



## PRIME MINISTER

**TRANSCRIPT OF PRESS CONFERENCE WITH THE PRIME MINISTER THE  
HON. P J KEATING, M.P.,  
FOUR SEASONS HOTEL, SEATTLE, U.S.A.  
SATURDAY 20 NOVEMBER, 1993**

### **E & OE PROOF COPY**

PM: Good afternoon. Today when the APEC leaders met under the chairmanship of President Clinton I think one can say it was a completely historic occasion. For the first time having the leaders of the major Asia-Pacific economies meet and the significance of it was, I think, a tremendous thing for relations in the region. The atmospherics of the meeting were terrific. The chemistry, the relationship between each individual, the, I think, diminished fears that some countries may have about the US and its motives and the whole, if you like, development of APEC to date. A lot of those things, I think, fell to the wayside and we had a very good and cooperative discussion. The thing about these couple of days is people do get to know each other better. We had a dinner last night and by the time they got on board today they were all chatting around about nothing in particular, and everything in general, until they then got on to the more formal discussions and the more formal discussions today were, I thought, very productive. The contributions were very thoughtful and quite a lot, I think, was achieved.

The first thing that was achieved was that everybody thought the meeting was a success, so much so that they have decided to have another one next year in Indonesia in 1994. As well, there was unanimity of opinion that now was the chance to do the, if you like, the triple. And that was NAFTA, APEC and GATT. And there was a determination on the part of everybody there to try and press the Uruguay Round to a successful conclusion, and President Clinton walked away with the support of everybody in the doing of that.

There was also an understanding, I think, of the need for closer cooperation in APEC if emerging bottle necks to growth are to be avoided. Leaders recognised there are bottle necks to growth, that while these Asia-Pacific economies have

grown strongly, they have mostly grown from a small base, and they are with the energy demands, infrastructure demands, and other issues, going to run up against some problems over time. And it was generally agreed that they needed to be avoided and work needed to be done to think about them.

They welcomed the Eminent Persons Group challenge to achieve freer trade in Asia and the Pacific, and the next practical steps agreed include: a meeting of economic ministers, finance ministers, on macroeconomic development; a meeting on helping small and medium business to understand what they believe APEC could deliver to them, and how APEC might help; and an examination of the links between energy use and the environment, because of the enormous energy which is going to be consumed in these economies over the next few years.

We agreed to set up a business forum, it hasn't got a name at the moment, but lets call it a round table for the purposes of giving it a name, with two representatives of business from each country to identify ways of facilitating trade, and to give APEC a business perspective on how and in which ways governments might be able to help the general development of the policy settings to promote business in the region.

Between now and the next meeting, the heads of government agreed that ministers and officials should work on common non-binding investment principles as a first step towards a regional investment agreement - which I thought was a particularly useful thing to do. And generally there was also quite broad ranging discussion about the needs of the developing Asia-Pacific economies and also the needs of the larger industrial economies like the United States, Canada, Australia, New Zealand etc. - their relatively slow growth over the last few years, and the attendant problems of quite high levels of unemployment. We had a very useful discussion around those things as well. It was agreed that the stronger motor economies, such as the U.S., Germany, Japan, helps the Asia-Pacific in the same way as the Asia-Pacific growth can help the motor economies.

So it was, I thought, a first class discussion all morning and afternoon. Leaders went away, I think, convinced that the step they have taken to meet was a step well taken, and that they should do the same again next year. I think that the impression everyone else had was that they all felt much easier with one another towards the end of it, they felt they could talk to each other easily about most any topic. Some of the countries represented don't have any forum to discuss economic policy. This is particularly true of China and Japan, and China and Korea, or indeed the US and China. Even though Japan and the U.S. meet in the G7, Korea doesn't, nor does Indonesia or the ASEAN States, as well as Australia. So it was a particularly good meeting, and I think everyone who attended it was buoyed by it, and we all look forward to it occurring next year in 1994.

