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PRESS CONFERENCE OF THE PRESIDENT
AND PRIME MINISTER HOWARD OF AUSTRALIA

Parliament House
Canberra, Australia

12:45 P.M. (L)

PRIME MINISTER HOWARD: Mr. President, ladies and gentlemen, I would like to say on behalf of my government how much I have appreciated the opportunity of talking to President Clinton so soon after his reelection. I would like to repeat publicly the congratulations I extended to the President privately on his reelection.

This is a marvelous opportunity for both of us to reaffirm the importance of our longstanding, deep and rich association. It's an association that goes beyond the more formal elements of a treaty or an alliance. It's an association of like-minded people committed to common values with many shared historical experiences, many common cultural attitudes, and above all, a very deep commitment to democratic institutions, values and freedoms of the individual.

It was also for both of us an opportunity to affirm the importance -- the contemporary relevance of our partnership in the context of our common involvement in the Asia Pacific region, where I have said on a number of occasions that we share a common future and a common destiny. The President and I had the opportunity in our discussion this morning to canvas many global issues, but ones of particular relevance to our region, and we also touched upon a number of trade issues which are of ongoing importance in the bilateral relationship.

I want to say how pleased I am personally to have the opportunity with my wife, Janette, of welcoming the President and Mrs. Clinton to our country. They are very welcome not only for themselves and the great leadership that they're giving to their country, but also as the President and the wife of the President of the United States.

The President of the United States is always welcome in Australia. And I will take the opportunity over the next couple of days in an informal manner to continue the discussion that both us have had this morning.

But to you, Mr. President, again, publicly, my very warm welcome. You are here as a very welcome guest and with the goodwill of all of the Australian people.

THE PRESIDENT: Thank you very much, Prime Minister.

Ladies and gentlemen, I have wanted to come to Australia for a very long time. I am glad that I have finally come. I wish I could have come earlier, and I've had so much fun in the last day, I'm amazed that only three American Presidents have come here. I think it ought to be a habit because of the unique partnership that the United States and Australia have enjoyed throughout the 20th century and indeed going back long before that.

The Prime Minister and I had our first personal meeting today. It was a very good one. We talked about a lot of the things that we share in common as nations. We talked about

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our common agenda to expand global trade through the World Trade Organization and APEC where we'll both be going in a couple of days. We talked about the work we have done to halt the spread of weapons of mass destruction.

And again, I want to thank in this press conference, Mr. Prime Minister, on behalf of all the American people, Australia for the leadership that Australia exhibited in securing the Comprehensive Nuclear Test Ban Treaty and for your support in helping us all defreeze the North Korean nuclear program.

We also share a commitment to advance democratic values. We have worked on it side by side throughout the wars of the 20th century, throughout the Cold War and now in this new era. We've joined together in supporting human rights in Burma, promoting the rule of law in Cambodia, helping to keep the peace in troubled corners of the world.

We are working hard to build on the partnership between the United States and Australia. We talked about our security cooperation. We're moving forward on the Sydney statement of July which bolstered our security ties. I made a little bit of a joke about the U.S. Marines who will soon take part in joint training exercises in North Australia. They are, seriously, a powerful symbol and a concrete manifestation of our pledge to protect stability in the Pacific. But they're also, I think, apprehensive about seeing what that vast and not very populated area holds for them. There's a lot of talk about it, Mr. Prime Minister, already in the Defense Department, and we're certainly glad that there was no extra spaceship up there the other day. (Laughter.)

And let me say in the Prime Minister's defense, when we started out yesterday morning, we thought that it might land in the United States. So no one quite knew where it was going to come down, but we're glad it wound up in the ocean.

Let me also say that on a very serious note for the future, I was deeply impressed by the comments that the Prime Minister had about the upcoming APEC leaders meeting in Subic Bay in the Philippines. We know we have to keep this group working together to push the barriers that still restrain global trade and to look especially for opportunities that will enable our people to get better jobs, to lead better lives, and in so doing, to advance the cause of the other APEC nations as well. So I am looking forward to the Philippines.

