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[President Clinton's Trip to South America, October 12-18, 1997] [3]

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SUNTUM M @ A1
10/13/97 10:34:00 AM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: 1997-10-13 remarks at signing ceremony

THE WHITE HOUSE

Office of the Press Secretary
(Caracas, Venezuela)

For Immediate Release
13, 1997

October

REMARKS BY PRESIDENT CLINTON
AND PRESIDENT CALDERA
AT SIGNING OF U.S.-VENEZUELA AGREEMENTS

Miraflores Palace
Caracas, Venezuela

10:00 A.M. (L)

PRESIDENT CALDERA: This simple ceremony, together with the ceremony that was held yesterday in the Casa Maria in the Foreign Office, mean the commitment of our two countries, Venezuela and the United States, to the signature of important agreements.

We have wanted to benefit from the visit of President Clinton, to be able to put the final words on the negotiations that had been already underway and the documents that have been signed now, and also to advance negotiations regarding other documents where there are still different points of view in both countries. However, all of these negotiations and documents ratify the advisability and the need for our countries to enter into agreements of this nature.

For us, it is a great honor to see the President of the United States enter South America through the gateway of

Caracas, and in doing so, ratify his message of goodwill to the people of this hemisphere and of the entire globe.

So we invite all of you present here to accompany us to the National Pantheon, where President Clinton is going to give his message to the hemisphere from the steps of the burial place of the father of our homeland.

Thank you. (Applause.)

PRESIDENT CLINTON: President Caldera, Foreign Minister Rivas, Energy Minister Arrieta, Dr. Tablante, Secretary

Pena, Secretary Albright, Special Envoy McLarty, to all the Venezuelan and American officials here, ladies and gentlemen.

Mr. President, our hemisphere is coming together in a spirit of mutual respect and equality rooted in democracy, which you have championed for so long. And now we can become a

stronghold for security and prosperity, and an example to the world that market democracies can deliver for all our people.

These agreements on energy and counternarcotics are practical results of the partnership between the United States and Venezuela, which is strong and growing stronger.

Last year Venezuela became the United States' number one supplier of foreign oil. But for the last 80 years, Venezuela has been a rock of stability, staying out of the oil embargo, stepping in to boost production in moments of crisis from World War II to the Gulf War. The investments we have made in each other's energy sectors have created good jobs and spurred innovation in both our countries. The people of the United States are grateful for the benefits of our modern partnership.

Today's energy agreement will strengthen that partnership for tomorrow, helping us to provide cleaner energy from more sources to more people more efficiently.

Let me thank Secretary Pena and Minister Arrieta for their hard work and their teamwork in getting this done, and for the example of leadership they set for our entire hemisphere.

The Alliance Against Drugs we embrace today also enhances our partnership and our future. For throughout the Americas, drugs threaten the very fabric of civil society. They destroy lives. They spread violence to our streets and playgrounds. They corrupt and kill law enforcement officials. They create instability that can sweep across borders. Drugs are not simply a problem for the United States or for Venezuela; they are our common problem, and we must fight back together.

In the United States we are working hard to reduce demand, with the largest antidrug effort in our history. But we must also be relentless in attacking supply. The Alliance Against Drugs is an important step forward. New equipment and training for Venezuela's drug fighters, including patrol boats and surveillance planes; deeper cooperation between our law enforcement communities to speed prosecutions and extraditions; a Joint Intelligence Coordination center to share information and coordinate antidrug operations -- each of these initiatives will make us stronger in the fight against drugs, and our children safer for the future.

Mr. President, Minister Rivas, Dr. Tablante, Secretary Albright, General McCaffrey, thank you for making the United States-Venezuela Alliance Against Drugs a reality. And let me thank all of you here for taking the partnership between our two countries into the 21st century.

Thank you very much. (Applause.)

END

10:15 A.M. (L)

Message Sent To: _____



SUNTUM_M @ A1
10/13/97 12:16:00 PM

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To: See the distribution list at the bottom of this message
cc:
Subject: 1997-10-13 remarks to people of venezuela

THE WHITE HOUSE

Office of the Press Secretary
(Caracas, Venezuela)

For Immediate Release

October 13, 1997

REMARKS BY THE PRESIDENT
TO THE PEOPLE OF VENEZUELA

Plaza El Panteon
Caracas, Venezuela

11:10 A.M. (L)

THE PRESIDENT: Mr. President, let me begin by thanking you for your warm introduction and your invitation to speak at this sacred place. I am deeply honored to be the first foreign leader ever to address the people of Venezuela at the Tomb of Simon Bolivar.