It was proposed by President Kim Young Sam that we meet a second time in 1994. This was generally agreed and President Soeharto said he was honoured to issue an invitation for a leaders meeting concurrent with the APEC ministerial meetings which will be held during 1994.

So I would be happy to talk questions from you.

- J: Mr Keating you said one of the things you wanted to achieve out of this was to give more political authority to the APEC process. Do you believe that today's meeting has actually advanced the cause of APEC beyond what was achieved in the ministerial meeting?
- PM: Yes I do. I think that the leaders meeting had its own separate dynamic, as I thought it would, and the leaders were prepared to push the agenda a bit further, not only endorsing the things undertaken by ministers at the ministerial meeting, but to advance a little further in some of those areas that I mentioned.
- J: Mr Prime Minister when you say that the leaders welcomed the EPG challenge to cut tariffs in the Asia-Pacific, does this mean that you think that the target date of 1996 is still achievable in terms of starting to dismantle tariffs?
- PM: I wouldn't have particularly endorsed that, no. But I think that the leaders thought that the EPG report was a challenge to be met, that freer and fuller trade in the area was something that ought to be done and could be done. Though we didn't go through the EPG report ticking this and crossing that. Except to pick up those, that is endorsement of the ministerial work, and to go on to do those other things. That is, work on common non-binding investment rules that might lead to a formal investment agreement, and the meeting of economic ministers' to consider the development of macroeconomic policy instruments, in some countries and the development of economic policy.
- And also the question of helping small and medium business examine their links with energy use and the environment. These things, I think, were all very useful things. In other words, the leaders have had a meeting, it's endorsed the vision statement which you have, it's gone on to say this has been so successful we ought to have another one next year - in the interim we will do these things as well as pick up the work of the ministerial meeting.
- J: Prime Minister was there any discussion of Malaysia's absence and did anybody volunteer to try to bring them on board?
- PM: There was no discussion. Only a question of which I think President Clinton fielded at the midday press conference.

J: Mr Keating, yesterday when Mr Clinton was talking about APEC, he, in a speech, likened it to setting up of bodies like NATO and the IMF. Do you see APEC in (inaudible) grand kind of scale and can you talk about what you see as the full potential of APEC?

PM: I think that APEC is a tremendously important vehicle for regional economic cooperation and trade facilitation. It is not portending a formal, nationally agreed, parliamentary endorsed, or public endorsed, set of proposals as say the Maastricht Treaty or the Treaty of Rome or a supra-national bureaucracy like the Brussels bureaucracy who make decisions for other national governments. Not that. But certainly a cooperative structure which can do many of the same things, but in a cooperative way. The mere fact that these people are sitting down, the US with China, and China with Japan, and Korea with China, and Korea with Japan and Indonesia with everyone else and all the ASEANs, Australia as well. Just of itself produces a familiarity and some trust. Because everyone agreed that the personal relations are so important, and I think they are.

Now, while countries will still always have interests, and often they won't compromise their interests, but they will have interests, but I think the personal relations are terribly important. And that has been shown over and over again in foreign relations, and it's just as true here. So, I do think this is a very historic body and I don't think that the President's words about it are sort of, basically superfluous hyperbole. I think it does truly reflect the historic nature of the gathering.

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J: Prime Minister, at lunchtime President Clinton seemed to indicate that, come June next year, that he would have better news for Americans about the Japan-American trading relationship. Will you have similar better news for Australians in terms of access for our rice and better access for our beef and other commodities?

PM: Well, I don't know if that is exactly the kind of news the President wishes to convey except that I think that he is developing a very good relationship with Prime Minister Hosokawa. The interest of both of them in this agenda today and their contributions on the way through mean that you really have got a meeting of minds on these things. Now, countries have interests but, again, they do realise there is a lot of common interests there. It may be that there is a view that the G7 is not producing the goods. That was not said by them today but that perhaps is a view that I have and maybe a view they have too.

J: Prime Minister ..inaudible.. talked about finance ministers' meeting and also consulting on macroeconomic developments. Do you envisage there will be a greater coordination of economic policies between the APEC countries which are keen to do perhaps some... inaudible..?