Australia really started the APEC organization. Then I convened the world leaders of the APEC nations in Seattle in 1993 and we've been building on it ever since. It is very, very important, now that we have a goal of free trade in the area by 2020, now that we have a blueprint for achieving it, it is important that we actually take some concrete steps toward implementation of our goal, from tariff cuts to other deregulation measures. And I will be working hard for that.

Let me say that the area that I would like to see the most progress in is in information technology. Currently, trade in that area is valued at a trillion dollars. It's projected to grow over 250 percent in the next 10 years. And we need to do more to open up those markets in a way that enables more people in the world to do what I saw last night when Hillary and I came in from the airport and all the people were waving to us. It seemed to me about one in every third person who was waving to us also had a cellular telephone in his or her ear, talking to someone back home and telling them about it. As I said to the Prime Minister, half the people in the world are still two days walk from a telephone. And we have a lot of work to do if we're going to bring the world together to minimize misunderstanding, to minimize disruption and to maximize human opportunity.

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Let me lastly say another word about the special relationship between the United States and Australia. We're proud to be Australia's largest foreign investor, its second largest trading partner. Trade between our nations was about \$16 billion last year. We're also proud to have stood side by side with Australia in the conflicts and the struggles for peace and freedom and prosperity in this last century. And I believe that this remarkable and wonderfully unique relationship between our two countries is on even more solid ground as we look to the 21st century. And I thank the Prime Minister for the reception he has given me today.

Thank you, sir.

PRIME MINISTER HOWARD: Thank you.

Q Mr. Prime Minister and Mr. President, you mentioned that you talked about multilateral trade issues. Can I ask did you specifically raise Australia's trade concerns with the United States? And, Mr. President, Australian farmers are hoping for some sort of commitments from the U.S. that the EEP and DEEP programs won't be specifically targeted on Australia.

PRIME MINISTER HOWARD: Could I say that I certainly did raise with the President the ongoing concern of Australia as a major exporter of primary produce about the practice of export support and export subsidies in the area of agriculture. And the President responded to that and he will do so in his own words.

But I certainly made it very clear that that remained on of those areas in the bilateral relationship that needed continuous attention. And it is the fact that the Australian government believes that the existing arrangements do work against the interests of major primary producers such as Australia. I think it is fair to add that the prime source of the problem is not to be found within the United States, but rather within the European Union, and that is a view that I have expressed before and it's not a view or a reflection on the issue that I have invented for the purposes of today's discussions. I've frequently expressed that view and I do see many of the United States' actions taken in the past as being in the context of responses to the activities of the European Union.

But our concerns on that were certainly raised, as they have been in the past and they will be in the future. But I was quite reassured by the responses that were made by the President. But he will naturally deal with that in his own words.

THE PRESIDENT: The Prime Minister actually raised two trade issues and I'd like to tell you very briefly about both of them. The first, with regard to the EEP and the DEEP programs in agriculture, as I'm sure you know, the United States has just adopted a new five-year farm bill which eliminated specific program by program or crop by crop support and reduced overall trade subsidies. We did retain the export enhancement options because of the problems as the Prime Minister said that we have with the European Union.

And I committed to the Prime Minister and I commit to you and through you, the people of Australia, that we are going to do everything we can to make sure that any future use of these programs is not either directly or indirectly working to the disadvantage of a country that is innocent of any wrongdoing -- in this case, Australia. And I look forward to the day when we will have a genuinely open market in agriculture, which would help your agricultural interest and the American agricultural interest and I believe would work to the benefit of the entire world.

The second thing the Prime Minister mentioned was the leather dispute and let me just reemphasize where that is.

