCH INTERNATIONAL SYMPOSIA AND FIVE SMALLER WORKSHOPS ON SELECTED TIMELY TOPICS HAVE BEEN CONDUCTED.

12. THERE HAVE ALREADY BEEN FOUR SYMPOSIA IN THIS SERIES--

- THE FIRST, IN MAASTRICHT IN 1988, DEALT WITH NITROGEN OXIDES.
- THE NEXT, IN VIRGINIA IN 1982, FOCUSED ON AEROSOLS.
- THE THIRD, IN NIJMEGEN IN 1988, DEALT WITH OZONE RESEARCH.
- THE MOST RECENT, IN COLORADO IN 1993, COVERED COMPARATIVE RISK ANALYSIS AND PRIORITY SETTING.

13. EACH OF THESE SYMPOSIA WAS ATTENDED BY 250 TO 350 PARTICIPANTS FROM 15 TO 20 COUNTRIES.

14. THE RESULTING PUBLISHED SYMPOSIUM PROCEEDINGS HAVE BECOME WIDELY USED REFERENCES ON THEIR SPECIFIC SUBJECTS. THEY HAVE LED TO THE DEVELOPMENT OF MANY COLLABORATIVE EFFORTS BETWEEN U.S. EPA AND OTHER AMERICAN SCIENTISTS AND THEIR COUNTERPARTS IN THE DUTCH GOVERNMENT AND ACADEMIA.

15. AREAS OF COLLABORATION INCLUDE ATMOSPHERIC CHEMISTRY; AIR POLLUTION MONITORING AND EXPOSURE ASSESSMENT; HEALTH AND ECOLOGICAL EFFECTS RESEARCH; COOPERATIVE RESEARCH AND INFORMATION EXCHANGE; AND THE EXCHANGE OF U.S. AND DUTCH TECHNICAL PERSONNEL.

16. AS A RESULT OF PREVIOUS U.S.-DUTCH SYMPOSIA, WORKSHOPS, AND OTHER ACTIVITIES, SOME IMPORTANT TRENDS HAVE EMERGED.

17. THERE IS GROWING AGREEMENT
ON SEVERAL IMPORTANT CONCEPTS
UNDERLYING APPROACHES
TO ENVIRONMENTAL MATTERS.

18. FOR EXAMPLE,
THE IDEA OF ENVIRONMENTAL PROTECTION
AS A SHARED RESPONSIBILITY
AMONG SOCIETY AS A WHOLE,
INCLUDING GOVERNMENT, INDUSTRY, AND OTHER ENTITIES,
APPEARS TO HAVE GAINED
MUCH ACCEPTANCE AS A COMMON VIEW.

19. THAT SOUNDS LIKE THE DUTCH COVENANT CONCEPT!

20 FURTHER, A COMMONALITY OF VIEWS
IS DEVELOPING
REGARDING THE IMPORTANCE
OF ADOPTING LONG-TERM PERSPECTIVES
IN APPROACHING ENVIRONMENTAL PROTECTION MATTERS.

20. MORE SPECIFICALLY,
COSTS INCURRED NOW FOR
ENVIRONMENTAL PROTECTION
ARE MORE AND MORE PERCEIVED
AS WISE INVESTMENTS FOR THE FUTURE, WITH
GREATER RETURNS,
NOT ONLY IN TERMS OF HEALTH AND ECOLOGICAL PROTECTION,
BUT ALSO IN FUTURE ECONOMIC BENEFITS.

21. FARSIGHTED INVESTMENT NOW, IN
INDUSTRIAL PLANNING
AND APPROPRIATE POLLUTION PREVENTION,
HELPS AVOID
POTENTIALLY FAR HIGHER
REMEDIAL CLEAN-UP COSTS IN THE FUTURE AND
THE POTENTIAL FOR SERIOUS DAMAGE
TO HUMAN HEALTH OR ECOSYSTEMS.

22. HER MAJESTY, QUEEN BEATRIX,
IN A 1982 ADDRESS BEFORE THE CONGRESS
OF THE UNITED STATES,
WAS AN EARLY VOICE FOR THESE VIEWS.
SHE SAID
"COSTS, NOW, ARE A CONDITION FOR GAINS TOMORROW"
AND
"IT IS A TREMENDOUS CHALLENGE
TO PROMOTE ECONOMIC PROSPERITY
AND, SIMULTANEOUSLY, TO PROTECT THE ENVIRONMENT."
THESE REMARKS, INFLUENTIAL THEN,
CONTINUE TO APPLY TODAY.

23. WE ARE SEEING INCREASED AGREEMENT
ON THE NEED FOR APPROACHES
BY WHICH TO HARMONIZE
ENVIRONMENTAL PROTECTION EFFORTS
WITH ECONOMIC EXPANSION OR DEVELOPMENT.

24. WE HAVE REALIZED THAT
NEITHER A TOTAL EMPHASIS ON ECONOMIC DEVELOPMENT
(WITHOUT REGARD TO ITS ASSOCIATED ENVIRONMENTAL IMPACTS)
NOR
A TOTAL EMPHASIS ON ENVIRONMENTAL PROTECTION
(WITHOUT REGARD TO IMPLEMENTATION COSTS
AND ECONOMIC IMPACT)
IS WARRANTED.

25. RATHER, WE MUST
EVALUATE ALTERNATIVE WAYS
BY WHICH A BALANCE
BETWEEN ECONOMIC AND ENVIRONMENTAL GOALS
MAY BE ACHIEVED IN A COST-EFFECTIVE MANNER.

Blinken, Antony J.

From: LaFleur, Vinca S.
To: Blinken, Antony J.
Cc: /N, NonRecord at A1
Subject: rotterdam [UNCLASSIFIED]
Date: Wednesday, May 21, 1997 1:08PM

There is a great competition between the Rotterdam and Amsterdam teams (Feyenoord and Ajax). There is a line in the Feyenoord theme song that goes "Hand in hand kameraden"... hand in hand, comrades... maybe you can work that in somehow.

3RD STORY of Level 1 printed in FULL format.

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HEADLINE: THE NETHERLANDS: Review 1997

BODY:

Job losses have been balanced by job gains in the Netherlands and hopes are high for a stronger economy in 1997, as the sluggishness of the past few years is passing. With economic and monetary union (EMU) just around the corner, the coalition government has had some success in controlling spending.

Politics

The present coalition of Social Democrats (PvdA), Liberals (VVD), and Left Liberals (D66) continue on their drive towards fiscal responsibility. They have also approved important changes to the welfare system and massive infrastructure building projects which are calculated to help the country grow into the next century.

The welfare system, which costs the country a staggering third of GDP, continues to undergo changes aimed at tightening up eligibility rules and reducing abuses. The present coalition government started this overhaul after coming to power and tough dealing had to be done between the three partners before a meaningful and workable compromise was agreed on. As of July 1996 the General Widows' and Orphans' Benefits Act was replaced by the General Surviving Dependents' Act. This change shifts the burden to the individual for insuring that dependents are provided for in case of his or her death. Another change means that bereavement benefits are now means-tested. However, the status quo is preserved for benefit recipients who were registered before the new Act went into force.

In January 1997 a new system of disability benefits was due to come into force. However, delays in getting the measure approved by parliament have resulted in a likely postponement of the change, perhaps to 1998. The changes would place a higher burden of responsibility for providing cover for employees under the system.

End of conscription

The Netherlands' last-ever army conscripts were discharged in August 1996, marking the completion of the change to a professional military in the Netherlands. Personnel levels have been dramatically reduced in the 1990s under a restructuring regime. The military consists of 85,000 personnel, about a quarter of whom are civilian support staff, and this figure will drop to 77,000 by the turn of the century. Total personnel figures were about 128,000 in the late 1980s.

Unemployment

Joblessness hit a high in the later half of 1995. By mid-1996, even with the gloom of the Fokker bankruptcy, the picture looked better. The lack of upward pressure on wages appeared to have helped the situation. Inflation in general had been at a steady 2 per cent for over a year. Higher consumer spending in the first half of 1996, the highest in over 3 years, gave a clear indication that the 1995 slowdown was ending; real consumer spending was up by 3 per cent on the same period in 1995.

Anti-cartel proposal

The Netherlands has a reputation for turning a blind eye to cartels, particularly since it has no anti-trust procedure. But this might change. In May 1996 the economic affairs ministry announced that it proposed to ban cartels and review corporate mergers through a commission to operate under the ministry; after five years the government's technical veto power would be reviewed and the commission could be given greater independence.

Under the proposal to ban cartels, domestic mergers exceeding f250 million, would be subject to regulatory review. All binding vertical pricing arrangements would be outlawed, with franchises being the exception. Under the proposal, infringements would be subject to a fine of the higher of f1 million or 10 per cent of annual sales of the company.

Transportation

A new high speed rail system linking Amsterdam with Paris, and London via the Channel Tunnel, is be built. The estimated cost of the project is f7.5 billion. A second important rail project is also in the planning stage, the freight-only Betuwe line, which will connect the port of Rotterdam with Germany's heavily-industrialsed Ruhr region.

Amsterdam's Schipol airport passenger traffic rose by 7.6 per cent in 1995 compared with the previous year. Over 25 million people used the airport in 1995, representing an 8.4 per cent of total European passenger traffic. A new runway is scheduled to be completed by the year 2003 which would give the airport the biggest capacity in Europe in terms of cargo (3 million tonnes) and aircraft movements per hour (120).

After 77 years of providing aircraft to the world, Fokker's fortunes nosedived into bankruptcy in the first part of 1996 when bridging credit from the Dutch government ran out. In January 1996 Dasa, the company's controlling shareholder, cut off its financial support. Dasa is owed f1.3 billion by Fokker.

The core aircraft business of Fokker is to be wound down, resulting in redundancies for 5,664 people - the largest for a single company in Dutch history. Fokker Aviation, a newly-established holding company, will carry on with the most viable parts of the company, including defence contracts, electronics and aircraft maintenance. Various possible suitors had been in talks to save the company, including Korea's Samsung, Canada's Bombardier and China's Aviation Industries. Eleventh-hour talks with Samsung failed to bring any hope for the company's future.

Economy

GDP was f635 billion in 1995 with a growth rate of 2.1 per cent, slightly lower than the European Union (EU) average of 2.5 per cent. This figure was revised downward by the statistics bureau in July 1996 from the previously reported 2.4 per cent. Growth in 1994 was a much higher 3.4 per cent, which was also revised, from 2.7 per cent. The government predicts that growth will settle in the 2 per cent range for two-to-three years, which would be welcome after a few years of roller- coaster-like figures. GDP swung from 4.7 per cent in 1989, to 4.1 per cent in 1990, 2.3 per cent in 1991, 2.0 per cent in 1992 and 0.2 per cent in 1993. By the third quarter of 1996 GDP growth for 1996 was on target to reach 2.5 per cent.

Prices have largely been in check since 1992. In that year the inflation rate was 3.2 per cent but this fell to 2.6 per cent in 1993, edged up to 2.7 per cent in 1994 and fell to 2.0 per cent in 1995. High wage costs are expected to pump this figure to 2.25 per cent in 1996 and 2.5 per cent in 1997.

The budget deficit was 3.7 per cent of GDP in 1995, which surprised observers who expected to see the figure at 3.4 per cent, as in 1994. The increased deficit was due in part to a decline in revenues from tax and social security levies.

The deficit figure is calculated to fall to 2.8 per cent in 1996 and to 2.3 per cent in 1997 (the critical year for EMU assessment), which would bring it well within the EMU limit of 3 per cent. However, the increase in 1995 will make these targets harder to achieve, although the finance ministry is confident. Net public sector borrowing requirements by 1997 are expected to be just under the 3 per cent EMU limit. New-found budget discipline is partially responsible for these figures, as well as low interest rates and stable GDP growth.

The Netherlands is well-known for the heavy financial burden of its social programmes. However, the trend towards ever-increasing costs is being reversed, thanks to the social security reforms of the 1990s (including the reduction of access to social security) and the falling unemployment figures in 1995 and 1996. The present coalition government, which came in during August 1994, imposed a ceiling on public expenditure for the period from 1994 to 1998. The result is that spending will not rise in real terms during this period. In addition to this overall ceiling, three others were imposed on the most draining categories of expenditure: social security, health care and central government expenditure (not including social security).