PM: No, I don't think so. While macroeconomic discussions can be important and they can influence policies, I don't know that formal policy coordination, so to speak, is really on the agenda for them. But in many countries of the APEC area they do lack monetary and fiscal instruments and so there is a lot to be said for finance ministers talking about these subjects. Not just to convey their own experiences or even to assist in setting up some of these macroeconomic instruments or advise upon them - just to discuss where the economies are going. To discuss with national ministers their views of their economies and their potential is, I think, very important because while a lot of people believe this stuff can be picked up in this central bank bulletin or that central bank bulletin is never like hearing it from the horse's mouth. That is, to actually have the person running these economies participate in such a gathering. So, I think, that can be very useful.

J: Under the umbrella of this APEC meeting we have seen significant bilateral meetings between the Chinese and the Americans and also the opening up of relations again between New Zealand and the United States. Is this a proper role for an organisation of this kind and can I also hear your specific comments on the

kind of ..... that seems to be moving between the New Zealanders and the Americans?

PM: Well, I think that one of the good spin-offs of APEC is you can have a series of bilateral meetings. I met four or five leaders bilaterally as you know and I found those meetings to be very useful. No doubt so did other leaders. It does give you an opportunity to discuss whatever subjects are of interest at the time even if they are not purely trade subjects. So, it is a very good opportunity to have a meeting and to be able to range over those things in the context of the broader common objectives of greater growth and higher trades and better incomes and better employment.

You mentioned New Zealand. There is no doubt that Prime Minister Bolger's engagement here and his discussions with the President obviously helps that relationship where formally New Zealand officials were not having discussion at Secretary level in the United States. There are still difficulties in the New Zealand relationship obviously, with their anti-nuclear policy and that would remain a policy difficulty but in terms of the relationship obviously a meeting like this improves it.

J: Prime Minister, would you give us a flavour of how the meetings were conducted. Did everyone speak in turn or was there give and take and I am particularly interested in what the contribution of President Jiang was and was there any interchange with the Taiwan minister?

PM: We were seated virtually in an arc. There were consecutive translations so leaders spoke when they wished. They gave an indication to the President and he would call them in turn and they had their say. Some started off scripted, reading a little text. As the meeting went on, all the participants were really speaking extemporaneously. Some, of course, spoke extemporaneously right from the start. As the meeting went on it had a more free wheeling quality to it. I thought that was very good. So, there were people coming in for maybe 30 seconds or a minute then someone else would come back in and then someone would speak for three minutes and someone would then go on and reply to some of that for two. It had a generally discursive quality to it. I thought there was tremendous goodwill there. A great interest to comprehend quite technical things.

J: Like what?

PM: Talking about macroeconomic policy. The impacts upon employment. The whole question about the operations about monetary policy, whether it should comprehend employment as well as price stability. The impacts of productivity on employment. It is unlikely that such a discussion might have been held 20 years ago, for instance.

J: Mr Keating, Australia played a very big role in getting APEC off the ground and you of course, played a big role in getting the Leaders' meeting going. What do you think is Australia's role in APEC from here on?

PM: Australia has enjoyed the role it has had. That is, in shaping with other countries seeking to give APEC a form and substance from the germ of an idea and see it change over time. I would like to particularly pay tribute to the work of the Foreign Minister in this Gareth Evans, and more latterly, Peter Cook, as Minister for Trade, who have certainly taken this issue up as something which can play a defining role in an Asia-Pacific economy. Our colleague ministers and leaders appreciate the role that Australia has played. We try and play a cooperative role with other countries. Moving the agenda along but moving it along where people feel comfortable for it to move.

J: Did Australia oppose initially the entrance of Chile into APEC. If so, why? Will the entrance of Chile into APEC in 1994 mean that the President of Chile will be at Jakarta?