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Mr. Fischer and Ambassador Barshefsky have been working hard to resolve this. I very much want it resolved. We are very close to a resolution and we're going to do everything we can to resolve it so that when we leave Manila we'll both have smiles on our face about that. Besides that, I don't want any more cartoons like the one I saw in the morning paper where I hooked a golf ball way left and broken the window of the leather goods store. You need to build up my confidence for this golf game tomorrow, not tear it down. (Laughter.) I need all the help I can get.

Q Mr. President, the arrest of the CIA's former station chief in Moscow is the second major spy scandal involving Russia in the last two years. Are you going to take -- is there going to be any retaliation for this incident, and do you think that the CIA needs to tighten its internal watchdog system?

THE PRESIDENT: Well, Deputy Secretary Talbott has already met with the Russians about this, number one. Number two, this is the direct result of the tightening of the system. This arrest comes because of the new cooperation that I ordered between the CIA and the FBI. And I want to compliment Mr. Deutch and Mr. Freeh for the work that they did and the work their people did and I think it's a very good thing. And I'm glad that it happened and I think that it ought to be a signal that we're going to continue to do this and we will do what we think we have to do in intelligence, and we don't want any people in our intelligence agency spying for other countries, and we're going to take appropriate action when we find it.

Q And in Russia, or are you --

THE PRESIDENT: Well, we've already had conversations with Russia and I think I shouldn't say any more than that at this time.

Q Mr. President, is your foreign policy -- in this region China and trying to, if you want to, ease concerns that countries such as the U.S. and Australia are trying to contain China? And what can Australia and the U.S. realistically do in partnership in the region?

THE PRESIDENT: China first. I think China has to be a big priority for all of us. If I ask everyone in this room to go by yourselves and take out a pad and write the five big questions down that will determine the shape of the world 50 years from now, one of those questions would surely be, how will the Chinese define their greatness in the 21st century? Will they define their greatness in terms of the incredible potential of their people to learn, to produce, to succeed economically and culturally and politically? Or will they define their greatness in terms of their ability to dominate their neighbors and others perhaps against their will or to take other actions which could destabilize the march toward democracy and prosperity of other people?

The United States has no interest in containing China. That is a negative strategy. What the United States wants is to sustain an engagement with China, along with our friends like the Australians, in a way that will increase the chances that there will be more liberty and more prosperity and more genuine cooperation in the future. So I intend to spend a lot of time, a lot of energy, a lot of effort on that, but not with a view of containing the Chinese, but with a view of making them a genuine partner with ourselves and others as we move forward.

What can we and the Australians do? Number one, we can continue to push open trading systems that work to the benefit of all involved. Number two, we can continue to work together as we did with the Comprehensive Nuclear Test Ban Treaty to continue to reduce the dangers of serious weapons. And,

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number three, we can lead other freedom-loving nations in standing up against the new threats of the 21st century -- terrorism and the proliferation of other weapons, biological and chemical weapons. There are a lot of things we can do together that will make a big difference. But I see this in the context of building a partnership with China, not isolating it.

Q The crisis in Zaire appears to be easing significantly. Is it still necessary to dispatch American troops?

THE PRESIDENT: The real answer to that question is that we have not made a final decision. Tony Lake went to Canada yesterday to confer with the Prime Minister and others. We are very pleased, obviously, that so many of the refugees are able to move freely back into Rwanda. We are urgently concerned about the continuing humanitarian problems there and have allocated about \$140 million in U.S. AID funds to try to deal with those problems. And I expect to receive a recommendation shortly. We are continuing to explore with our allies what sort of mission needs to go there, what its composition should be, what the remaining problems should be.

There's no question that the situation looks better than it did a couple of days ago. It's also no question the that possibility of serious human loss is still there. So we're working it hard. We'll try to resolve what we ought to do. We're working with our allies and I will give you an answer just as quickly as I can. But we have already allocated a significant amount of money to try to alleviate the nutritional and other problems that we know the refugees are going to have.