Social security expenditure has fallen from 17.9 per cent of GDP in 1993 to 17.1 per cent in 1994, 16.3 per cent in 1995 and an estimated 15.7 per cent in 1996. For 1997, social security spending should be 15 per cent.

External trade

The Netherlands continues to enjoy a positive balance of trade. Exports of goods and services exceeded imports in 1995 by f41.1 billion. Compared with the previous year, exports of goods and services in 1995 were up by 6.9 per cent while imports were up by 7.7 per cent. The total amount of goods exported in 1995 was f278.8 billion and exports of services (invisibles) amounted to f59.4 billion.

A big shake-up at KLM was announced in November 1996. The company detailed its three-year cost saving plan which will result in the trimming of ground support staff and the chopping of uneconomical routes. The goal is to save f1 billion during the period. A new European partner was being sought.

Relations between KLM and Northwest Airlines of the USA continue to be troubled, seven years into their partnership. Reservation systems used by the airlines are still incompatible and there has been no agreement on combining their cargo operations into a single unit. Although KLM has been seeking to raise its stake in Northwest (it has 25 per cent of Northwest's ordinary equity), KLM had been unable to do so under the poison pill provisions of Northwest put in place to stop a take-over. In May 1996 KLM threatened to end their alliance altogether, although Northwest countered that it wanted it to continue and that the relationship brought additional operating profits of between USD120 and USD170 million a year to KLM. KLM agreed to sell 6,654 shares of Northwest preferred stock back to Northwest for some f650 million by July 1997.

Communications

VAT has been levied on telecommunications services since January 1996. The telecommunications market will be fully liberalised by July 1997 and KPN, the private telephone monopoly, will be facing competition in the fixed-line telecommunications sector. In October 1996 the government awarded two licences to provide new services: one to Telfort and the other to EnerTel. Telfort is a joint venture between the UK's BT and NS, the Dutch national railway company. EnerTel is a grouping of regional energy companies and cable television providers and has Canada's Northern Telecom as its international partner. Some 1,300 regional licences will be granted by the government throughout the country for voice telephony under the telecommunication liberalisation scheme.

KPN became the largest shareholder in GD Net in June 1996. GD Net is a co-owner of the TNT Express worldwide courier company with TNT of Australia. KPN's PTT Post division was to hold 54 per cent of GD Net with the remainder being held by Sweden Post. Previously, three other national postal utilities shared control of the company with Sweden Post and KPN.

Outlook

The economic recovery should continue in 1997. Household consumption is in part responsible for powering this recovery but this is expected to slow by the start of 1997 because of the lack of growth in real disposable incomes. Export growth is expected to be only moderate and should not be hampered by any erosion of market share. Falling unemployment was seen in 1996 and this trend was expected to continue into 1997, in view of the continued recovery in the economy as a whole. Inflation is expected to remain in check in 1997, with labour costs, aggravated by lowering unemployment, providing a strong upward pressure on costs.

p. 14-17 N/A

THE NETHERLANDS: Business Directory

Hotels: Amsterdam

Alexander, Prinsengracht 444, 10017 KE (tel: 267-721; tx: 13-161).

Trade policy: Import licences not required for goods from most countries. Goods which do require an import licence or registration include some animal derivative and agricultural products, electrical equipment, raw iron and steel, some textiles, explosives and firearms. Also food products subject to quality and hygiene restrictions.

Credit cards: All major credit cards are accepted.

Car hire: Widely available. Addresses can be obtained from Tourist Information Offices (VVV). Rates vary depending on make and model. Cheaper rates for rental periods of a week or more. Drive on the right. Speed limits: urban areas 50 kph, normal roads 80 kph, motorways 120 kph. Wearing of seat belts compulsory. Information and assistance from Royal Dutch Touring Club (ANWB).

N.B. Do not ignore parking fees. Failure can result in a fine. If this is not paid within 24 hours, car will be towed away and the cost of retrieval is very expensive.

City transport: Nationwide fares zoning system also applies to cities. Buses, trams and metro charge same fare per zone. You can buy a nationale strippenkaart comprising 15 or 45 tickets at the Amsterdam Tourist Office (opening hours 0900-1700), Amsterdam Public Transport Office in Stationsplein, outside Central Station, transport companies, post offices and some VVV offices. Tickets for two, three or eight trips can be bought from the driver, although they work out more expensive. The number of strips needed for a journey depends on the number of zones to be crossed.

Transport from Schiphol airport presents no problem: bus, tram, metro or express tram are all quick. Most public transport (apart from the Schiphol trains) only runs from about 0600-2300, although there are some night bus services to be found. You can get information (and maps) from the public transport office in Stationsplein, outside the Central Station.

Taxis: Usually boarded at ranks, at railway stations and other parts of the city, or called by telephone. Fares vary from city to city. The meter price includes a service charge; additional tip discretionary - 5- 10 per cent. In Amsterdam taxis are usually booked by phone (tel: 677- 7777), although there is no shortage of ranks.

Buses: Good services throughout cities linking tram services to provincial routes.

Metro: Rapid transit systems in Amsterdam and Rotterdam. Trains are modern, frequent, punctual and inexpensive.

Trams: Good service in central regions of most large cities.

Rail: Train to the city centre from Schiphol is the best method. Train tickets can be purchased from railways stations, transport companies, post offices, tobacconists and local tourist offices.

National transport: Whole country divided into zones. Fares for bus travel depend on number of zones crossed. Tickets (covering up to 45 zones) should be obtained in advance; available from railway stations, transport companies,

Climate: Temperate; warm summers and mild/cold winters. Temperatures range from 2-25C. Rainfall throughout year but heaviest Nov-Jan. Coastal areas have the mildest climate and lowest rainfall.

Clothing: Mediumweight throughout year, topcoat in winter. Raincoat useful any time.

Entry requirements: Visa not required for nationals of most European countries and several others, for visits of up to three months.

Health: No vaccination certificates required. EC nationals are covered for medical treatment.

Currency: No restrictions on import or export of currency. Do check the exchange rate. Commission charges vary considerably in Amsterdam.

Customs: Personal effects duty-free.

Air access: Regular flights by all major international airlines.

National airline: KLM (Royal Dutch).

Main international airport: Schiphol (AMS), 14 km south-west of Amsterdam.

International airports: Rotterdam (RTM), 8 km north-west of city centre, Maastricht (MST), 7 km from city, Groningen (GRQ).

Surface access: Good access by road and rail from all surrounding countries, plus ferry services to all major ports. Boat trains operate to Hook of Holland from many European countries.

Main ports: Rotterdam, Hook of Holland, Scheveningen, Vlissingen, Amsterdam.

Hotels: Classified from one- to five-star by Netherlands Board of Tourism, the Royal Dutch Touring Club and the Royal Netherlands Automobile Club. Accommodation may be booked through the Netherlands Reservation Centre in Leidschendam (tel: (070)202-500). Advisable to book well in advance during spring and summer. Foreign nationals must present passports before booking in, and are automatically registered with local police.

Restaurants: Wide variety, with many specialities often available. Service charge and VAT included in prices on menus additional tips discretionary 5-10 per cent.

Currency

Exchange rate: Netherlands is a participant in the European Monetary System. Guilder is pegged to other participants' currencies within a band of 2.25 per cent (6 per cent with respect to the Spanish peseta).

Foreign exchange information

Account restrictions: There are no restrictions on international payments of any kind.

some VVV offices and post offices. Separate tickets are required for trains, available from railway stations. Most public transport (apart from inter-city services) only runs from about 0600-2300.

Air: Internal service linking Amsterdam with Groningen, Eindhoven, Rotterdam and Maastricht.

Road: Approximately 110,000 km of roads including 2,000 km of motorways (autowegen). Frequent bus connections between all cities. Journey times usually less than four hours.

Rail: Almost 3,000 km of track, mostly electrified. Fast regular services operated by Netherlands Railways (Nederlandse Spoorwegen).

Water: Extensive inland waterways. Scheduled boat services operate from Enkhuizen to Urk and Staveren and between the mainland and the islands in the north.

Public holidays

Fixed dates: 1 Jan (New Year's Day), 30 Apr (Queen's Day), 25-26 Dec (Christmas).

Variable dates: Good Friday, Easter Monday, Ascension Day, Whit Monday.

Working hours

Business: (Mon-Fri) 0830-1730.

Government: (Mon-Fri) 0830-1700.

Banking: (Mon-Fri) 0900-1600, some open Sat and on late shopping evenings.

Shops: 0830/0900-1730/1800, (half-day closing usually Mon or Wed). Main shops open Sat and Thu/Fri evening.

Social customs: Dutch people shake hands frequently. When invited to a meal in a Dutch home it is courteous to give flowers, chocolates or a small gift.

Business language and interpreting/translation: Available through the Association of International Conference Interpreters or the United Dutch Translation Office. Dutch is the official language, but English and German widely spoken and most business houses will correspond in English.

Telecommunications

Telephone and telefax: One of the most efficient phone systems in the world. Fully automatic inland and overseas service. Telephone information given in French, English and German. Credit facilities available. Cheap rates from 1800 to 0800 and weekends. All calls can be made from public booths and post offices. Blue phone booths require a phone card, at post offices, VVV offices and shops displaying the 'PTT- telephone card' poster.

International dialling code: 31 followed by area code, 20 for Amsterdam, 10 for Rotterdam, followed by subscriber's number. For IDD access from

Netherlands dial 09.

Telex: Available in main hotels. Country code 44 NL.

Telegram: Available at all main post offices. Telegrams can also be sent direct from telephone kiosks.

Postal service: Rates vary for both land and air mail. Following items may be sent by air without extra postage: air letters, letters to all European countries, postcards and money orders.

Trade fairs: Several trade fairs and exhibitions held throughout the year. Two large exhibition centres: RAI in Amsterdam and the Jaarbeurs in Utrecht. Also smaller centres in Ahoyhal in Rotterdam, and in Maastricht. International Hotel and Catering Industry Trade Fair, Amsterdam, Jan.

Electricity supply: 220 V AC.

Representation in capital: Algeria, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Cape Verde, Chile, China, Colombia, Costa Rica, Cuba, Denmark, Egypt, El Salvador, Finland, France, Germany, Greece, The Holy See, Honduras, Hungary, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Kenya, Republic of Korea, Kuwait, Lebanon, Luxembourg, Malaysia, Mexico, Morocco, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Romania, Russia, Saudi Arabia, South Africa, Spain, Sudan, Suriname, Sweden, Switzerland, Tanzania, Thailand, Tunisia, Turkey, UK, Uruguay, USA, Venezuela, Yemen, Zaire.

THE NETHERLANDS: Country Profile

Historical profile: 1579 Protestant Republic declared after uprising against domination by Catholic Habsburg Empire. A great trading nation developed with, following the French Revolution, close affinities to the French Republic. Subsequently part of the French Empire under Napoleon. 1830 Independence. 1914-18 Neutral in First World War. 1940 Occupied by Germany despite neutrality. Dutch forces fought with allies while Dutch formed resistance movement. 1945 Policy of neutrality abandoned; Netherlands became founder member of NATO and EC, and Benelux Economic Union. All post-war governments have been formed by various coalitions between several Catholic, Protestant, Socialist and Liberal parties. The formation and stability of coalitions during the 1980s were bedevilled by disagreements on economic policy and on NATO's nuclear policy of siting cruise missiles on Dutch soil (the latter problem solved by the 1987 treaty between the USA and the USSR removing intermediate range nuclear weapons from Europe). 1980 Queen Juliana abdicated in favour of her eldest daughter Princess Beatrix. 1982 Centre-right coalition of Christian Democratic Appeal (CDA) and People's Party for Freedom and Democracy (VVD) led by Ruud Lubbers. 1989 CDA-VVO government fell in its second term when VVD refused to support Lubbers' proposal for a 20-year environmental protection programme. A centre-left cabinet was formed by CDA and PvdA, with Lubbers still at the helm. 1994 May elections brought three-party coalition in August, headed by Wim Kok. CDA frozen out of power for first time since First World War.