PM: The answer to the last part of the question would be yes. We said that we would not stand out against any consensus on Chile. APEC has started basically as North and South Asia and the NAFTA area. It is defined by its trade in many respects and I think, with any organisation like this, which has some definition it is important to deepen it before it is broadened. We can certainly accommodate Chile but we would want to be able to move to some fairly firm criteria over time which defines APEC and it is not an organisation which virtually anyone can join.

I think with an organisation that has got value, being stingy with membership is a good policy. Not to be difficult, but to give the thing the respect it deserves and to let people in if their interests are harmonious with the interests of the body concerned.

J: Prime Minister you have spoken a lot about the need to improve harmony of standards ...inaudible. As a result of this meeting, in your view, is the Trade and Investment Committee actually empowered to conduct substantive negotiations towards harmonising product and investment standards, and if so, have you got any... inaudible.

PM: Ministers will come back with work on harmonised standards, customs procedures, competition policy and legal and regulatory frameworks. Those sorts of issues between now and the next meeting of the ministerial meeting and the leaders meeting to see whether and in which ways we can advance those.

J: Did you speak anymore to Mr Clinton about a possible visit to Australia?

PM: I said to him, of course, I invited him down and he said that he would like to come to Australia. Obviously an opportune time would be when he comes to Indonesia in 1994 and we will try organise an itinerary now, though I don't know whether we can at the time. Presidents are pretty busy people and trying to organise an APEC leaders meeting plus some other country visits will be difficult to schedule into anyone's schedule let alone President Clinton. He has indicated a willingness to come and said he would like to see Australia and of course, we would absolutely be delighted to have him.

J: Can you give us a readout of the discussion at the meeting of the reference to a free trade and the region in Asia. In particular between two models of a preferential region versus an MFN type free trade. Could you also tell us what Australia's position is on that issue? And finally if I can, what is Australia's position on the US-China debate on human rights?

PM: Let me deal with the first one. We see this as basically a policy of open regionalism as we have always said. That is, if we can lower the impediments and enhance the prospects for growth so that we can all participate particularly against the backdrop of a successful outcome to the Uruguay Round, obviously trade investment and incomes and with it employment, will be higher in the area than it would otherwise be. We don't see it as being an exclusive area. We have made that clear right from the start. Fears that the body is going to be an exclusive one or a trade bloc are unfounded. There are many things that can be done here. This area has grown quite fast already without any agreement or any structures of the APEC variety. Our fear is that we will run into problems and impediments so that that growth won't be able to continue at the pace that it has and that is where probably now there is a place and a role for an organisation like APEC to do that.

On the human rights question, I think the US position is pretty much the same as Australia's. That is that one of the defining things of great democracies is respect for human values and human decency expressed in the term human rights and Australia has been completely clear about its attachment to those values and its role in the Pacific, if you like championing and heralding those values. As with the United States, they obviously see the China relationship in the broad, comprehending this human rights question as in fact we do ourselves, by virtue of the fact that we have restabilised relations with China after Tiananmen square in 1989. The same is true in respect of Indonesia.

J: Do you support the U.S. threat to impose trade sanctions against China.. inaudible..?

PM: Well, that is a Congressional threat and whether that materialises into the policy of the administration, time will tell. The thing is, the United States has made fairly clear its objections about human rights, but, I mean, we have ourselves. The Tiananmen Square issue in Australia was a matter of great heart burning and all of the ramifications of it were transmitted not just around the world, but to China in particular.