To the people of this city, I thank you for the extraordinary welcome you have given to Hillary and me, and to our entire delegation. Todo esta chevere en Caracas. (Applause.) Todo esta chevere en Venezuela. (Applause.)

Let me welcome especially all the young people who have come here today and say a special word of appreciation to the National Youth Orchestra, which played our National Anthems and my favorite march so magnificently. It is to the young and their future that I wish to speak on this day. (Applause.)

It is especially fitting that we meet here at the Panteon National, for the liberator belongs not only to Venezuela and the other

nations of the Andes, Bolivar belongs to all the Americas. He stands alongside Washington and San Martin and the pantheon of liberty's heroes. He was the first to imagine a hemisphere of democracies, united by shared goals and common values. His example stirred the hearts of men and women throughout our region. Indeed, today we in the United States can still mark the frontier of our nation in the 1820s by finding our towns, our counties, our villages named Bolivar in the states of Missouri, Ohio, Tennessee and West Virginia.

When the liberator died, his vision of freedom and peace in the Americas seemed an impossibility. How I wish he were here today to see his spiritual heirs here in Venezuela and throughout the Americas turning his dream into a reality.

Our hemisphere is growing closer every day. Driven by shared values and common purposes, we have put the age-old dream of a democratic and prosperous family of the Americas within our reach. In the last decade, every nation in the Americas but one has embraced democracy, giving its people a vibrant free press, free elections and the rule of law. Decades of coups and bloody civil wars have given way to the peaceful transition of power. Stifling command economies have been replaced by free markets, giving innovation and more jobs and higher incomes. We are joined in the search for social justice within market economies. And we are all working to leave our children a planet as healthy and bountiful as the one we inherited.

I come here today to salute the people of Venezuela for the extraordinary part you are playing in this quiet revolution of the Americas, and especially to salute President Caldera for a lifetime of leadership for liberty. You, Mr. President, have carried the torch that Bolivar lit for more than half a century, and we are all in your debt. (Applause.)

Other nations in our hemisphere have been drawn to the path you have blazed. For Venezuela is a world center of energy -- oh, yes, petroleum, but also energy for peace and freedom; energy for democracy and prosperity; and I might add, energy for world-class baseball players. (Applause.)

Your democracy has weathered powerful challenges, but never wavered. Under the leadership of President Caldera, you are building a state that is popular, just and moral; a state in which, as Bolivar said, the rule of law will signify the triumph of equality and freedom.

Americans look to Venezuela and see a growing economy, renewed and strengthened by sacrifice. We know the hardships you have endured, but look what you have achieved. you

have cut your debt and cut inflation by more than half. You are moving industries into the competitive free market. You are opening your doors to foreign investment to create new opportunities for Venezuelan workers. And your determination will pay off, in more jobs, higher incomes, and better prospects for your children in the coming century.

We Americans also look to Venezuela and see an example of how different people can come together as one community and one nation. On this day, we recall the moment when Columbus joined the peoples of the Old World and the New World. Venezuela shows all of us how we can draw strength from the joining of different peoples.

From Bosnia to Central Africa, from Northern Ireland to the Middle East, one of the greatest challenges to peace and freedom in the world comes from people who hate others because of their religious or racial or ethnic differences. And they claim

those differences as justification for taking away their political rights, their homes, their freedom, sometimes even their very lives.

Venezuela has shown us a better way. Here, the children of Europeans, indigenous Americans, and Africans live together as one people. Here, every Venezuelan is a ciudadano. (Applause.)

For all the progress we have made together to advance democracy, free markets and full citizenship, we much acknowledge that a great challenge remains to make these forces work to the benefit of all our people. To do that we will have to intensify our efforts for economic growth, social justice and environmental protection and against the common threats to our security.

At the Summit of the Americas in Miami, our nations pledged to create a free trade area of the Americas by 2005, uniting the creative energies of 800 million of us, from Alaska to Argentina. We will tear down the barriers of the past and open wide the doors of the 21st century. (Applause.)