Political system: A constitutional and hereditary monarchy with legislative power vested in the Staten Generaal (bicameral parliament). The Eerste Kamer (First Chamber) is composed of 75 members and is elected by members of the

Provinciale Staten. The Tweede Kamer (Second Chamber) consists of 150 members and is elected directly on the basis of proportional representation. The Second Chamber proposes and amends bills, which can only be approved or rejected by the First Chamber. Executive power is exercised by the Council of Ministers, led by the prime minister, who is responsible to the Staten Generaal. Ministers may be drawn from outside parliament. MPs becoming ministers give up their seats to party colleagues on official 'list'. Both houses are elected for a four-year term. The Kingdom of the Netherlands also includes overseas territories - Netherlands Antilles and Aruba.

Main cities/towns: Amsterdam (population 1.1m in 1994), Rotterdam, The Hague (seat of government, 800,000), Eindhoven, Haarlem, Groningen, Utrecht.

Language: Dutch and Frysian official languages; English, German and French widely spoken.

Media

Press: Foreign newspapers and magazines available at kiosks, bookstalls and hotels.

Dailies: Over 50 regional daily newspapers. The top daily newspapers are VNU Dagbladen, De Telegraaf, Wegener Dagbl, De Volkskrant, Het Algemeen Dagblad, NRC Handelsblad, Sijthoff Pers, NHD, Trouw, Rotterdams Dgbl, Leeuwarder Crt and Haarlems Dgbl Comb.

Business: Major financial/business publications include Het Financieele Dagblad (daily), Elseviers Weekblad (weekly), Bedrijfsdocumentaire and Management Team (fortnightly).

Periodicals: Several weekly magazines, most of which published by United Dutch Publishers (NDU).

Broadcasting: TV and radio network co-ordinated by Nederlandse Omroep Stichting (NOS). Television programmes broadcast on three main channels by about 30 organisations, which are allotted transmission time according to the number of subscribers. TV programmes broadcast in original language - often English - with Dutch sub-titles. Overseas broadcasting in Dutch undertaken by Radio Nederland Wereldomroep. About 90 per cent of homes can receive cable TV services and the take-up rate for satellite TV is very high. Over 30 per cent of homes subscribe to teletext.

Advertising: Accepted in all forms of media, though TV and radio advertising restricted to 30 and 40 mins/day respectively. Most advertising direct, in newspapers and magazines. Main advertising subjects: cars, finance, food. Advertisements for TV and radio accepted by Stichting Ether Reclame (STER). Advice on agents from the Dutch advertising association, Nederlandse Vereniging van Erkende Reclame Adviesbureaus (VEA).

Domestic economy: Broad industrial base with heavy dependence on foreign trade. Also large service sector, with public spending accounting for around 55 per cent of GDP. Indications are that economic growth will continue. Despite recent improvements in economic performance, public sector deficit remains high. Current emphasis on export-led growth and monetary fiscal restraint. The government promised spending and tax cuts when in February 1988, it suddenly

scrapped its 10-year-old tax-credit programme, designed to encourage companies to invest in fixed and capital assets. The Netherlands has been able to avoid the worst effects of recession in Germany, its biggest trading partner. Since 1993 the Dutch economy has been growing faster than Germany's.

In February 1995 the country was hit by storms which caused the worst flooding since 1954.

Employment: Around 85 per cent employed in private sector, mainly manufacturing and services. Moderate levels of unemployment. Only just over 50 per cent of women of working age are in employment. Government and union consensus over strategy for jobs involving work creation, part-time jobs, training programmes and work-sharing.

The number of jobless totalled 438,000, representing 6.6 per cent of the labour force, in the three months to October 1996, down from 8.1 per cent in 1995.

External trade: Regular trade surplus since 1981 owing to increased competitiveness and relatively low levels of imports. Approximately 77 per cent of foreign trade is conducted with EU countries, particularly Germany, Belgium and France. Amsterdam is a major centre for trade in tobacco, diamonds and precious metals.

Exports: Exports were up 4 per cent year-on-year in the first four months of 1996.

Major exports include gas, organic chemicals, artificial resins and plastics, agricultural products and foodstuffs, machinery and electronics.

About 30 per cent of Dutch exports go to Germany, mostly foodstuffs and gas. There is a noticeable rise in exports (most of which are aid tied) to developing countries.

Imports: Petroleum and petroleum products account for over 10 per cent of total imports. Other major imports are non-electrical machinery, raw materials and transport equipment.

Agriculture: Small-scale but highly specialised and efficient, and an important part of the economy. The Netherlands is more than self- sufficient in agricultural produce. Trend towards larger and more highly mechanised farms. Dairy farming is most important activity, involving over a third of the country's farmers. Horticulture also increasingly significant providing 60 per cent of the world trade in cut flowers.

Sector employs 4.2 per cent of the workforce, contributed 4.6 per cent to GDP in 1994 and accounts for 25 per cent of total exports.

Principal products include potatoes, vegetables, flowers and plants, meat and dairy products. The fishing industry is important, and overfishing of young herring in the Skagerrak and Kattegat, Denmark, is weakening the growth of the North Sea herring population.

The agriculture sector suffered from severe floods in February 1995.

Share prices	1990=100	148.0	160.0
Wages (hourly earnings)	1990=100	113.8	115.0
Unemployment rate	%	8.5	8.1
Agricultural production	1979-81=100	122.32	123.98
Industrial production	1990=100	104.8	107.0
Natural gas	bn cu m	66.4	66.3
Exports	f m	286,403	313,544
Imports (CIF)	f m	256,497	280,714
Balance of trade	USDm	15,839	19,281
Current account	USDm	15,008	16,191
Total reserves minus gold	USDm	34,352	33,714
Foreign exchange	USDm	32,716	31,060
Deposit rate	%	2.95	2.63
Lending rate	%	8.29	7.21
Exchange rate	f per USD	1.82	1.60

* est figure

THE NETHERLANDS: Key Facts

Official title	: Koninkrijk der Nederlanden (The Kingdom of the Netherlands)
Head of state	: Queen Beatrix
Head of government	: Prime Minister Wim Kok (PvdA)
Ruling party	: Coalition of Party van de Arbeid (Labour Party) (PvdA), left-wing liberal party Democraten 66 (Democrats 1966) (D66) and right-wing liberal party Volksparty voor Vrijheid en Democratie (People's Party for Freedom and Democracy (VVD)
Capital	: Amsterdam; The Hague is the seat of government
Official Languages	: Dutch and Frysian
Currency	: Guilder (f) = 100 cents
Exchange rate	: f1.71 per USD (Jun 1996)
Area	: 41,473 sq km
Population	: 15.4m (1995)
GDP per capita	: USD21,300 (1994)
GDP real growth	: 3% (3rd qtr 1996)
Labour force	: 5m (1995)*
Unemployment	: 6.6% (4th qtr 1996)
Inflation	: 2.4% (12 months to Oct 996) (consumer prices)
Trade balance	: USD21.7bn (12 months to Aug 1996, not seasonally adjusted)

* estimated figure

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Industry: The industrial sector contributed 27 per cent to GDP in 1994, employing 22.1 per cent of the labour force. It is largely dependent on foreign markets, both for raw material imports and sales. Chemicals account for around 15 per cent of manufacturing output.

Major industries include food processing, engineering, metals, chemicals, shipbuilding, textiles, electronics, aircraft and motor vehicles.

Leading companies: Royal Dutch/Shell, Unilever, Philips, DSM and Akzo. These five companies employ nearly 1m people - almost a fifth of the workforce.

Hydrocarbons: The hydrocarbons sector accounted for 2.8 per cent of GDP in 1994 and employed 4.2 per cent of the workforce. Almost totally confined to gas and oil.

Major producer and exporter of natural gas. The Netherlands became the biggest driller for offshore natural gas in the North Sea in 1988 and can supply the country well into the next century. Natural gas reserves 65.2 trillion cu feet (end-1995). Natural gas production 59.7m tonnes of oil equivalent in 1995, down 0.1 per cent on 1994 output.

Energy: Natural gas provides approximately 50 per cent of electric power needs. Oil production is around 28 per cent of domestic requirements.

Emphasis on developing coal, gas, solar and wind power. Development of nuclear power has been slow owing to popular opposition and 94 per cent of electricity is produced by thermal rather than nuclear power stations.

Banking: System is extensive and provides a full range of services. Three main banking institutions (apart from the central bank): mortgage banks, commercial banks, savings banks and agricultural/co-operative banks. All restrictions on the import and export of capital or currencies were abolished in October 1986.

Legal system: Civil law system incorporating French penal theory.

Membership of international organisations: ADB, Benelux Economic Union, BIS, CCC, CERN, Central Commission for the Navigation of the Rhine, COCOM, Council of Europe, DAC, ECE, EEA, EIB, EMS, EPO, ESA, ESCAP, EU, Eutelsat, FAO, G-10, IAEA, ICAC, ICAO, ICES, ICO, IDA, IDB, IEA, IFAD, IFC, IHO, ILO, IMF, IMO, INRO, INTELSAT, International Lead and Zinc Study Group, International Union for Inland Navigation, INTERPOL, IOM, IPU, IRC, ITC, ITU, IWC, NACC, NAM (guest), NATO, OAS (observer), OECD, OSCE, UN, UNESCO, UPU, WEU, WHO, WIPO, WMO, World Bank, WSG, WTO.

THE NETHERLANDS: Key Indicators

	Unit	1994	1995
Population	m	15.38	15.40
Gross domestic product (GDP)	USDbn	328.5	-
GDP per capita	USD	21,300	-
GDP real growth	%	3.4	2.1
Inflation	%	2.7	2.0
Consumer prices	1990=100	112.2	114.4

MEMORANDUM

TO: Mrs. Ryan - White House

FROM: POL - Ruud Hooijkaas, U.S. Embassy, The Hague

DATE: 21 May 1997

SUBJECT: Information on NOVIB

Rob Rosen asked me to pass to you the attached information on NOVIB, the biggest Dutch nongovernmental development assistance organization, similar to AID in the U.S. Here at the Embassy, we have recently dealt with them with regard to democratization projects in Cuba. A number of their recent projects include: assistance to homeless girls in the Brazilian town of Recife; the establishment of a college in Dakar, Senegal; an anti-child labor campaign in India; and restoration of food production in the war-invested Tigray region in Ethiopia.

NOVIB

Voor meer informatie:
NOVIB
Mauritskade 9
Postbus 30919
2500 GX Den Haag
Telefoon 070 3421777

E-mail: admin@novib.nl

Novib works for sustainable development by supporting the efforts of poor people in developing countries and by championing their cause in the North.

Novib has three related goals: structural poverty alleviation through cooperation with partners in Africa, Asia, Latin America, the former Soviet Union and Eastern Europe, educating Dutch public opinion and standing up for the interests of the poor in policy-making.

In its poverty alleviation efforts, Novib cooperates with local organisations working with and for the poor. Novib strives to improve their material living standards through financial contributions and other services. The aim of this cooperation is to increase the capacity of local organisations to raise living standards sustainably and to empower them to overcome social and economic oppression. Novib gives priority to human rights, the position of women and the protection of the environment.

Novib informs the Dutch public about the non-western world by challenging conventional images and encouraging deeper insights. Novib also tries to make the cultures of the South accessible to the Dutch public. Novib stimulates consumer awareness in order to promote an equitable distribution of the world's resources.

Novib defends the interests of developing countries in the political and economic power centres of the West and tries to influence policy decisions in favour of the world's poor.

Financial contributions from individual supporters, institutions and governments enable Novib, as an independent organisation, to realise its objectives. Novib accounts for the efficient use of these resources through detailed annual reports and project evaluations.

17TH STORY of Level 1 printed in FULL format.

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February 19, 1996, Monday

LENGTH: 1264 words

HEADLINE: DEVELOPMENT: CHANGES IN DUTCH AID POLICY FOLLOW "STREAMLINING"

BYLINE: By Owen Shaw

DATELINE: HILVERSUM The Netherlands, Feb. 19

BODY:

Several countries in the Caribbean and Latin America may see further cuts and in some cases the total loss of bilateral aid support from the Dutch government in the coming year.