- J: Was human rights discussed in the meeting with China?
- PM: No, no.
- J: Is there any possibility of including Russia into APEC since part of Russia is in Asia?
- PM: Well, again, there has to be a naturalness about APEC. They have to be economies which have a preponderance of their exports in the area and where they are really involved in the commerce of the region. So, there is going to be no easy policy for joining. When decisions are made about membership here they are going to be very deliberate ones.
- J: Do you still believe that NAFTA will become a sub-group of APEC and did you raise this with President Clinton?
- PM: No, but obviously the United States is now trading into Asia and U.S. exports to Asia are growing at three times the pace of Asian exports into the United States. This is also true for Canada and it would be also true for Mexico. So, whether they are actually trading as a trade entity is immaterial. They'll still trade into the Asia-Pacific. APEC is far more integrated than NAFTA is. That is, trade within the APEC area is already running at about 66%. NAFTA has an integration of about 42%. So, the bigger shooting match is obviously going to be Asia-Pacific trade. And I have no doubt that the United States will adapt to that trade whether it has the cloak of NAFTA on or off.
- J: Mr Keating, the Leaders' statement talks about APEC being a new voice for the Asia-Pacific in world affairs. How often will we hear that voice, and in what circumstances? And do you see an APEC voice being exercised more than once a year at an event like this?
- PM: I think, it's now meeting annually at ministerial level. It will obviously meet for two consecutive years at leaders level and may go on to meet regularly. I think it probably will go on to meet regularly beyond that. And that's a, for the economic development and history of a region like that, that's quite frequent. I mean, what is historic about this body is that there is no forum for these very large countries to talk to one another. And, particularly for China and Japan and China and Korea or for Indonesia and the United States. It provides not just a body which can facilitate enhanced trade and investment but one which can obviously, by virtue of its existence and the personalities, lower suspicions, do something material to ease tensions and provide better understanding between nations of their respective differences and interests. Now, I think, in that respect it's a very clear benefit.
- J: Prime Minister, in the Australia-China bilateral was human rights discussed at all?

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PM: No. I went mainly to APEC topics. I visited China this year and made clear there our position on human rights to Premier Li Peng, where I particularly emphasised Tibet and the continuing problems of that country and China's management and stewardship of it. This bilateral was largely about APEC, about the structure and some bilateral issues such as the things we are doing cooperatively with China on wool and other things we are doing on the trade side.

J: Mr Clinton, after the meeting, spoke again of the idea of the APEC community as opposed to a cooperation forum. Was there any discussion on the change of the name today?

PM: No. I think the President's use of the term community reflected, I think, the generally eased concerns about the notion of that implying the sort of Brussels-style bureaucracy. And there wasn't any demur from him using that term so, he did talk about a Pacific community earlier this year and he spoke about a community at the press conference today. The mere fact that APEC's trade is as integrated as it is gives it an economic community status but it is a small 'c' community not big 'C' - meaning a Treaty of Rome or a nationally endorsed Maastricht Treaty or a supra-national bureaucracy of the Brussels variety.

And I think that, that understood, there was no real concern amongst APEC leaders about the term or the meaning of the term. In general, I think I would have to say to you that APEC has developed quite fast, with a lot of definition, a lot of form, a fair bit of trust and a lot of ambition. It's come a long way in a short time, as it needs to do, to accommodate the growth problems of the Asia-Pacific area. And I pay tribute to everybody who has been involved with it, those other countries which have tried to find a new model to work in in the Asia-Pacific and I think we made quite tremendously important steps over these couple of days in giving APEC so much more authority at leaders level than it could have otherwise had.

J: Now that you've had the Leaders' meeting do you feel more confident about the future of APEC and being able to build regional cooperation or is the magnitude of the task, the differences and the problems, become more apparent?

PM: Oh no, I think I feel far more confident about it, I think there's a tremendous atmosphere of cooperation about it. And the fact that we could conceive such a structure and see it take the form it has with the quite disparate countries involved, with all their very clear interests and differences, is quite a special thing to have happened.

Ends.

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131/93.**APEC Leaders Economic Vision Statement**

We have held an unprecedented meeting of the economic leaders of the Asia-Pacific Economic Cooperation forum. In this post Cold War era, we have an opportunity to build a new economic foundation for the Asia Pacific that harnesses the energy of our diverse economies, strengthens cooperation and promotes prosperity.

Our meeting reflects the emergence of a new voice for the Asia Pacific in world affairs. As we prepare to enter the twenty-first century, we believe our dynamic region, representing forty percent of the world's population and fifty percent of its GNP, will play an important role in the global economy, leading the way on economic growth and trade expansion.