The speedy exchange of goods, ideas and investment will bring benefits of the new economy to all people, including the people of Venezuela -- from the oil workers of Monagas to the ranchers of Llanos to the entrepreneurs of Maracaibo.

I want the United States to do its part, and I am seeking the fast track negotiating authority from Congress that every American President has had for over 20 years, so that we can work with our partners to open markets, create jobs and raise living standards for all. (Applause.)

We must also recognize that no democracy, including the United States, has yet found the perfect formula for growing a free economy while preserving and extending the social contract for all our people. That is why we must work harder together to alleviate poverty, lift the conditions of working people throughout the hemisphere and give everyone a chance to be a winner in the new economy.

While we do not have all the answers, we do know we must begin with the reality that whether we all like it or not, global economic integration is on a fast track. And, therefore, we must give all our people the tools necessary to compete and succeed in it.

Because we want all our people to succeed we have, from the Summit of the Americas in Miami to next year's summit in Santiago, put education at the center of our cooperation. All our children must be ready for tomorrow. (Applause.)

And we owe it to our children to see that today's

progress does not come at tomorrow's expense. We must do more all across the Americas to improve our stewardship of the

environment, clean our air, clear our water, keep toxic chemicals out of our soil and reduce the volume of greenhouse gases we put into our atmosphere, risking dramatic and dangerous changes in the climate for our children and our grandchildren. (Applause.)

And just as we work together to seize the opportunities of this new era, so we must also move together swiftly and strongly against the new threats it has produced. In both our countries drugs poison our children and threaten our neighborhoods. The United States is working to reduce drug demand at home and to attack drugs all along the pipeline that brings them into our streets and our schools. Today our government signed wide-ranging agreements that join us in an alliance against drugs. Thank you, Venezuela, for the tough stand you are taking in this fight for our common future. (Applause.)

And I thank President Caldera for leading this hemisphere in the fight against corruption. Corruption destroys confidence and fragile democracies, erodes free markets, saps the strength of law enforcement. It undermines all we are working so hard to build. Venezuela's leadership has led to a common commitment to fight corruption, to beat it back, to stamp it out. (Applause.)

To the people of Venezuela, I want you to know the United States is determined to work with you in a spirit of respect and equality, as friends and partners, to claim the

benefits and carry the burdens of this new era. (Applause.)

Now, on this day when we remember Columbus' remarkable arrival over 500 years ago in the Americas, we embark on a new voyage toward a new century and a new millennium, steering our course by the stars of freedom and democracy, partnership and respect, prosperity and security, not for just a few, but for all our citizens. (Applause.)

Here, before the Tomb of Simon Bolivar, let us pledge to redeem in full the vision of the liberator. More than 160 years ago, he spoke to us of a Western Hemisphere that commanded envy and respect, as he said, "not so much by virtue of her ahead and wealth, but by her freedom and her glory."

Today, I pledge to you, hijos de Bolivar, that by our work, now and into the new millennium, we will secure that freedom, and with it, the glory of all the people of the Americas.

Thank you and God bless you. (Applause.)

END

11:40 A.M. (L)

Message Sent To: _____

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To:

cc:

Subject: 1997-10-13 AF1 remarks of president

THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate Release
13, 1997

October

REMARKS BY THE PRESIDENT TO THE POOL

Aboard Air Force One

3:15 P.M. EDT

Q Are you going to get a bad reception in Brazil?

THE PRESIDENT: I don't think so. You know, historically, there have been strained relations between the United States and Brazil. I met with President Cardoso when he was President-elect at the Summit of the Americas, and of course he's been to see me. And we worked very hard on this. I think it will be a very good trip.

Q Janet Reno says she might want to interview you as the investigation goes on. Do you have any problem with that?

THE PRESIDENT: As I said before, I'll do anything that is necessary to get her and the Justice Department the information they need. I just want them to have the information they need and then be free to make the right decision.

Q Do you understand why she's mad, and have you done anything to try to prevent it from happening again?

THE PRESIDENT: Of course I do. You think she was mad; you should have been there when I heard about it.

Q So you were mad, too?