This follows a review both of the make-up and the organizational structure of the Dutch government's aid budget, which will now favor aid to war-torn countries, countries in transition and the least developed countries, mainly in Africa and South Asia.

The review, which began some three years ago, concluded that the aid budgets of the ministries of defense, foreign affairs and Development Cooperation should be merged, a view that was accepted in full by the government though disputed by some ministers.

Thus, while individual ministers will maintain distinctive ministerial responsibilities, there will be much greater cooperation among the three ministries in agreeing on aid disbursements.

The government has also moved to decentralize and simplify part of the decision-making process on foreign aid. This in effect means that embassies in developing countries can now decide for themselves, within certain limits, how to spend money, and do not require prior ministerial approval.

"Simplification of the process has the objective of reducing the duplication of work and the length of time needed to deal with proposals," explained Frans Bijvoet, a spokesman at the Dutch Ministry of Foreign Affairs.

Embassies will play an important role in promoting commercial and economic interests. Diplomatic and consular missions will also be given maximum autonomy and, where necessary, enlarged.

New missions are also to be opened in a number of new regions in Eastern Europe, Africa and South Asia to facilitate the changes in the aid disbursement procedure.

The new ministry's spokesman said that in the future embassies will themselves have to evaluate incoming proposals while civil servants in the Netherlands will merely "police" the system.

"Civil servants will now only be reponsible for examining whether a proposal apporoved by the embassy meets the general policy criteria, and whether there

are sufficient funds to pay for it," he added.

These changes are supposed to end duplication of tasks between civil servants at the Development Cooperation Ministry, who had repeated the work of the embassies and the Foreign Affairs Ministry in reviewing and reassessing aid proposals.

This will also result in a drastic reduction in the number of reports and signatures of approval needed by each aid proposal.

The changes, although not opposed by local nongovernmental organizations, "has not gone far enough," said Greetje Lubbi, a spokewoman for a leading Dutch development NGO.

"While the outcome is not too bad, we will continue to push the government for more expenditure on social sector development in developing countries and the setting of clearer links between aid and human rights," she added.

The way the government calculates the aid budget will also be changed. It will now be based on a percentage of the country's gross national product (GNP).

This year's development aid budget has already been set at 0.8 percent of GNP, according to a ministry spokesman, "based on estimates of the amount required for the year."

But to allow flexibity in meeting unxepected crises, the government does not intend to adhere rigidly to the 0.8 percent target. The official said the actual figure may vary from 0.75 percent to 0.85 percent of GNP, a difference of over six hundred million guilders.

"This however involves only shifts within foreign expenditure, so there is no question of nibbling away at development aid for poor countries to make money available for national priorities," he added.

The amount allocated to foreign aid from the Netherlands as a percentage of GNP has remained relatively stable over the past few years.

The nominal amount will be increased by eight percent to 7.1 billion guilders ($ 5 billion), but there will be no across-the- board increase in funds allocated to developing countries.

"Some countries are in fact likely to see substantial reductions if not total elimination of aid," said Jan Pronk, Dutch Minister for Development Corporation, "as more money will be directed towards humanitarian assistance, projects to restrict migration, and the building of democratic institutions." He stopped short of saying which countries are likely to be affected.

However, Caribbean and Latin American countries with their established democracies, peaceful regions and limited out-migration would appear to come low down on the list in light of the new priorities.

Since last year the number of countries eligible to receive regular aid from the Netherlands has fallen from 55 to 34, with a further 16 seeing part or all of their aid support restricted. Chile, Colombia and Uruguay are the worst hit.

Pronk believes there will still be the traditional aid by donor countries, but that elsewhere also aid flows will be coordinated in the smae manner as the Dutch now plan, through the combined agency of the ministries of defense, foreign affairs and development cooperation.

Analysts fear that this approach will undoubtebly lead foreign aid to become much more of a political issue. They claim the cross-ministry approach will give greater weight to Dutch political objectives.

"That's not such a bad idea, given the level of corruption which exists in some of these countries," said Max van den Berg, director of NOVIB, the major Dutch nongovernmental organization working in the development field.

He believes better use can be made of development aid if there is greater coordination between governments of developing states and their NGOs.

"Our main goal is to advocate that more aid money be given to local NGOs and less to what we call white elephants...At the same time we say it's not only aid but also trade which is needed."

Van den Berg criticized developed countries for what he described as unfair trade practices. "It is inherently unfair that European meat producers, which are heavily subsidized, should be allowed to dump their meat products in countries such as those in West Africa." he added.

"We should stop with dumping and establish fair trade and international correct behavior between states and groupings, so that space is given to civic societies."

"More aid money should be channeled towards the development of the rule of law and the establishment of democracy in poorer countries," added Peter Kooijmans, a former Dutch Foreign Minister.

He contended that not only should foreign aid increasingly become more scrutinized but that general development aid should also be linked to the "behavior" of recipients.

On average, only 6.5 percent of the world's bilateral aid is devoted to basic human needs, according to the U.N. Development Program.

For the Netherlands this indicator is 10 percent, for Norway 20 percent. The average for multilateral agencies is 10 percent.

The report said this seemingly low contribution level liee not in the world's inability to cope with traditional disasters but rather in its seeming inability to cope with the ever-increasing demands resulting from man-made disasters such as war and conflict.

Dutch foreign minister Hans Van Mierlo acknowledges that it is this which has forced the changes on the government.

"We had to take stock of how the position of The Netherlands had changed since the end of the Cold War and determine what policy changes were required."

Questions:

HRC should be prepared to answer why U.S. still hasn't paid U.N. arrears.
Carey -- ck that .7% is just for development aid and not for guns, planes, etc.

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Un might not to call her.

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Lachovitsky, M. *The Destruction of Nieswiez: From an Eyewitness.* Tel Aviv, 1948. (In Yiddish.)
Stockfish, D., ed. *Nieswiez Book.* Tel Aviv, 1976.

SHALOM CHOLAWSKI

NETHERLANDS STATE INSTITUTE FOR WAR DOCUMENTATION. *See* Documentation Centers: Rijksinstituut voor Oorlogsdocumentatie.

NETHERLANDS, THE. The Jewish community that had existed in the Netherlands in the Middle Ages was expelled or destroyed. In the late sixteenth century, Portuguese Marranos (Jews forcibly converted to Christianity who remained secret Jews) and the descendants of Portuguese Marranos living in Antwerp, Brussels, and Italy began to settle in the Netherlands and to practice their Judaism openly. They were followed by Ashkenazic Jews, especially after the 1648 and 1649 massacres of Jews by the Cossacks in Poland and the Swedish invasion of Lithuania in 1655. In the Netherlands the Jews enjoyed tolerance and security of life and property; following the establishment of the Batavian Republic in 1795, they were granted full civil rights. The Jews took part in cultural life and also held political posts; there was a large Jewish proletariat, many of whom joined the trade unions, and Jews were prominent in the workers' movement. At the time of its occupation by the Germans in 1940, the Netherlands had a Jewish population of 140,000, representing 1.6 percent of the total population of 8.9 million; this figure includes refugees from Germany, Austria, and the Protectorate of BOHEMIA AND MORAVIA (see below).

Amsterdam was the foremost and largest Jewish community in the Netherlands. In many respects Amsterdam, and particularly its Sephardic ("Portuguese") community, was the pioneer of modernity among the Jews. It was renowned for its organization, its educational institutions, and its personalities, and it maintained its unique character until the twentieth century. On the eve of the Holocaust, Amsterdam had a rabbinical seminary, Jewish periodicals, and a number of

NETHERLANDS



synagogues, two of which, one Sephardic and one Ashkenazic, were of outstanding beauty. In 1940 Amsterdam had a Jewish population of 75,000, 53 percent of the total Jewish population in the country. The Nazi treatment of the Amsterdam Jews and the status given to the Amsterdam JOODSE RAAD (Jewish Council) affected all the Jews of the Netherlands.

The Period from 1933 to 1940. When Adolf Hitler came to power in Germany, many Jews (and non-Jews) from Germany moved to the Netherlands. Dutch Jews detested the Nazis and wanted to express their feelings with deeds. In order to forestall spontaneous acts and to find a solution for the refugee problem, the Comité voor Bijzondere Joodse Belangen (Committee for Special Jewish Affairs) was established, with Abraham ASSCHER serving as its chairman. Before long care of the refugees became the committee's principal activity, and, in accordance with government policy, it looked for ways and means to enable the refugees to emigrate to other countries. Those among the refugees who had entered the country illegally were detained in camps, and in 1939 a central camp was put up for this purpose, in the village of WESTERBORK. The Committee for Special Jewish Affairs was made responsible



Jewish wedding in The Hague, 1941 or 1942. Note the yellow stars worn by the bride, the groom, and their families. [A Living Memorial to the Holocaust—Museum of Jewish Heritage, New York]

for maintaining the camp. From 1939 to 1940 a total of 34,000 refugees entered the Netherlands, and of these, 15,174 were still there when the Germans invaded the country in May 1940. The refugees from Germany had a beneficial impact on the economy, especially the textile, fashion, and film industries.

The growth of NATIONAL SOCIALISM in Germany and of similar movements in other European countries also had an effect on the Netherlands, and there were manifestations of antisemitism, which hitherto had not been known in the country. Most important among the radical right-wing movements was the NATIONAAL SOCIALISTISCHE BEWEGING (NSB).

May 1940 to Mid-1941. On the night of May 9–10 the Germans invaded the Netherlands, and four days later, on May 14, the Dutch army capitulated. Great panic seized the Jews; many tried to flee to Britain or to the south, and several dozen Jews committed suicide rather than face the persecution they expected would take place. In the first few months the Germans behaved in a restrained manner, trying first to gain popularity among the Dutch population, who were stunned by the course of events. At Hitler's express order, a civil administration was installed in the Netherlands, under SS auspices. Arthur SEYSS-INQUART was appointed *Reichskommissar* (Reich Commissioner), with five commissioners-general serving under him: Dr. Friedrich Wimmer (administration and justice), Dr. Hans Fischböck (finance and economy), Otto Bene (Foreign Office representative), Fritz Schmidt (representative of the Nazi party), and Hans Albin Rauter (commissioner-general for public safety and Heinrich HIMMLER's representative, as higher SS and police leader). The police apparatus was under Rauter's control; for most of the time it was headed by Dr. Wilhelm Harster, and attached to it was a branch office of IV B 4, Adolf EICHMANN's section in the REICHSSICHERHEITSHAUPTAMT (Reich Security Main Office; RSHA). On Seyss-Inquart's instructions, Dr. Hans Böhmcker, his representative in Amsterdam, was also in charge of Jewish affairs in the city.