The foundation of our economic growth has been the open multilateral trading system. Therefore, we pledge our utmost efforts to bring the Uruguay Round to a successful conclusion by December 15. We are determined the Asia Pacific region will lead the way in taking concrete steps to produce the strongest possible outcome in Geneva. Increased participation by APEC economies in a strengthened GATT system also will facilitate greater regional cooperation.

Our success has been the result of the ability of our societies to adapt to changing circumstances. Our economies are moving toward interdependence and there is a growing sense of community among us. We are united in our commitment to create a stable and prosperous future for our people.

Recognizing our economic interdependence as well as our economic diversity, we envision a community of Asia Pacific economies in which:

- o The spirit of openness and partnership deepens, enabling us to find cooperative solutions to the challenges of our rapidly changing regional and global economy;
- o We are a vast Asia Pacific market of two billion people where dynamic economic growth continues, contributing to an expanding world economy and supporting an open international trading system;
- o We continue to reduce trade and investment barriers so that our trade expands within the region and with the world and goods, services, capital and investment flow freely among our economies;
- o Our people share the benefits of economic growth through higher incomes, high skilled and high paying jobs and increased mobility;

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- o Improved education and training produce rising literacy rates, provide the skills for maintaining economic growth and encourage the sharing of ideas that contribute to the arts and science;
- o Advances in telecommunications and transportation shrink time and distance barriers in our region and link our economies so that goods and people move quickly and efficiently;
- o Our environment is improved as we protect the quality of our air, water and green spaces and manage our energy sources and renewable resources to ensure sustainable growth and provide a more secure future for our people.

We recognize this vision will become a reality only if we work together actively to secure it. We are convinced we can succeed. We intend to use our shared vision as a guide for developing the future of our region.

We reaffirm our support for the continued development of APEC as a forum dedicated to producing tangible economic benefits to the region. We urge APEC to expand its economic dialogue and advance its specific work projects. The entrepreneurial spirit and market-oriented policies that have driven our economic dynamism will continue to be fostered within APEC.

We welcome the challenge presented to us in the report of the APEC Eminent Persons Group to achieve free trade in the Asia Pacific, advance global trade liberalization and launch concrete programs to move us toward those long-term goals. We ask APEC to undertake work aimed at deepening and broadening the outcome of the Uruguay Round, strengthening trade and investment liberalization in the region, and facilitating regional cooperation, including in such areas as standards.

We agree to convene a meeting of APEC Finance Ministers to consult on broad economic issues including macroeconomic developments and capital flows. We believe such discussions will help us address some of the challenges facing the region, including ensuring non-inflationary regional growth, financing investment and infrastructure development, and promoting capital market development.

We ask business leaders to establish a Pacific Business Forum to identify issues APEC should address to facilitate regional trade and investment and encourage the further development of business networks throughout the region. We also ask APEC to strengthen its policy dialogue on small and medium size business enterprises.

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We agree to make an investment in our future generations by establishing an APEC Education Program to develop regional cooperation in higher education, study key regional economic issues, improve worker skills, facilitate cultural and intellectual exchanges, enhance labor mobility and foster understanding of the diversity of our region. We agree to establish an APEC Business Volunteer Program to promote cooperation among us in the areas of human resource development and the exchange of management skills and techniques.

As members of APEC, we are committed to deepening our spirit of community based on our shared vision of achieving stability, security and prosperity for our peoples.

APEC Economic Leaders  
Seattle, Washington  
November 20, 1993

- Saturday, November 20, 1993

Remarks by President Clinton At Apec Meeting Blake Island Puget Sound  
Washington Saturday

REMARKS BY PRESIDENT CLINTON AT APEC MEETING  
BLAKE ISLAND, PUGET SOUND, WASHINGTON  
SATURDAY, NOVEMBER 20, 1993

PRESIDENT CLINTON: Good afternoon, ladies and gentlemen, as we approach the end of a week of APEC activities, we've just completed three hours of meetings among 14 APEC economic leaders. It's been a pleasure for me and an honor for the United States to host this week's events and to convene this historic meeting on this beautiful island.