THE PRESIDENT: Of course, but I'm -- first of all, I think Lanny Breuer was on television yesterday explaining what happened on the delayed notification. And, you know, I think he made a mistake -- but he said that. And he's worked very hard at his job. And they're all -- as you can imagine, they've got all this work that any White House Counsel would have and then all this to do. But I think it was a good thing that he and Mr. Ruff went on and explained the facts of what happened.

And as far as WHCA is concerned, what they -- I don't think they intended to mislead anybody. They've been working hard to try to find all the information they've got. I think they've got a few more tapes which, as I understand it, won't surprise any of you that have been going to the fundraisers with me for the last years. They basically just -- as I understand it, that's what they are, they show events. And they're going to turn them over.

Q -- any of these tapes of you directly soliciting or anything like that. You don't think --

THE PRESIDENT: Look at them. I think they're perfectly fine. But I want the committee to have them, the Justice Department to have them.

WHCA tries to take a little snippet of everything that I'm involved in so they have it recorded for history. It's fine. I do want to make it clear that -- as I understood the inference of the first -- I was unaware of this because I never saw the request for information or the efforts to provide it. But I think Mike has made it clear that we never had any sort of secret

taping system like was -- the Kennedy or Nixon or Johnson administrations did. We've never done anything like that.

Q Mr. President, is Congress nitpicking with you -- the committee nitpicking by wanting all this information and wanting names of people who handled the tapes and all these other, what seem minute details? Is that nitpicking?

THE PRESIDENT: We had given them 100,000 pieces of information before -- the committee -- and we'll give them whatever they need to do their job.

But I think they'll find, for example, on handling the tapes -- you know, all these WHCA people that I've dealt with, they're career service people, they're not political, they're trying to

do their job, as they see it, to get some video record of the things a President does. And they're doing their best to fully comply. They're career military people, not politicians, and for all I know they've never been involved in anything like this before, and I think they've done their best. They've worked like crazy to try to find out if they had anything else on file.

And I think they're doing -- I think the Senate and the House and the Justice Department will be satisfied that all those folks did their best.

Q Attorney General Reno has been under a lot of pressure from a lot of quarters. Having been a state attorney general, what kind of standard do you have for how an attorney general should handle this kind of a situation and deal with the --

THE PRESIDENT: There is one quarter from which there has been no pressure -- ours. I have gone out of my way to have no conversation with her -- about this or, frankly, anything else, which I'm not sure is so good, except I saw her at the event the other day that we did the other day that we did for the police officers, where we announced the trigger locks on handguns.

I think the Republican attacks on her have been completely unwarranted. It's interesting -- it would be hard to make a case that she was reluctant to follow this law. There are facts, there are standards, there are all kinds of procedures set out about how this law is supposed to operate. And she ought to be let alone to implement it.

Q When you say that it's been "not so good" that you haven't been able to always have contact with her -- do you mean there have been times you would have reached out to her on some issue or some subject, that you haven't because you were afraid about how it might be perceived.

THE PRESIDENT: I haven't even entertained it one way or the other. I just think that, at least until she finishes her complete review of this and makes a decision one way or the other, it's better if all the contacts be sort of in official channels unless some huge national emergency arises. You know, Mr. Ruff talks to the Justice Department all the time. I just want to make sure, particularly with all this unwarranted political talk in the air coming from other quarters, I just want to make sure that we don't compound it in any way, shape, or form. I think that these are legal judgments that have to be made on the basis of the facts, on the basis of what the practice is, and of course the law -- all the things that are in that law. It's very explicitly set out, and so I think she should be left alone to do it. That's what I'm trying to do.

Q There is this one tape, in which a fellow who turned out to be a -- says James Riady sent me. And Republicans are trying to make a big deal out of that. What do you say about

that? Is there anything nefarious there?

THE PRESIDENT: That's the wealthy Asian who was a resident immigrant that gave the DNC a lot of money over a long period of

time? Well, first of all, until the DNC decided to return his contributions, I was unaware that he had given and certainly how much he had given. But I don't think there is anything to be

made of that. He was an Indonesian. He was a friend of James Riady, who --I have known James since the 1970s in Arkansas. So I draw no inference from that and neither should anybody else.

You know, I've already testified -- discussed that, that the Riadys, when they came -- James came to see me in the meeting that's been discussed, he basically said he supported my China policy and urged me to stick with it. That was it.