A Dutch administration existed side by side with the German administration. Since

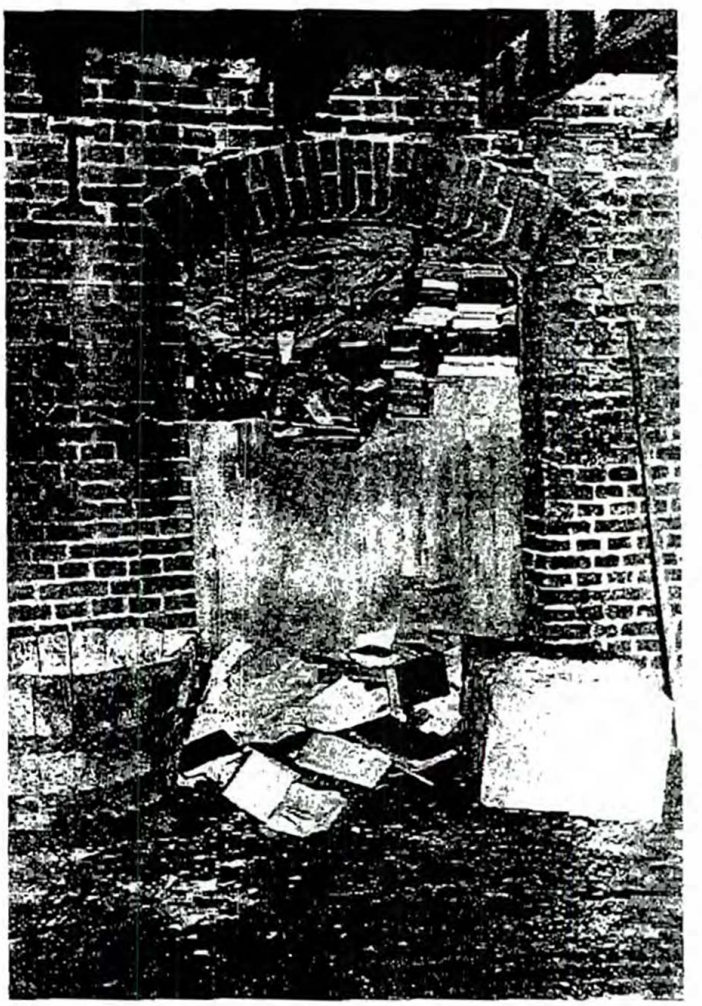
Queen Wilhelmina and the Dutch government had fled to Britain and set up a government-in-exile there, the principal secretaries of the government ministries constituted the highest Dutch authority in the country. They held regular meetings, acting as though they were a kind of cabinet. While the German administration did not recognize them as a representative body, it did at first permit them to continue functioning. As time went on, however, the Germans replaced most of the principal secretaries.

In August 1940 rumors were rife of a comprehensive anti-Jewish policy that had been worked out by the German administration. In September the Jewish newspapers were banned, with the exception of one weekly, *Het Joodse Weekblad* (The Jewish Weekly Newspaper). At the same time the Germans also banned the appointment of Jews to the Dutch administration, and ordered all civil servants to fill out a form in which they had to declare whether they were Jews or married to a Jewish woman. This order caused a stir among the Dutch population, but only a few civil servants failed to comply with it.

On November 4, an order was given for all Jewish civil servants to be "suspended." For a while they continued to draw a salary, but this was replaced by a kind of retirement pay. Among the suspended civil servants was Lodewijk Ernst VISSER, the president of the supreme court. The reaction to the German order was much stronger in academic circles, particularly among the students; they protested the dismissal of Jewish professors, and in the universities of Leiden and Delft they went on strike, as a result of which these universities were closed.

A decree was then issued ordering the registration of Jewish enterprises or those in which Jews had a measure of control (October 22, 1940). This registration—a first step toward "Aryanization"—was carried out by Fischböck's Commissariat General for Finance and the Economy, which by this act put itself in charge of dealing with Jewish property. A total of 20,690 enterprises were registered. The registration showed that the Jewish share in the economy was modest, and that most of the Jewish enterprises were small. On January 10, 1941, a further decree was issued under which all Jews, and any person with a Jewish grandfather or grandmother, had to report for registration. A total of 159,806 persons registered: 140.245 were Jews, and 19,561 the offspring of mixed marriages (*see* MISCHLINGE).

These measures, and others that followed, convinced the Jews that an authoritative body ought to be established whose composition, of persons of standing and prestige, would enable it to serve as the leadership of Dutch Jewry, with its three communities, the Ashkenazic, Sephardic, and Liberal. With the consent of the large Jewish organizations, such a body was set up in December 1940, the Joodse Coördinatiecommissie (Jewish Coordinating Committee), chaired by Visser. One of its members was Professor David co-



Jewish books and ritual objects hidden behind a plastered niche in the Meijerplein synagogue in Amsterdam, uncovered by the Germans.

HEN, who served as liaison officer between the committee and the Committee for Special Affairs; the staff of the latter now also worked for the Coordinating Committee. The new committee undertook to guide the Jews on political issues and to advise and aid Jews who had suffered economically; it also developed a program of cultural activities, in conjunction with other organizations.

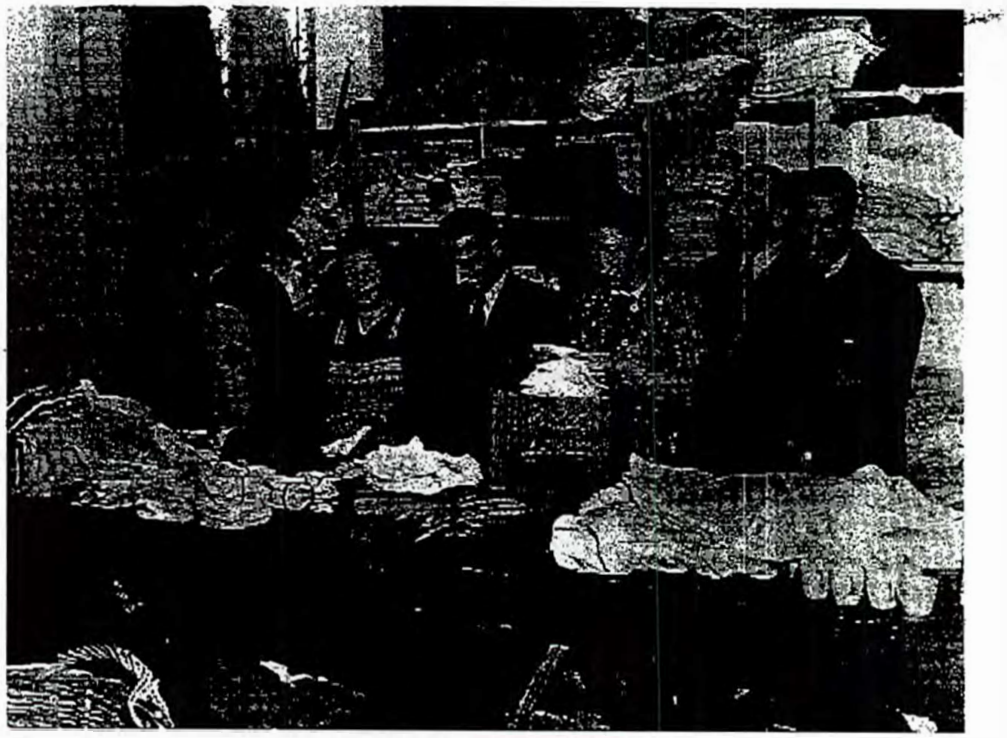
The German occupation of the Netherlands led to a decline in the economic situation and threw many people out of work. The Dutch administration's decision, as agreed upon with the Germans, was to compel the unemployed to take up work in Germany. This caused much resentment among their families, and the clandestine Communist party sought to exploit this mood among the population by strikes and public demonstrations. These had the effect of persuading the authorities to retreat, to some degree, from their original plans. Among the Dutch Nazi party members there was dissatisfaction of a different sort: they had hoped that the Germans would entrust the power in the Netherlands to them, thereby enabling them to purge the country, and especially "Jewish" (*verjudet*) Amsterdam. The German authorities, however, restrained the Dutch Nazis and did not permit them to run riot. In early 1941 the Dutch Nazis decided to take matters into their own hands, launching an anti-Jewish campaign of their own.

In the Jewish quarter, Jews and non-Jews organized to resist the Nazi attacks. During a march organized by the Dutch Nazis, a clash took place that cost the life of one of their Storm Troopers (February 11). The Germans reacted by sealing off the Jewish quarter. Böhmcker, Seyss-Inquart's representative in Amsterdam, called in Abraham Asscher and two rabbis and ordered them to set up a Jewish council; he also demanded that they ask the Jews to surrender to the police any weapons in their possession. Asscher agreed to these demands. The Joodse Raad was set up by Asscher and Cohen within a day, and it held its first meeting on February 13, 1941.

On February 19, a troop of German ORDNUNGSPOLIZEI (regular police) entered a Jewish café. The owner, who mistook the police for Dutch Nazis, put into motion a prearranged scenario, in which ammonium gas was sprayed on them. In the wake of that incident, Rauter decided to teach the Jews a lesson. On Saturday, February 22, the Jewish quarter was blockaded and young Jewish men were hunted down; 389 persons were arrested and taken to BUCHENWALD. Fifty of them died within three months, and the others were deported to MAUTHAUSEN. Of the whole group only one person survived the ordeal. The same fate overtook Jews who were seized in September 1941 and sent straight to Mauthausen. The arrests and the brutal treatment of the prisoners by the German police shocked the Amsterdam population. Communist activists used the resulting ferment as an occasion to call for yet another strike. The strike soon encompassed all sectors of the population, and the entire transportation system, the large factories, and the public services came to a standstill. The strike of February 25 spread to other cities in the Amsterdam region and continued into the next day. The Germans were taken by surprise and put large forces into the field to suppress it, which they succeeded in doing by the third day. This strike had far-reaching consequences. The Dutch realized that it had not led to any tangible results, since the Germans refused to make any concession regarding their treatment of the Jews. The German administration no longer had any doubts about the total failure of their plan to gain support for the Nazi ideology among the Dutch population. In his first public appearance after the strike (March 12), Seyss-Inquart vehemently denounced the Jews and called on the Dutch people to choose between sympathy for the Jews and collaboration with the Germans.

The events of February 1941 prompted Seyss-Inquart and his aides to harden their anti-Jewish policy. At this point, Reinhard HEYDRICH decided that Hans Rauter should set up a Central Office for Jewish Emigration in the Netherlands, similar to those already in existence in Vienna, Prague, and Berlin (*see* ZENTRALSTELLE FÜR JÜDISCHE AUSWANDERUNG), which would serve as a model for other European countries. Officially the office was headed by Willy Lages, but its day-to-day administration was in the hands of Ferdinand aus der Fünten. The original proposal also included the establishment of a Jewish

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Joodse Raad staff sorting clothing in a storeroom. The box on the shelf reads "Men's socks"; on the table it reads "Children's socks." [Joh. de Haas]

emigration fund to be run by the SS. Seyss-Inquart, however, was not prepared to relinquish control of the Jews. In the course of the preparations that were put into motion to implement the "Final Solution" program throughout Europe, it was the police that became the operational arm of all the measures undertaken against the Jews, which followed one upon the other in the second half of 1941.

Separation. The first goal of the Germans toward the implementation of the "Final Solution" was the separation of the Jews from the general population to the greatest possible extent. In the summer of 1941 Jews were barred from public places. A night curfew was imposed on Jews only, from 8:00 p.m. to 6:00 a.m., and Jews could shop only from 3:00 p.m. to 5:00 p.m. Jews were allowed to use public transportation by special permit only, and then only if space was available. On September 15, Rauter issued an order barring Jews from public assemblies, museums, libraries, public markets, the stock exchange, and so on. On the other hand, certain halls, stores, and boardinghouses were designated for Jews only, and placed out of bounds to non-Jews. Jews could remain as members only in societies of an economic character, and were excluded from the compulsory new trade unions set up for journalists, actors, musicians, and so on.

The Germans did not interfere with religious life, except for outlawing ritual slaughter; fowl could be ritually slaughtered in the privacy of the home. In 1940 and 1941 the Germans permitted the import of *etrogim* (citrons) from Italy for ritual use on the Festival of Tabernacles. When an order was put into effect prohibiting gatherings of more than twenty people, the Germans still permitted religious services to be held.

In August 1941, Wimmer ordered that all Jewish students be removed from public schools and be put into special Jewish schools to be set up for this purpose. As for the universities, no new Jewish students had been admitted since early 1941; in 1942 the exclusion of Jews was extended to apply to those already enrolled.

Organized Plunder. The first German

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agency to embark upon the confiscation of Jewish property was EINSATZSTAB ROSENBERG (Rosenberg Special Operations Staff), which had been authorized by Hitler to confiscate any item it required in order to promote the National Socialist cause. Alfred ROSENBERG's men were interested mainly in acquiring public and private Jewish libraries. Following his appointment as Reich Minister for the Occupied Eastern Territories in November 1941, Rosenberg also received Hitler's permission to seize the household furniture left behind by the Jews who were deported (see below) and to distribute it among the German population in the eastern territories. This operation, called Aktion M (for *Möbel*, furniture), was of enormous dimensions. From the Netherlands alone, in a single year, 17,235 apartments (9,981 in Amsterdam) were emptied of their contents, and loads totaling 16,941,249 cubic feet (479,725 cu m) were sent to eastern Europe.