The Asian-Pacific region will play an increasingly vital role for our nation and the world. The region is home to 40 percent of the world's people, includes the world's fastest growing economies. And the leaders standing here represent half the world's economic output.

This week's events have been a success for all the region's people. We've laid a foundation for regional efforts to create jobs, raise incomes, expand business opportunities, and foster regional harmony. This week we took several tangible steps towards these goals.

On Monday and Tuesday, over 1,500 business people engaged in trade came together to focus on the region's potential to benefit their bottom lines. Later in the week, our ministers agreed to a package of market opening measures designed to help bring the Uruguay round of the GATT to a successful conclusion by December 15th. And the ministerial meeting agreed to develop an action plan in the near future to reduce barriers to business throughout our region, such as differing product standards.

The capstone of this week's activities has been this first-ever leaders meeting. Our discussions this morning, which will continue in the afternoon, give us a chance to become better acquainted, and to compare our visions for our own nations and for our diverse and dynamic region. By meeting and talking, we've been able to forge a stronger regional identity and a stronger purpose. That purpose is captured in the vision statement we just released.

The statement sets forth our shared view of a regional economy characterized by openness, cooperation, dynamic growth, expanded trade, improved transportation and communications and high-skilled, high-paying jobs. We've welcomed the challenge of the eminent persons group to achieve free trade in the Asian-Pacific region, advance global trade liberalization, and launch concrete specific programs to move us toward these long-term goals.

In our discussions last evening and today, I've been struck by how many priorities we share; strong sustainable economic growth, more open markets, better jobs, working conditions and living standards for our own people, better education for our children and our adults, and protection of the region's unique environment.

Of course, we will not always agree on how to achieve those goals. But at least now, for the first time, our region has a means to hold serious policy discussions on such questions as how to remove trade barriers, or how to sustain robust growth.

If you asked me to summarize in a sentence what we've agreed, it is this; we've agreed that the Asian-Pacific region should be a united one, not divided. We've agreed that our economic policies should be open, not closed. We've agreed that we should begin to express that conviction by doing everything we possibly can to get a good GATT agreement by December the 15th.

With today's meeting, we're helping the Asian-Pacific to become a genuine community, not a formal legal structure, but rather a community of shared interests, shared goals and shared commitment to mutually beneficial cooperation. The development of that community is certainly in the interests of the American people and all the people of this region. We should be pleased with the progress we've made. And let me say again how honored I am, on behalf of the United States, to have had the opportunity to host all these leaders. Thank you, very much.

Yes?

Q Mr. President, there was no sign of any flexibility by China in the areas dispute that you have or with Japan on trade imbalances. Can you say, were any minds or attitudes changed during the course of this meeting?

PRESIDENT CLINTON: Well, you're referring to meetings that I had yesterday and discussions we had today. I'm the host of a meeting where we discussed economic issues. And I frankly believe by -- I'll make you a prediction on the economic issues -- by next June or July -- certainly by a year from now, I believe that the responsibilities of the United States and Japan to do more to promote global economic growth will have been, in large measure, advanced. And I think you will see that we've done some of the things that we should, both of us.

So, today we focused on what we could do together economically. And I think that's what I ought to respond to today.

Yes, ma'am.

Q Mr. President, the fact that this time you invited both representatives from Taiwan and China to join you to discuss about the vision of Asian-Pacific area, I wonder, how do you find your respective vision for this area? And, in your opinion, how does this meeting affect the relationship between Taiwan and China?

PRESIDENT CLINTON: Well, that's something for them to determine. I invited, as the host, all the members of this organization -- which was the appropriate thing to do. Actually, I'm struck by how much common investment and common activity there is now, and by the common

strategies of high savings and investment, hard work, and entrepreneurialism that are sweeping that part of the world. It is immensely impressive, I think, to anyone who has observed it.

Yes, go ahead -- either one. Flip a coin.