As I've said repeatedly, a lot of other people, in a way that was totally appropriate, in discussing the Middle East with me or the expansion of NATO or the problems between Greece and Turkey, you know, have been much more explicit and specific in detail than saying, here's what I think we ought to do. That's part of the way a democracy works -- people should express their opinions. I took no offense at it.

Q As you watch these tapes, these moments, the same kind of scene again and again, what goes through your mind? All the work the was involved? I mean, you seem to --

THE PRESIDENT: I haven't watched, so I don't know. But as I have said repeatedly, and I know that some of you have scoffed at me for saying it, the coffees, in particular, I found quite helpful, because they brought in all kinds of people from all over America, and they just talked. Most of the times -- I would say the vast majority of the times -- the issues raised by people at the coffees did not bear directly on their personal business activities. And I wish, I have said repeatedly, that we had at least a print reporter at all these coffees so they would have been reported and there wouldn't have been any undue suspicion about it.

It never occurred to me one way or another, because Presidents have meetings all the time without reporters there. But in this case -- we still meet with groups of people, although not necessarily just political supporters. I think those kinds of things are good.

But in terms of the fundraisers, when I see the films of those, it just reminds me of how hard we worked last year. And we knew we were going to be outspent, and we just didn't want to be outspent too bad, so we did a lot of fundraisers.

Q Mr. President, Janet Reno by Wednesday has to make a decision about whether to proceed to the next stage of the investigation of the fundraising phone calls. Early reports say she won't go forward because there is no direct proof that you made phone calls. How do you feel facing that deadline and those reports?

THE PRESIDENT: I do not want to say anything that interferes with her decision in any way. I have no comment.

Q Are you saying unconditionally that you would speak to her if she wanted to interview in connection to that?

THE PRESIDENT: I think, first of all, it's up to them to decide -- the task force, the Attorney General -- whether they have the information from me they think they need. If they think they need more, as I have repeatedly said, I will do whatever I can to get them whatever information they think they need.

Q Including speaking to her?

THE PRESIDENT: If she wishes to interview me.

Q Can I switch the subject? Back to Brazil, where do you think this American bashing is coming from? How do you account for it?

THE PRESIDENT: You mean, the recent press lately? Well, I don't know. There is some speculation that there were some

problems with the advance team in Brasilia, something like that. Is that right? I don't know about that. I can't comment on it. But this is a rather challenging trip for the advance team because we have so many members of Congress and so many Cabinet members. It's sort of a big group to move around.

I hope that our people haven't done anything inappropriate. I know that that's something we worked very, very hard on. When I became President, I heard sort of generic criticisms that often the Presidential team -- everywhere, I don't mean my predecessor; I mean, just generically -- sometimes they were thought to be a little overbearing.

So we've done a lot of kind of training work on that topic, and we try not to do that. So I don't know anything about the facts. If we did anything we shouldn't have done, I'm sorry. But I can tell you this, the relationship that I hope that we have with Brazil is better than it's been in a very, very long time, maybe ever -- but certainly in a long time. And the relationship we need to build with Brazil is critical to the future.

If you go back to Ron Brown's list of 10 emerging nations, go back to anybody's analysis of which countries will really have a huge impact on the future, particularly for us in our back yard, Brazil is one of them and one of the leading potential candidates for a much larger role in the world in the 21st century. And I view that as a positive thing.

I think it's an exciting, interesting place with a fabulous culture -- great music. I was down here listening to my Brazilian music I brought along with me.

Q You brought some?

THE PRESIDENT: Oh, yes.

Q What did you bring?

THE PRESIDENT: I've got a lot of my old Antonio Carlos Jobim records. But I also have some newer records back at the house. I left some of them back.

I feel basically quite positive. I think Cardoso has been an exceptional leader -- defending Brazil's national interests, understanding its unique challenges, and trying to form a constructive partnership with us while building a Mercosur alliance and reaching out to other countries on the South American continent. So I feel very upbeat.

But if there are a few scratches on the record that you hear as we go in, keep in mind -- you have to see this against the background of the historic relationship between the United States and Brazil, which was much more tense and conflicted than it is today.

Q Mr. President, for the average person back home, what would you hope that he or she would draw from your experiences that you're having here in South America -- the trip itself, your message?