Einsatzstab Rosenberg was an independent operation and was not part of the plunder program carried out by the German administration in the Netherlands, a program that Seyss-Inquart's commissioner-general for finance and economy, Hans Fischböck, had drawn up on the basis of the data obtained from the forced registration of Jewish enterprises. On March 12, 1942, the first of four decrees was issued concerning the confiscation of Jewish property. Under the decree, trustees (*Treuhänder*) were appointed for every Jewish enterprise, most of which were earmarked for liquidation and the rest for transfer to "Aryan" hands. The purchase price was to be paid to the Jewish owner of the enterprise in twenty-five yearly installments, but in fact no such payment was ever made.

The "Aryanization" process was handled by a special agency created for this purpose, the Vermögensverwaltungs- und Rentenanstalt (Property Administration and Annuities Institute)—that is, an office for the administration of the seized property—which invested the proceeds of its operations in German government bonds. During the course of the "Aryanization" program, some nine thousand to ten thousand Jewish enterprises were designated for liquidation, of which about two thousand were transferred to "Aryan" hands. Jewish influence was eliminated from some ten thousand other enterprises. By the end of the war, some one thousand Jewish enterprises had not been dealt with.

In the first two years of the occupation the Germans hardly touched the diamond trade; they hoped to develop it and were aware that in the early stage they would need the help of the experienced Jewish owners and workers in the industry. They lost no time, however, in ousting Jews from the textile industry, a branch of great importance in the economic life of the Jews, second only to the diamond branch. Within a few months hundreds of merchants, shopkeepers, and itinerant salesmen in the textile industry found themselves in the street and deprived of their livelihood.

In May 1941 a decree was issued ordering the registration of agricultural land in Jewish ownership. There was not much of it, only 22,500 acres, no more than 0.9 percent of all agricultural land in the Netherlands. Of greater impact was the forced registration of real estate and mortgages: the value of the 19,000 Jewish-owned buildings was 200 million gulden, and of the 5,600 mortgages, approximately 26 million gulden.

In mid-August, Fischböck's confiscation program reached its climax in a decree on the liquid assets owned by Jews. The Jews now had to deposit, in one bank, all the cash and checks in their possession worth over 1,000 gulden, as well as all their deposits and accounts, including their stocks, bonds, and saving accounts. Fischböck selected for this purpose a Jewish bank, Lippmann, Rosenthal and Company, which had been placed in the hands of a trustee. A special section was set up for the Jewish accounts, under Fischböck's direct supervision, over which the bank had no control whatsoever. The Jews could not draw freely on their accounts and had to submit applications, which were subject to a commission and were carefully scrutinized. Their approval was regarded by the Germans as a privilege rather than a right. By the end of 1942, 7,458 accounts belonging to 6,540 private individuals and totaling 25 million gulden had been opened with LIRO (the Jewish section of Lippmann-Rosenthal), as well as stocks and bonds to the nominal amount of 213 million gulden.

The Germans had no intention of maintain-

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ing the private accounts for long. On January 1, 1943, all the private accounts were abolished and all the money belonging to Jews was put into one general account. Henceforth the Jews received their salaries and other payments only from the Joodse Raad. Once LIRO was set up, the Raad was stripped of its financial independence, which had been based on contributions from Jews; the contributions were discontinued and LIRO, in the first year, remitted 400,000 gulden to the Joodse Raad. The Raad's monthly requirement, however, was 45,000 to 60,000 gulden, and it therefore had to take loans from LIRO, at the high interest rate of 5 percent. From the time the general account was established, the Joodse Raad had to present budget estimates and financial reports to the German authorities, on a monthly basis. The Germans determined the monthly allocation, which was usually late in arriving. Until its dissolution in September 1943, the Joodse Raad received a total of 4.9 million gulden. On Seyss-Inquart's orders the securities were sold; because of the large quantities that were put on the market, they were sold at a price below their real value, which in turn led to a buying spree on the Amsterdam stock exchange. Insurance policies of Jews deposited with LIRO had to be paid out by the insurance companies as though LIRO were the legal heir, and as of April 1943 LIRO was also authorized to cash in the mortgages it held. In addition to these liquid assets, the Germans appropriated valuables such as jewelry, paintings, and stamp collections. Some of these items found their way into private possession, but on the whole, Fischböck succeeded in transmitting to the German treasury most of the Jewish money and other assets.

Deportation. In late 1941 the Germans told the Joodse Raad that labor camps were being opened to which "unemployed" Jews would be sent, to be put to work. In reality, this was a camouflage for the preparatory steps that the Germans were taking toward eventual deportation. Ostensibly, the Jews sent to the camps were to be employed in Dutch factories and for Dutch institutions, but in fact the camps were German forced-labor camps, and the Jews held there lived and worked under much poorer conditions than those of Dutch workers. Not only unemployed Jews were sent to the camps; those with gainful employment were also affected, when the Germans canceled their work permits and thereby turned them into "unemployed" persons. Strong pressure was put on the Joodse Raad to fill the constantly increasing quota for workers. At first it refused to submit, but later it cooperated. In April 1942, conditions in the camps deteriorated and many Jews deserted. Officially there were 7,500 laborers in the camps, but the actual average number was no higher than 5,000. Together with the forced laborers' dependents, the camp population numbered some 15,000.

The deportation plan also provided for the removal of the Jews from all the provinces and their concentration in Amsterdam. This phase was launched on January 14, 1942, beginning with the town of Zaandam; the Dutch nationals among the Jews were ordered to move to Amsterdam, while those who were stateless were sent to the Westerbork camp. In the initial six months it was mainly the Jews from the coastal strip who were forced to leave. The evacuation of the provinces followed, coinciding with the start of the deportations. Not all the Jews were permitted to move to Amsterdam; a new camp was set up, near VUGHT, as an alternative to Amsterdam or Westerbork. In April 1943 Jewish residence throughout the Netherlands (with the exception of Amsterdam) was forbidden, and those still in the provinces were ordered to report to Vught.

Another step designed to ensure that no Jew escaped the German net was the introduction of the yellow badge (*see* BADGE, JEWISH). On April 29, 1942, Asscher and Cohen were advised that as of May 3 every Jew aged six and over would have to wear such a badge. The yellow badges—570,000 of them—had been prepared in advance (apparently in the ŁÓDŹ ghetto) and the Joodse Raad was ordered to distribute them to all the Jews, with the Germans threatening that any person caught without the badge after the appointed day would be deported to Mauthausen. Asscher and Cohen, after strong protests, agreed to carry out what appeared to be an impossible task: to hand out the badges, in the space of two days, to Jews all over the country. The Dutch population was



Jews in Amsterdam on their way to the collection point for deportation (1943).

highly critical of this humiliation of the Jews, and some of them expressed their feelings by wearing, in public, a yellow badge of their own. This particular protest movement, however, did not last for long. The yellow badge was soon overshadowed by far more ominous developments.

On June 26, 1942, Willy Lages and Ferdinand aus der Fünten informed David Cohen that "the Jews of the Netherlands will be employed by the police in labor camps in Germany—men, women, and entire families." From that point on it was the Zentralstelle, the Central Office for Jewish Emigration, that had the decisive say on Jewish policy, with only economic and financial affairs remaining under Fischböck's control. Cohen was also told that at first, young Jews, for the most part of German origin, would be sent to the labor camps; each would receive an individual notification and would have to register with the Joodse Raad. The Amsterdam Jews panicked and only a small number did in fact register. In order to frighten the Jews into registering, Rauter ordered a large manhunt to be conducted when the date for the first transport drew near; 540 Jews were arrested and held as hostages. Nevertheless, the quota that had been fixed for the first three transports was not filled. When the trains arrived at Westerbork and the camp commandant realized that he was 400 Jews short of the 2,000 he was to move to the AUSCHWITZ extermination camp, he made up the shortage with prisoners from the camp. The removal of entire families, including the old and the very young, left no doubt that the term "employed by the police" was no more than an effort to camouflage what was really the deportation of Dutch Jewry.

Large sectors of the population reacted with fury to this development. The country's churches took the unprecedented step of protesting in a body to Seyss-Inquart, and also instructed all the clergymen to read out the text of their protest at the following Sunday's services. The German administration exerted heavy pressure on the churches to call off the public protest, and the Protestant churches gave in. The Catholic archbishop, Johannes de Jong, insisted that the protest telegram to Seyss-Inquart be read out. The Germans retaliated by arresting all Jewish converts to Catholicism—201 persons, some of them

monks and nuns—and deporting them to Auschwitz.

The public protests had no effect on the Germans, who continued to send Jews to Westerbork and from there to Auschwitz and SOBIBÓR, as planned. In large measure, the Germans' design was facilitated by the Dutch agencies' readiness to cooperate: the municipal administration, the railway workers, and the Dutch police, with few exceptions, all contributed to the roundup of the Jews and their expulsion from the country.

On October 2, 1942, a countrywide operation was launched to speed up the deportation of the victims. All the Jewish men in labor camps in the Netherlands were transferred to Westerbork, where they were joined by their families from Amsterdam, a total of 12,296 persons. The Westerbork camp could not possibly accommodate such a large number, and overnight, conditions there became utterly unbearable. The Germans raised the quota for the trains taking Jews to the east, and in a single month sent 7,463 Jews to their death, thereby relieving some of the congestion at Westerbork. At this point the method used for assembling the Jews in Amsterdam was also changed; as of October 14, the Jews who had been detained were held in the Jewish theater building pending their dispatch to Westerbork. In May 1943 the rate of deportations was accelerated. Lages, the German police chief (and chief of the Zentralstelle), told the Joodse Raad that 7,000 of its employees, who until then had been protected, would have to assemble in an Amsterdam city square and then go to Germany for "employment" there. Despite the strong objections of many of their associates, the Joodse Raad leadership decided to comply with the German demand. Those who were notified by the Raad to report for "employment in Germany" were warned that severe action would be taken against them if they failed to comply. Nevertheless, only 500 persons showed up, of the 7,000 who had received the summons. The Germans reacted at once: the Jewish quarter was sealed off the following day, and a manhunt was launched in which 3,435 Jews were caught. The Joodse Raad was not dismissed, but the Germans no longer relied on it for the roundup of Jews.

When the reservoir of Jews for deportation ran dry, another wide-ranging manhunt was carried out, on June 20, 1943, and 5,524 Jews were arrested. By that summer, only a small remnant of Jews was left, and they too were doomed. On the eve of the Jewish New Year, September 29, 1943, the last roundup took place, and 2,000 Jews, including the Joodse Raad leaders and senior staff, were taken to Westerbork. On arrival there, Asscher and Cohen were informed that the Joodse Raad had ceased to exist. One section was still functioning in Amsterdam to take care of the remaining Jews, most of them the Jewish partners of mixed marriages. Food parcels were still being sent to Westerbork, with German permission.

The deportations were based on a systematic method and proceeded gradually, enabling groups or individuals to have their deportation postponed, held up, or speeded up. In the best position, in relative terms, were the nationals of enemy or neutral countries, to whom all of the anti-Jewish laws did not apply. The fate of nationals of the satellite states, on the other hand, depended on the position taken by these states; some of them (for example, Italy, Finland, and at a later stage Hungary and Romania) protected their Jewish citizens, while others (such as Slovakia and Croatia) abandoned them to their fate. As time went on it transpired that Germany was interested in the Exchange of Jews and Germans (*see* EXCHANGE: JEWS AND GERMANS). In July 1944 an arrangement was made under which German residents of Palestine were exchanged for 220 Dutch Jews. In addition, thousands of Jews were being held in the BERGEN-BELSEN camp for exchange, for whom the Jewish Agency had applied for immigration permits to Palestine. Another category of Jews who were released from Bergen-Belsen had passports purchased for them from one of the Latin American countries. Two secretaries-general of the Dutch administration succeeded in having 654 prominent Jews exempted from deportation to the extermination camps, but that group was eventually taken to Westerbork, and from there to THERESIENSTADT, contrary to assurances given by Seyss-Inquart. They were eventually set free when Theresienstadt was liberated by the Soviet army.

