

Q: Has the government made any overtures to you?

A: Our party has a policy that we will make no statements about dialogue until we decide we are ready to bring out an official version.

Q: So you're saying . . . ?

A: What I'm saying is that I'm not answering your question (laughs).

Q: If there is an election based on the government's new constitution, would your party participate?

A: We don't even know whether there is going to be a constitution or what sort of constitution. In any case, I don't think we should be talking about the next elections when the issue of the last elections has not yet been resolved.

Q: Currently, the government is promoting foreign investment, and many companies, including Unocal in Los Angeles, have investments here. What's your message to those companies?

A: We have always said—very, very clearly—that Burma is not right for investment. The climate is not right because the structural changes necessary to make an investment really profitable are not yet in place.

We have now acquired in Burma a small group of very, very rich people. We did not have such people eight years ago—people who could go to a hotel and spend \$1,000 on a meal. That was unheard of. And the gap between the haves and the have-nots is increasing. That does not make for social stability.

Q: Do you think the government's hold on power will be strengthened as it opens up the economy?

A: Well, it's not a free market. Some are freer than others in their access to the market. The mechanism necessary for a really healthy open economy does not yet exist. And one of the most important parts of that is the rule of law. You have to know where you stand. . . . Without that, there can be neither credibility nor confidence. And every businessman must agree that good business cannot be done without credibility and confidence.

Q: What do you do to discourage investment?

A: It's not just what I say and it's not just the support there is abroad for the movement for democracy. Potential investors who really study the situation in depth, who don't just take a superficial view, will come to their own conclusion that the time is not yet right.

They may want to put a little bit here so they can have a toe hold, waiting for the day when Burma takes off. Of course, that day will be when democracy comes.

Q: In your heart, when do you think that will come? Are we talking five years?

A: I can't really say. But certainly I don't think it will be that long.

On the other hand, I know there will be a lot of problems to deal with once we have democracy. In fact, I think we'll probably have more problems after we have democracy than before. This is always the case when a system changes from an authoritarian system to an open and transparent one.

Q: You tell the crowds that democracy is no panacea.

A: Yes, I tell them that under a democracy, we will have to be prepared to take responsibility for our country's problems. Once they have democracy, they can no longer blame the government because they are really the government.

Q: But won't there need to be pressure to bring about change here?

A: There is international pressure. But of course what is more important is that there is pressure from within.

The Burmese people are tired of authoritarianism, and they have seen for

themselves that the authoritarian system has not done the country any good at all. Our standards of education are falling. Standards of health are falling. The fact that we have new hotels does not make up for the fact that our children are less well-educated.

Q: Were you surprised, after your release, that there was still strong support for you? Did you worry that you might have been forgotten?

A: No, no. I was not that surprised. It's nothing to do with me. It has more to do with the desire of the people for a system that gives them both liberty and security. This is what people want, isn't it? People want to be free and at the same time they want to be secure.

Q: And you personally?

A: It's not me they are supporting in particular. The government seems to think it's me personally that the people are supporting. This government always gets things wrong.

We won the election in 1990 because the people wanted democracy. It was not because of me.

Q: Do you worry about your safety?

A: No. I don't worry very much at all. It's not because I'm all that courageous or anything. It's just that there is no point in it. If they want to do anything to me they can do it any time they like.●

COLLEGE NATIONAL FINALS RODEO

● Mr. BURNS. Mr. President, I stand today to wish all those young cowboys and cowgirls that are participating in the College National Finals Rodeo good luck. These fine young men and women are at the heart of the sport of rodeo and deserve to be commended for their hard work and determination.

The CNFR is especially important to all these young riders because of the great opportunity for college scholarships and prizes. For many, this competition will determine which school they will be able to afford, if any. These generous scholarships are provided by the U.S. Tobacco Association and they should be given applause for their work to strengthen the sport and help these young riders obtain a college education.

The city of Bozeman has also contributed a great deal to the CNFR. Celebrating the 25th anniversary of hosting the rodeo, the Brick Breeden Field House has provided the perfect location for the finals and hopefully will continue to do so well into the future.

You have good reason to be proud of your sport and what you do. As the only original America sport, you are carrying on a tradition that was started over 100 years ago. When the cowboys of the Old West were driving their herds across the plains, little did they know that their friendly competitions would become a multimillion dollar sport. Your dedication to the rodeo honors them and their hard work and commitment to the land.

My hats off to you and the best of luck.●

AND IN THE LONG RUN—WE SHOULD WIN

● Mr. SIMON. Mr. President, recently the New York Times carried an item in

its business section, written by Richard H. Koppes, deputy executive officer and general counsel of the California Public Employees Retirement System, the Nation's largest public employee pension fund with almost \$100 billion in assets.

What he writes makes a huge amount of good sense.

He calls on corporate America to look long term rather than short term. Both in politics and in business we have the tendency to look short term.

I ask that the New York Times article be printed in the RECORD.

The article follows:

[From the New York Times, May 19, 1996]

AND IN THE LONG RUN WE SHOULD WIN

(By Richard H. Koppes)

Last Thursday, President Clinton put the spotlight on excessive corporate profits and exorbitant layoffs by holding a party at the White House to congratulate those companies that "do well" by their employees and their shareholders.

The Administration, however, may want to take to the woodshed the real culprits of corporate greed: the boards of directors that have allowed "the hollowing out" of America's corporations to obtain short-term increase in stock prices.

That statement may be surprising, coming from the Nation's largest public pension fund and one of this country's strongest advocates for good performance. But contrary to assumptions being made in some board rooms of the United States, Calpers, the California Public Employees Retirement System, is not pushing to bump up short-term stock prices. We are a company's long-term patient capital and are troubled when companies sell out to short-term Wall Street traders.

So let me set the record straight: Calpers opposes layoffs to lift stock prices in the near term. This is wrong and will not work to create wealth over the long run. One public pension fund official put it best recently when he said, "You can shrink your way to profitability in the short term, but it isn't the road to greatness in the long run."

Calpers doesn't condone what's going on. We won't participate in that kind of greed. And we intend to be a constructive voice to change it, by demanding high-quality, independent directors.

How did America's corporations get to this point? To understand, we need only examine the evolution of the balance of corporate power over the last decade.

When investors began to zero in on corporate governance issues in the early 1980's management held most of the power that might rightfully have belonged to the company's directors and its share owners.

As corporate governance activism grew, share owners, from the short-term Wall Street traders to the long-term investors like Calpers, became increasingly influential, and managers began to heed their share owners' bidding. Some managements over-responded to the point that they were willing to slash human assets to improve stock prices.

Either way, the balance of power is out of whack, this time have swung too far toward share owners. Institutional investors recognize it is not their role to govern the company. That is the responsibility of the board. Only the directors can insure that neither management nor share owners hold an unequal share of the power.

How do they do that? They can learn a lot from the Chrysler Corporation and what transpired when Kirk Kerkorian vigorously sought to distribute more of Chrysler's \$7.5 billion in cash to shareholders last year.