THE PRESIDENT: Well, I would hope that the average person would think, number one, it's a good thing for America that these countries believe in democracy and free markets, because that means that it's less likely that we'll have the kind of difficulties we had 30 or 40 years -- actually going back to the beginning of the century -- in the Americas because of political upheavals, military dictatorships, things of that kind.

Number two, I am convinced that there is an increasing determination among the South Americans to join us in a common fight against drug trafficking and crime, and that's important.

Number three, I hope they will see through your reporting

and the pictures you send back that there is an enormous amount of economic potential down here, and it's a great market for America's goods and services, and we ought to be selling more to these people.

They have been very willing to buy our products. Seventy percent of our increase in trade in the last year has come from Canada to the tip of South America, and we need to do more. I hope that -- and I hope all of you when you leave here -- will think that we made a better case for fast track just by being down here, just by seeing the enormous economic potential and how the Latin Americans can use things that we have to sell in ways that benefit us both.

Q -- until now?

THE PRESIDENT: Well, I think there are a lot of reasons. But I think one problem is, there is a lot of residual over NAFTA. The people who were against NAFTA are against this. But in the case of NAFTA, you had Mexico on our border with 100 million people and a set of very specific terms in the trade agreement, so that there were a lot of winners as well as people who thought they were going to lose. So the scales of the debate were more evenly balanced.

Plus the other consequences -- the political consequences, the immigration consequences, the drug consequences -- as well as the economic benefits, were all much more stark and immediate with Mexico and NAFTA.

The fast track vote is a process vote to give the President the power to present other trade agreements to the Congress. Two categories of them have generally been very popular with both Democrats and Republicans -- that is, anything that expands global trade under the WTO, which is good for us because we're competitive; and sector-specific agreements like the information technology agreement we negotiated, which is going to create tens of thousands, maybe even a couple hundred thousand good American jobs in the next few years.

The third category is where the controversy is. It would give Ambassador Barshefsky the ability to try to negotiate an agreement with other individual countries, except here, the people who weren't for NAFTA or the people who think that it didn't work or the people who were worried about something else, they have their worries out there, but we don't yet have the specific benefits out there, except in a conjecture because I don't have an agreement. NAFTA was a specific agreement.

So, in a way, the opposition can burn a little whiter heat and show a little more intensity. And I think that that's a difficult thing for us.

I also think, in fairness to the Democrats, we have raised

the issue -- all of us, I'm not using the Presidential "we" -- our party put the question on the agenda, really, about the role that labor standards and environmental standards should have in the trade equation. And we're having an in-house debate about what the best way to do that is.

You know, Senator Moynihan, for example, who's got a very strong pro-labor record at home and abroad and a very strong trade record, thinks that there shouldn't be trade sanctions applied for specific environmental or labor issues, but we ought to be able to go at it in other ways.

Mr. Gephardt believes we shouldn't have another trade agreement unless it contains trade sanctions for labor and environmental reasons, or at least that we ought to try to negotiate that.

What I tried to do is to leave most of our options open

there so that I could get the best agreement I can, but knowing that, regardless, I'm not going to negotiate an agreement that I do not believe is in the best interest of the United States. Congress will be able to review it and decide whether it helps create jobs and a better future for us.

And I think that engaging these countries will increase our ability to influence them as they try to raise labor standards and deal with environmental issues.

The Venezuelans -- we were talking -- they understand that they can't preserve their democracy in a free market economy unless they try to strengthen the social compact. They've got to figure out a way for more people to do well and they've got to figure out an intergenerational strategy that not only supports education for children but protects the environment.

So I think that we're going in the right direction -- the direction that the opponents of fast track want to go in; that is, those that are really interested in the labor and environmental issues.

There are some people who simply think that globalization always works to our disadvantage, and I just don't agree with that. And I think that it's not a realistic option. The global economy is on a fast track. The Europeans are reaching out to the Mercosur nations. Even though our exports have grown a great deal to Latin America, the European exports have grown even more and now outpace ours.

And their trade union movements in their country, for example, and other people like -- they seem to understand that, because of what they have to sell and because of the trade relationships, they're going to come out, net, ahead. That's

what I believe is the case in America and why I'm pushing this so hard.

Q Are you going to win?