A few Jews with substantial financial assets

were permitted to emigrate, and some Jews bought themselves off from deportation. For the most part, however, exemption from deportation was only temporary; this was the case with thousands of Jews who had taken part in Germany's war effort, as laborers (*Rüstungsjuden*). Rauter exerted great pressure on the military industrial plants, and they gradually reduced the number of Jews working for them; in June 1943 the last such group was released and sent to their death.

One special group of persons who had been registered as Jews lodged an appeal against this designation, claiming that they were of pure or partial "Aryan" descent. Those whose appeal was allowed were released from the strictures of the discriminatory laws, depending on the category to which they were finally found to belong. The number of these cases would have been small had it not been for Dr. Hans Georg Calmeyer, a German lawyer who headed the relevant section and who regarded it as his moral duty to save as many Jews as he could. In his struggle with Rauter's men, Dr. Calmeyer was supported by Wimmer (himself an antisemite), and this made it possible for Calmeyer to continue his activities. His accomplishments are reflected in the figures for January 1944: 4,767 applications were submitted; of these, 1,868 (fewer than 40 percent) were turned down. In 2,026 cases the applicants were reclassified as "half" Jewish, and in 873 cases, as one-quarter Jewish or "Aryan." Many of these findings were based on false evidence, of which Calmeyer was fully aware.

The mixed marriages represented a vexing problem for the Germans, and their policy on this issue was not consistent. Some of the Jewish partners in such marriages ended up in Westerbork and remained there; others were deported to the extermination camps. At one stage an effort was made to solve the problem by giving these Jews the choice between deportation to the extermination camps and sterilization, and in this the Germans went further in the Netherlands than in Germany itself. Only a few were actually sterilized, but many were confirmed, after cursory examination, as being infertile, thanks to a German physician, Dr. Eduard Meyer.

Some people in the Netherlands sought to profit from the situation by extorting money from Jews, in exchange for a promise to delay their deportation. The largest fraud was perpetrated by Friedrich Weinreb, a Jewish economist who promised that for a small fee he could arrange for people to go to Portugal with the help of a highly placed German with whom he had contact. Many Jews were taken in, and for a while Weinreb managed to fool even the Germans. When it turned out that it was all a fabrication, he became an informant, causing the arrest of 118 Jews, of whom 70 perished. Weinreb and his family went into hiding, where they stayed to the end of the war.

Beginning in May 1943, the number of deportees from Westerbork increased. That month, 8,056 Jews were deported to the extermination camps; in June, 8,420; and in July, 6,614. Thereafter the figures declined: in August, 2,005; in September, 1,984; in October, 1,007; and in November, 2,044. Subsequently, one train a month left Westerbork for Auschwitz, each with about 1,000 Jews. From March 1944 the number of deportees per month ranged from 240 to 600. On September 3, 1944, when it looked as though the Allied armies were about to conquer all of the Netherlands, one more fully loaded train was dispatched to Auschwitz, with 1,019 Jews aboard.

Very few Jews deported from the Netherlands survived, as shown in Table 1. After deducting the number of Jews who survived in Auschwitz and in labor camps because of special circumstances (women in the MEDICAL EXPERIMENTS block, and the Philips groups in the Vught camp), it transpires that only a very small proportion of those deported survived, far fewer than among eastern European Jews.

Approximately three thousand Jews from the Netherlands, many of them refugees from Germany, were deported from Theresienstadt to Auschwitz. Living conditions in Theresienstadt were poor, and toward the end of the war epidemics of contagious diseases broke out there. However, the mortality rate was relatively low, and for those in Theresienstadt who were not sent on to Auschwitz, this was the least difficult camp to be in.

Hiding Out and Escaping. By the summer of 1942, Jews who had not responded to sum-

TABLE 1. *Deported Netherlands Jews Who Survived the Holocaust*

DESTINATION	NUMBER OF DEPORTEES	NUMBER OF SURVIVORS	PERCENTAGE OF SURVIVORS
Auschwitz	60,026	1,052	1.75
Sobibór	34,313	19	
Theresienstadt	4,894	1,980	40.4
Bergen-Belsen	3,751	2,050	54.6
Mauthausen	c. 1,750	1	
Other camps	200	(?)	
Dutch Jews deported to Auschwitz from Belgium and France	c. 2,000	100 (?)	5
Total	c. 107,000	5,200	4.8

monses for deportation had to go into hiding, and the number of such Jews grew, especially in 1943. In the early stages, they used their personal contacts with non-Jews to find hiding places. Later, groups and organizations were formed that made it their job to find hiding places for Jews and for threatened non-Jews. Many of those taking part did so without any recompense, or asked only for modest sums to cover their expenses. Some, however, used the situation as an opportunity to make a profit. It was also accepted practice that Jews paid double the fee paid by non-Jews, because of the higher risk involved in saving Jews. A large number of men and women acted as liaison officers, providing ration coupons and forged papers and, in many instances, also helping Jews to move from one hideout to another.

As time went on, those in hiding found it increasingly difficult to pay for their maintenance costs, and in early 1944 the national underground organization that had come into being to financially assist people being persecuted set up a special Jewish section to aid the Jews in hiding. That section, with the help of other underground organizations, paid out a total of 400,000 gulden for this purpose. At a rough estimate, twenty-five thousand Jews went into hiding, of whom about a third fell into German hands. Among these was the family of Anne FRANK. Non-Jews who were caught giving refuge to Jews in their homes were not executed, but they were sent to concentration camps, where many perished. Frequently the Germans also destroyed the property of the non-Jews in whose homes Jews had been hidden.

A special chapter was the rescue of children, for whom it was easier to find refuge. As early as July 1942 a group of students had organized for this purpose, and later on there were three more such groups; together, they placed about one thousand children in hiding. In many instances the children were whisked away from the Jewish theater building to the children's home across the street, and from there to hideouts. In all, about forty-five hundred children were hidden, and only a very few were discovered by the Germans.

Escape from the Netherlands to other countries was very difficult. Nearly all the attempts to cross to Britain ended in failure. The journeys through Belgium and France were long and extremely risky, but some Jews did succeed in reaching the Swiss border and, unless turned back by the Swiss police, were able to stay there until the end of the war. The outcome of such escape attempts depended on contacts in various places. The largest group that smuggled young people out of the country was the Westerweel group (*see* WESTERWEEL, JOOP), which cooperated with the Haluts (Zionist pioneering) organizations. Dozens of members of these groups succeeded in moving the young Jews from their hideouts in the Netherlands to France, and from there to Spain, from where most made their way to Palestine.

The role of the Jews in the Dutch underground was not insignificant, but no data are available on the subject. Jews helped to found major underground newspapers, and they transmitted intelligence reports to Brit-

ain. There were also instances of spontaneous resistance to the Germans, and a number of Jews joined armed groups of the Dutch underground who launched attacks on Dutch Nazi leaders, only to be caught by the Germans and put to death.

After the Holocaust. The reintegration of the Jews into Dutch society after the war was a protracted and painful process. The Netherlands had suffered more from the German occupation than any other country outside eastern Europe, and its economic rehabilitation necessitated a strict policy. There was also an antisemitic streak in government circles and an inclination not to permit the Jews to regain the position they had had before the war. A determined struggle had to be waged by the Jews to gain recognition of their claims to the property that had been stolen from them. A government proposal to reimburse the holders of LIRO accounts with only 70 percent of the balance was vehemently denounced by the country's leading jurists, and in the end the government retracted and paid close to 100 percent. The banks that had sold the Jewish-owned securities also had to recognize the Jewish owners' rights, and the insurance companies, after long litigation, had to acknowledge the validity of the policies they had sold to the Germans without the knowledge of the policyholders.

A bitter struggle was waged over the war orphans. The groups that had specialized in hiding the children felt that they should be the ones to take care of them even now, when the war was over. They succeeded in having a royal decision passed and then a law, authorizing a committee (made up largely of Christians) to determine which orphans should stay with the families that had saved them and which should be put under Jewish guardianship. Of the 3,481 children registered with the committee, 1,540 were restored to their parents, or one of them. The Jews established the "Help the Children" guardianship committee and fought—first with the committee and then in the courts—for the children to be put under Jewish guardians. In the end, 360 children (17.5 percent of the orphans) remained with non-Jewish families. In two widely publicized cases, the Christian families refused to abide by the courts' decision to give up the children, and smuggled them out of the country. One of the children was found, but the other, who came from a religious Jewish family, went into hiding in the south of France, and when she came of legal age declared herself a Catholic.

As soon as the war was over, a bitter feud erupted between the Jewish repatriates and the Joodse Raad, the repatriates' fury focusing on its two leaders, Asscher and Cohen. A Jewish court of honor found the two men guilty of collaboration with the Germans and barred them from holding office in Jewish institutions. Several trials were held of Jews who had collaborated with the Germans, the best known among them that in which Weinreb was accused. In 1947 he was twice found guilty, but he was pardoned on the occasion of Queen Juliana's coronation in 1948. In a 1965 book on the Holocaust of Dutch Jewry, the historian Jacob Presser suggested that Weinreb's trial was a miscarriage of justice. At the same time, Weinreb himself published his memoirs, and the two events raised a storm of protests against the alleged wrong done to him. An official commission of inquiry was appointed, whose findings, published in 1976, proved that Weinreb had been driven by a craving for power, by greed, and by sexual lust, and that his work for the Gestapo had cost many lives. These findings and a supplementary report published in 1981 silenced any further demands for the revision of Weinreb's trial.

The resistance organizations and the Dutch government-in-exile had planned to conduct trials against Germans who had committed crimes in the Netherlands and against Dutch collaborators. The huge number of suspects (130,000) and the conciliatory policy adopted by the postwar Dutch government, whose primary goal was to rehabilitate the economy, soon had the effect of reducing to a fraction the number of cases that reached the courts. A total of 242 Germans were tried, of whom 203 were sentenced, including 18 sentenced to death. Only 5 were actually executed, one of them Rauter. The death sentences of 3 defendants who had been tried for their crimes against the Jews were commuted to life imprisonment, but when the government wanted to release them in 1972, the storm of protest raised by the public made it reverse the decision. In January 1989

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the last 2 remaining prisoners, Ferdinand aus der Fünten, who oversaw mass roundups of Jews, and Franz Fischer, who had headed a local branch of the SD (Sicherheitsdienst; Security Service) and was responsible for the deportation to extermination camps of 13,000 Dutch Jews, were granted amnesty by the Dutch government, a decision causing angry demonstrations in many parts of the country. Of the Dutch collaborators, many of whom had tortured their victims, only 4 were executed. The collaborators who were sentenced to prison, including those sentenced to life terms, were pardoned after a relatively short time and released.

[*See also* N.V. Group; Trials of War Criminals: The Netherlands.]

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JOZEPH MICHMAN

NEUENGAMME, concentration camp situated in the outskirts of Hamburg, Germany. Initially, Neuengamme was an annex of the SACHSENHAUSEN concentration camp. The first group of prisoners arrived at Neuengamme on December 13, 1938, for the task of constructing the camp. They were housed in a disused brick factory. The factory's existence was the reason for the establishment of a concentration camp in Hamburg, which at the time had only temporary, small camps (Wittmoor and Fuhlsbüttel); the SS wanted to reactivate the brick factory and use its products primarily in the huge public structures that were being planned for the city.

In April 1940 the Deutsche Erd- und Steinwerke GmbH (German Earth and Stone Works Ltd.), an SS economic enterprise, signed an agreement with the city of Hamburg that provided for a substantial expansion of the brick factory, the digging of a canal to connect the factory with a tributary of the Elbe River, and a siding linking it to the railway network. The work was to be done by prisoners. Barracks were put up and more prisoners were brought in, the total reaching about 1,000. As of June 1940, Neuengamme became an independent concentration camp. Beginning in the fall of 1941, thousands of Soviet prisoners of war were brought there as well. Soviet nationals eventually became the largest national group in the camp, numbering 34,500, including 5,900 women.