Q Mr. President, you mentioned the shared commitment of Australia and the United States to human rights. A number of members of your party have proposed that you raise in discussions with President Soeharto the idea of a U.N.-sponsored act of self-determination or referendum in East Timor. What is your view of that proposition? And I'd like to ask Mr. Howard the same question -- what is your view of a U.N.-sponsored act of self-determination in East Timor?

THE PRESIDENT: You said people in my party have said that I should do that? They haven't discussed that with me. (Laughter.)

Let me say, without answering the specific question, because I haven't made a decision about that, let me say, I have been concerned about the whole question of East Timor from the first time I first heard about it. The United States has, while maintaining basically constructive and friendly relationships with Indonesia and working with Indonesia on the whole wide array of shared foreign policy concerns, has consistently done more in the last three years than we have previously. We changed our arms export policy to try to not sell those arms which could be most likely to be used to put down a civilian rebellion or to oppress people's human rights -- not in any country, but with our sales toward Indonesia. We have cosponsored the resolution in East Timor in the United Nations.

And Indonesia is a very large, very great, very rapidly growing country with a massive amount of diversity -- both ethnic diversity and religious diversity. This is one area where they have not been able to manage it successfully. And we will continue to try to work to do what we can to resolve this in a way that is consistent with what I believe are universal values with regard to human rights and human dignity.

PRIME MINISTER HOWARD: As far as we are concerned, that's not an issue that I previously addressed my mind to, so, like the President, I won't specifically try and respond to it. But let me say that the East Timor issue is obviously a sensitive elements of the relationship between Australia and Indonesia and,

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indeed, the relationship between Indonesia and other countries. You will all be aware of the great importance of the bilateral relationship between both Australia and Indonesia. There will always be differences of view about how different issues should be handled between our two countries. But my government and governments before mine of both political persuasions have shown a determination not to allow that issue to contaminate or undermine the broader relationship.

And the significance of the bilateral relationship between Australia and Indonesia is only surpassed by our bilateral relationships with one or two other countries. And it's, therefore, important in everything that we do to try and keep a proper balance between our desire to foster that relationship, but, by the same token, to properly put down markers of errors and values in errors and attitudes and also, of course, to fully respect the fact that within a democracy such as Australia, people will openly and vigorously express their views on this issues. And it is no part of the role of the Australian government to prevent or discourage that. That is a point that I made in my own personal discussions with President Soeharto when I saw him in Jakarta a couple of months ago.

Thank you.

Q Thanks very much.

Q Mr. President, if I could just follow up on the Indonesia question with your indulgence with the Prime Minister. These stories now coming out back home in the United States -- dribs and drabs about John Huang's phone calls to his former business associates at the Lippo Group when he was a Commerce Department official -- 70 phone calls, we're now told -- is information that was available before the election, but only coming out now -- and other suggestions that some of your aides were urging other aides over their objections not to release all of this information once you had it -- aren't you concerned that the impression is going to be created that you're trying to stonewall, that you do have something to hide? Isn't it better just to come clean and release everything right away instead of letting it just come out piecemeal like this?

THE PRESIDENT: Well, for one thing, one of the things that we have learned the hard way is that when you release something as soon as you have it, then somebody is always saying, well, why didn't you release something else. I don't personally see any problem with any of the information that I've seen so far. I think we should answer whatever questions are asked. I've told everybody else to do the same thing. But, you know, I've personally, I've answered the questions that were asked of me in a way I think are entirely appropriate, and I think that's what everybody else should do. And I don't think there's a real issue there.

Q -- come forward and answer these questions publicly?

THE PRESIDENT: I believe that -- let me just say this -- I believe that everyone will have to deal with that in his or her own way. But one of the things I would urge you to do, remembering what happened to Mr. Jewel in Atlanta, remembering what has happened to so many of the accusations over the last four years made against me that turned out to be totally baseless, I just think that we ought to make sure we've got -- we ought to just get the facts out and they should be reported. That's what I've encouraged everybody to do and that's what we'll do.

Thank you very much.

PRIME MINISTER HOWARD: Thanks very much.

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1:08 P.M. (L)