THE PRESIDENT: I think so. It's a tough fight, but I think we'll win. But it's just a -- it's really a debate over principle with me, and I believe the United States has to create more high-wage jobs for the future so that we can start growing together again. The last couple of years, we've finally got some indication that the bottom 40 percent of our workers are beginning to raise their incomes equal to and, after taxes maybe even a little more in percentage terms, than the upper 20 percent. But that's after 20 years of complete stagnation.

And the evidence is not clear yet. We have to change the job mix every year. The last two years, more than half our new jobs have paid above-average wages -- dramatic contrast from the '80s and the early '90s. The only way for us to keep that trend going and accelerate it is for us to trade more in areas where we have a competitive advantage, where we make things that are sophisticated with workers who make good incomes -- we make more of that -- that's the first thing.

The second thing is, I believe the United States has to send a signal to our allies, particularly in this hemisphere, and our allies in Asia and in Africa, that we know we're in a new world and it's a which in which we're interdependent and which we want to lead through partnerships.

So I think the political interest we have in having stable countries growing more successful, being firmly democratic,

working with us on issues like labor and environmental conditions, argues overwhelmingly for the adoption of fast track and giving the President the authority to go do this work.

There is a principle at stake here, so I would be fighting for it if I thought I had no chance to win, because it relates centrally to the way I see the world unfolding and the ties that I've tried to create for the United States -- in the Americas, in Asia, in Africa, as well as reaffirming our historic ties to Europe.

END

3:45 P.M. EDT

Record Type: Record

To:

cc:

Subject: 1997-10-13 remarks at reception in Brasilia

THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate Release

October 13, 1997

REMARKS BY PRESIDENT CLINTON AND PRESIDENT CARDOSO
AT RECEPTION

Brasilia Room
Ministry of Foreign Affairs
Brasilia, Brazil

8:22 P.M. (L)

PRESIDENT CARDOSO: Mr. President, Mrs. Clinton, ladies and gentlemen, we are gathered here tonight to celebrate a renewal of the friendship between Brazil and the United States of America. Welcome to Brazil, Mr. President. Welcome to Brazil, Mrs. Hillary Clinton.

We welcome you with the interest that is naturally awakened in us by the visit of the President of a great nation, who serves as the representative of a friendly people with whom we share fundamental values and converging views on countless contemporary issues and challenges.

We welcome you as well, Mr. Clinton, as head of state of our principal trading partner, whose importance for our external sector is steadily increasing, thanks to the many new business and investment opportunities Brazil is now offering its partners. We're delighted that you will be visiting not only the capital of Brazil, but Sao Paulo and Rio de Janeiro as well. We hope that by doing so you will secure a fuller understanding of Brazil's vibrant democratic institutions, strong citizenship, stability, transparency in managing the nation's assets, reforms, openness, and growth.

In relations between states, there is no substitute for first-hand knowledge, personal observation, and contact with the people and living forces of a country. This is particularly true of the Brazilian people, who always extend a warm and open welcome to visiting statesmen.

For this reason, your visit introduces a very important element into the positive relationship that Brazil and the United States have developed over decades and that has taken on a new significance under both of our administrations. It has been more than two years since my own state visit to Washington. Since then, both we and the public have shown keen interest in keeping abreast of the success of the many items of the agenda we agreed to on that occasion, when Brazil and the United States solemnly but enthusiastically resumed their grand partnership.

We are now ready to take another step in the history of the relationship between Brazil and the United States. From the innovative cooperation we are beginning to develop in the field of education, to discussions with the view to creating a free-trade area in the Americas -- an ambitious goal that we share -- our agenda is guided by shared objectives while allowing ample room for the

expression of our distinct individualities and our legitimate interests.

Not infrequently, our interests do not entirely coincide. Sometimes they may even conflict. Today, however, we are

in a position to deal with this reality more capably than ever before in the history of our relationship.

The excellent relations between our two nations are actually and symbolically summed up in this further meeting of the Presidents of the two countries. This meeting enables us to commemorate our joint achievements, while renewing our commitment to further initiatives and additional success in the same spirit of confidence that should necessarily permeate any mature relationship between two great countries of continental dimensions.

This meeting, Mr. President, is an opportunity for us to reaffirm to our peoples and to the peoples of our hemisphere and of the world the key notion that Brazil and the United States together can help to build a history of liberty, mutual respect, development, and peace in the New World.