In 1942, private firms such as the well-known Walther weapons factory established branches at Neuengamme. Numerous annexes to the camp were set up at various centers of the armament industry, especially the Bremen and Hamburg shipbuilding and machine works. They were also established in Hannover and in the industrial area of Brunswick, which adjoined the Volkswagen Company (the present site of Wolfsburg) and the Hermann Göring Works (today the location of the town of Salzgitter). By 1945 the total number of annexes to Neuengamme reached seventy. Most of the new prisoners were put into these satellites. In 1944 the main camp had a prisoner population of twelve thousand; about twice that number were in the satellites. Beginning in the summer of 1944 large transports of Jewish prisoners were brought in, mainly from Hungary and Poland. Some thirteen thousand Jewish prisoners passed through the main camp and its annexes (among them three thousand women) in 1944 and 1945.

It is estimated that the total number of prisoners sent to Neuengamme was one hundred and six thousand. The mortality rate was high, compared to that of other concentration camps situated in the Reich, especially in the early years when the brick factory was being reactivated. It is assumed that at least fifty-five thousand prisoners perished

Lissa -

File is HRCAMI. This is what HRC got.

File "Amster" has more explicit questions that need to be answered. i.e. what info we need from UNICEF. Do not work off this file - HRCAMI has dupes that this one does not have. I'd just use for informational purposes.

Also, would you be kind enough to return all materials in packet. Didn't have time to make copies.

Have a great trip.

D.

FILE! AMSTER

DRAFT 5/24/97

FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO UNIVERSITY OF AMSTERDAM
AMSTERDAM, HOLLAND
MAY 27, 1997

Acknowledgments: Princess Margriet; Mrs. Kok; Amsterdam Mayor; President of University; Ambassador; Unicef person TK; Novib person TK; students, members of the community.

It is an honor to be with you today. When I look around this room, I cannot help but think: This is how the world can work: A great university that not only spreads knowledge throughout the community, but is also a living part of a magnificent city...an organization that represents the commitment of nations and governments to securing our common future by protecting our children...another organization that reflects the commitment of individuals and the private sector to widening the circle of opportunity the world over...and, of course, lots and lots of tulips. Clearly, social progress and flowers go hand-in-hand.

As you may know, President Clinton is coming to the Netherlands later today to mark the 50th anniversary of the Marshall Plan, which aided in the rebuilding of Europe after the Second World War.

He is also coming to reaffirm the strong ties between our two countries. Those ties go back a long time -- to 1609, when Dutch traders arrived in what is now New York. It was from the Netherlands in 1620 that British Puritans set sail for Plymouth Rock. The Netherlands is our oldest continuous diplomatic partner.

But more than that, it is one of our oldest inspirations. The Pilgrims who laid America's foundation stone left from your country because no one else would have them. Like so many others who have been persecuted because of where they came from or what they believed in -- including the tens of thousands of Jews who passed through here to escape Nazi terror -- the Netherlands has been a home to tolerance. A haven for freedom.

As Benjamin Franklin said, "In love of liberty and in the defense of it, Holland has been our example."

Americans of Dutch ancestry have contributed beyond measure to our national life -- including two of our greatest leaders: Presidents Theodore and Franklin Roosevelt. [*<u>And</u> one of my best friends -- Eleanor Roosevelt. Who sends her regards, by the way.*] But beyond the contributions of any individual are the values the early Dutch settlers and those who followed them helped to plant in our young nation: Love of family, hard work, a belief in individual freedom and in human rights -- and a commitment to sharing those values with the rest of the

world. Peacefully.

My husband has come to Europe to advance that commitment. Along with your Prime Minister and the other leaders of NATO, he is in Paris today to sign an historic Founding Act that will allow NATO and Russia to consult, coordinate, and -- where possible and appropriate -- act jointly. This is an extraordinary moment. Instead of eyeing each other warily from behind barriers built by mistrust, we are agreed to work together as partners to ensure our common security.

This is one more stage in a process we are forging to secure the hard-won gains of democracy. Already, our two countries are partners in bringing peace to Bosnia, in restoring civil society in Haiti, in freezing nuclear weapons in North Korea, in laying the groundwork for lasting stability in the Middle East.

I know that the Netherlands and the United States have pledged to do even more to see to it that the turmoil of the 20th century finds no home in the 21st --by expanding the NATO alliance...opening markets to free and fair trade...building vibrant economies...fighting terrorism, drugs, and international crime...protecting our land, air, and water.

These goals are at the heart of our partnership. They are all of tremendous importance to our security and to the security of the world. But what I would like to talk with you about today is our shared belief in another realm of foreign policy -- one that appears less dramatic, is often less noticed, but is no less important in the strengthening of democracy: Social development.

Let me say first, that when it comes to a national commitment to promoting social development -- and by that I mean investments in women, in children, in those who for too long and in too many places have been living on the outskirts of opportunity -- the Netherlands is truly a world leader.

For many years now, you have contributed more than .7% of your GNP to foreign assistance -- the most of any country in the European Union. [*U.S. contribution is 2/10 of 1%.*]

I think we all understand why this is a vital part of our overall efforts to strengthen democracy. [*Lissa, you could use the stuff from SAIS on changing world here -- but I'm not sure you need it. P. 4 "We live in a time of great transformation..."*]

A democracy is not just about legally protected rights, elections, or even free market economies. It is about the internalization of democratic values in people's hearts, minds, and everyday lives. It is about developing among nations what I call an "alliance of values" based on a shared belief in freedom, opportunity, responsibility, community, and respect for human rights.

Investments in social development hasten this internalization of values. Through social

investments, we help people to help themselves. In so doing, we give them the chance to learn that they can live up to their full God-given promise. They can go to school, run a business, assume the responsibilities of citizenship.

This is not a new idea. In fact, the belief that these investments can help democracy take root served as inspiration for the Marshall Plan. I read the other day that General Marshall pushed for his plan in part because of a photograph he had seen. It was a picture of a little Austrian boy taken shortly after the end of World War II. The boy was holding up a pair of new boots that someone had sent him. The expression on his face was pure radiance. [*Story from Vernon Walters briefing.*]

Now I am not saying that in formulating the Marshall Plan General Marshall and the United States ignored large geo-political considerations having to do with security and trade. Clearly, those were factors. But so, too, was that boy. And his smile. Those boots showed how a small investment can yield enormous returns if that investment helps someone assert control over his or her life. Maybe those boots enabled the boy to walk to school. Maybe they helped him do chores or clean up the ruins of war. Maybe they made it possible for him to care for an sick grandparent.

Whatever the specifics, I would contend that those boots helped democracy take hold in Europe. They helped to usher in a half century of peace.

And I would argue that investing in children -- particularly children in developing countries -- will have the same results in the next century.

There are children around the world who, if they don't need boots, need a lot of other things: basic medical care; basic education; basic nutrition; parents who, through expanded economic opportunities, are able to support them.

Unicef is helping to meet these needs. I thank them for sponsoring this event, but more importantly I thank them for the work they do on behalf of children every day. [*I would put Unicef specifics here? Oral rehydration, etc.*] Unicef is the world's great ally for children. And for that reason, we must be a great ally to Unicef.

Your country has also been a leader in protecting children.

Given your remarkable history, that's not surprising. Starting in the 1600s, the Dutch were among the first people in Europe to value children for who they truly were. Not little angels. Not little adults. But distinct beings who demand love, guidance, and nurturing.

That children were taken seriously can be seen at the time in the low rate of child abandonment; in the high number of orphanages that were started; even in the art. In the paintings of the Dutch Golden Age, children are depicted as apple-cheeked, milk-spilling, toy-

breaking, pot-banging, mischief-making characters. That is -- exactly as they are. [*Could mention visit to Rijksmuseum, which has Golden Age paintings.*]

The belief that caring for them properly would result in benefits for all of society was also common wisdom. The most popular physician of the time -- the 17th century equivalent of Dr. Spock, another American of Dutch descent -- wrote that, "Republics that set most store by their good citizens give most attention to the upbringing of their children." [*History taken from Simon Schama's "An Embarrassment of Riches" Quote from p. 495.*]

[*Lissa, I think you'll need to flesh out the contemporary investments in children. We do need more on what the Dutch are doing. Maybe Melanne has that info by now.*]



[*Then, depending on what you do above, we need a transition to women...*]

From Brazil to Bangladesh, Estonia to Eritrea, Mexico to Mongolia, Thailand to Tanzania, I have seen how social investments are giving more people, especially women, the chance to participate fully in the political, economic, social, and civic lives of their countries.

I can't count the times that women have come up to me -- in rural villages, in poor barrios, in inner cities -- to describe how their lives have been transformed because they received a small loan to start a business. Or because their daughters now had the chance to go to school. Or because a family planning clinic opened in their area and, for the first time, they could decide how many children to have and when to have them. Or because a new law had been passed protecting their rights to own property, hold office, or vote.

Increasingly, governments, businesses, and leaders around the world are recognizing that as long as discrimination and inequities persist -- as long as half the citizens on Earth are underpaid, undereducated, under represented, fed less, fed worse, not heard, threatened by violence in their own homes -- our potential to create a stable, peaceful, and ultimately prosperous world will be far from realized.

They are also recognizing that a democracy without the full participation of women is a contradiction in terms. Today, women comprise 70% of the world's poor and 2/3 of those who are not taught to read or write. Women die daily from diseases that could have been prevented or treated. They too often are forced to watch their children succumb to malnutrition caused by poverty. They too often are denied the right to go to school by their own fathers and brothers.'s Secretary of S

excluding women, denying them their God-given rights, is not cultural...it is criminal.

It is also impractical and shortsighted in the age in which we live. I will always remember

the words of Uganda's Vice President -- a woman -- who told me: "For too long our leaders forgot that women are the ones who knit society together. They forget that women are the ones who care for their families, anchor their communities, look to the future and worry not just about themselves, but about society. Finally, today, we are remembering. And our country is better for it."

We know that we cannot build the kind of future we want without the contributions of women. In fact, I often wonder what would happen to the economies of the world if women just stopped working -- inside and outside the home.

[*Need info here on what the Dutch & esp. Novib are doing to promote women: Microenterprise? Family planning?]*

In our own country, and across Europe, there is a serious debate underway about how to sustain economic growth without tearing at the social fabric and ripping apart the social safety net. There is a growing awareness that solutions cannot be solely government-driven or market-driven. They must reflect a balance of public private and individual power.

You have clearly achieved that balance -- with NOVIB and with your government.

You have done something else. You have maintained your commitment to the developing world even as you have put your fiscal house in order.

You have reformed your economy -- and it is booming. The Netherlands has the world's highest productivity rate and the fastest-growing jobs market in the European Union

This, of course, benefits not just the people of the Netherlands, but the people of the world. The stronger your economy, the higher your GNP. The higher your GNP, the greater your contribution to social investments in developing countries. The greater these investments, the greater the number of people who will be able to lift themselves out of poverty and join the community of democratic, free market nations. The wider this community, the greater the prosperity and stability for us all.

[*Could link this with our balanced budget and continued social investments? Proud that we have done the same?*]

In closing, I would like to say a word about Anne Frank, whose house I will visit this afternoon, and whose memory, in many ways, underscores the urgency of social investment.

When I think of Anne Frank, two thoughts run through my mind. First, "Why?" And then, "What if?" What if she had lived? What would she have been like? What contributions would this lovely young girl with a wonderful mind have made?

The record Anne Frank left us reminds us of how much the world lost when she was robbed of her life. It tells us, in the clearest terms possible, that we do not have a single person to waste -- anywhere in the world. These investments are an expression of that belief, because they enable those who might not have had the chance-- maybe girls and women, maybe a child in a poverty-stricken nation -- to live up to his or her God-given promise. There is no better cause.

Thank you and God bless you.

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She, like so many others, was robbed of her potential. And so were we. That's why these social investments we are committed to are so important. Because they give people -- especially women and children and especially people in developing countries -- a chance, the opportunity to live up to their promise. Anne Frank, because of the record she left, shows us in a very clear way, that we don't have a person to waste.

Questions:
HRC should be prepared to answer why U.S. still hasn't paid U.N. arrears.
Carey -- ck that .7% is just for development aid and not for guns, planes, etc.