Q I'll go after you.

Q Mr. President, what do you think about Malaysia's absence of Dr. Mahathir's absence from this meeting? And what do you think about EAEC -- the East Asia Economic Conference?

PRESIDENT CLINTON: Well, I'm not against -- first of all, I'm in favor of anything which increases regional economic cooperation and advances the economic interests of people, as long as it doesn't close off economic opportunities for other. And I wish Mr. Mahathir were here, and I look forward to meeting him someday.

Yes?

Q Mr. President, how serious is the situation in North Korea as a threat to this whole region, and is that something that you discussed today at the meeting?

PRESIDENT CLINTON: We didn't discuss it today, but it was discussed yesterday. And I look forward to meeting with President Kim in Washington. He's going back to Washington, and we'll be meeting here and talking about it. It is a source of concern to us, but one that we believe we can find solutions to -- and we're going to be making some initiatives in that area in the not too distant future.

Yes, ma'am?

PRESIDENT CLINTON: Mr. President, is New Zealand now figuratively out of the cold, if not literally? Have you now restored political relationship with New Zealand?

PRESIDENT CLINTON: Actually, we're out in the cold today. (Laughter.) The Prime Minister and I had a good talk about that, and we agreed that we would at least take a good look at our relationship and to see what else might be done. We have an awful lot in common and a lot of natural instincts toward friendship and cooperation. And I think both of us are uncomfortable with what has become of our relationship over the last several years. So, we'll take another look at it and we may have something to say about it, but not today and not tomorrow.

Yes, ma'am, in the back there.

Q Mr. President, when you're talking about NAFTA, you mentioned several times Taiwan, Japan, and China are the three major obstacles when you're dealing with U.S. trade deficit. A lot of people think that was not very helpful when you're trying to cooperate with Asian countries. I was wondering, after this meeting --

PRESIDENT CLINTON: Wait, wait, wait, wait. You can ask the



question, but let me restate what I said. What I said to the American people was simply the fact that the people who were against NAFTA acted as if Mexico essentially was going to displace the entire industrial production of the United States, or significant portions of it. And I pointed out the fact that we have a trade surplus with Mexico and that our largest operating trade deficits are with Japan, China, and Taiwan. That's simply a fact. That's not an act of hostility, it's just a stated fact. So, go ahead, ask the question.

Q Yes, the question is, after this meeting, will you think that in the future, the United States is willing to use cooperation instead of Articles 301 type of trade retaliations threat to deal with this problem?

PRESIDENT CLINTON: Well, I think, first of all, we've used Article 301 rather sparingly. And secondly, we do seek cooperation. That's the whole purpose of this meeting. That's one of the reasons that I wanted all the leaders to come here, because I think that we have so much in common in terms of our shared views about what the economy of the 21st century ought to look like and what our roles ought to be that I think we can do a lot through cooperate. And we're working very hard to do that. In the end, if we're going to develop the right kind of free market system, it is going to have to be a cooperative one, but it's going to have to be one that is plainly in the interests of all the people involved in the system. That is, everyone has to be going forward together.

MS. : Last question.

PRESIDENT CLINTON: Yes?

Q Mr. President, how hard and fast is the December 15th deadline for successful completion of the GATT Round? It's been slid -- slipped a couple of times previously. Would you be prepared to extend it, if you don't have agreement by then?

PRESIDENT CLINTON: Well, it's not entirely up to me, is it? And then -- and, of course, we have certain legislative authority in America, as you know, that controls that. All I can tell you is that -- I think we want to take this moment of opportunity that, frankly, the House of Representatives -- and I hope today that the Senate will give impetus to through NAFTA -- and that we are trying to give energy to through our meeting here and through our clear statement again that we want the Asian-Pacific region to be united not divided economically, open not closed, and committed to GATT. We want to seize this moment to try to get it done now. And I've always found that when you're working on an objective, you shouldn't discuss what you'll do if you don't get there until after you don't get there. We still think we can be there, and we're going to try.

Thank you very much.

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