We have been allies in two world wars and we have been peacetime partners for over a hundred years under an unwritten alliance forged by such noteworthy leaders as Rio Branco, Joaquim Nabuco, Franklin D. Roosevelt, Cordell Hull (phonetic), and Oswaldo Aranha.

That explains our strong vocation for friendship, understanding, dialogue, and cooperation. That is why we are capable

of speaking the same language. Whether we agree or disagree, it makes no difference, because we always seek to reach an understanding.

The joint initiative in education, which we will unveil during your visit, Mr. President, is a symbol of how we can work together to carry out projects of inestimable impact on Brazilian social development and on the relations between our two countries.

Mr. President -- President Clinton, you and I plan to have extended conversations on our joint agenda, the many issues on which we see eye to eye, and a number of problems we face in specific areas of trade. The outcome of this visit will undoubtedly be a firm commitment to continue our cooperation in order to make the relationship between the United States and Brazil ever more productive and dynamic.

Furthermore, we will continue pursuing the broad and candid consultations that have underpinned our participation in a number of significant regional and international initiatives, such as the FTAA, the reform of the United Nations, and the consolidation of the World Trade Organization.

In this context, Mr. President, let me recall that the age of economic globalization in which we are living brings nations closer together. Therefore, inspired by the American Revolution, whose Constitution enshrined the rights, borders, and autonomy of the states that formed the federation, it is our duty to defend ourselves and guarantee the rights of nations -- of each and every nation, from the most powerful to the weakest, from the richest to the poorest. Only then will we inherit the spirit of liberty and democracy that unites us in the same values.

Hitherto, international law has been grounded above all in processes designed to accommodate the interests of different sectors, expressed by attacks and contrast. The time has come for us to move ahead in the international order in pursuit of a configuration based on a broad consensus, in a de facto constitution that protects the cultural diversity, frontiers, and sovereignty of nations and peoples.

The new global order cannot be imposed; it must be shared. It must not demolish but rather foster the well-being of

mankind.

This, Mr. President, is the challenge that we face -- you, I, everyone responsible for the destiny of our nations. I hope you, President Clinton, will take away from this visit a comprehensive and accurate picture of Brazil, and that your stay among us will contribute to an enhancement of the understanding between our two countries. So let us work together with the certainty that friendship between the United States and Brazil will

foster understanding throughout our region and progress for our peoples.

May Brazilian hospitality be the best form of greeting for our honored guests today. Welcome, Mr. President. (Applause.)

PRESIDENT CLINTON: President and Mrs. Cardoso, members of the Brazilian government, my fellow Americans, honored guests -- let me say, on behalf of all of us who are here, it is wonderful to be in Brazil, but it is especially wonderful for me. I have wanted to come here for a long time, and even more since Hillary returned from her fantastic visit here.

When President Cardoso made his state visit to the United States, I pledged to return the favor. And finally, the day has arrived, and I am in the City of the Sky, glad to be here. Thank you.

Brazil has haunted my imagination for over 30 years, since I first fell in love with your music as a young man. And Brazil has loomed large in my vision of the future of this hemisphere and the world since I became President.

I come to Brazil to strengthen our partnership in a spirit of respect and equality, a partnership rooted in common values and common aspirations.

We have been friends in freedom for a long time. In 1824 the United States was the first nation to recognize Brazil's independence. In World War II, Brazil stood by America's side on the battlefields of Europe with a force of 25,000 troops to fight for liberty's survival.

Now, at the dawn of the 21st century, the freedom we cherish is ascendant. Every nation in our hemisphere but one is a democracy. Open markets are taking root. Cooperation and trade are expanding. We have an opportunity to make all the Americas a stronghold of freedom and prosperity, of peace and security, advancing our own well-being and serving as a beacon of hope to others.

With the largest populations and the largest economies in the Americas, sharing both the virtues and the challenges of our size and our diversity, Brazil and the United States both have a special obligation to lead this historic revolution now under way in the Americas.

I applaud President Cardoso, his government, and the Congress for all you have done to put your country squarely on the path to prosperity, with difficult decisions on economic reform. I hope your reformers and our actions to balance our budget for the first time since 1969 will lay the foundation for a new burst of growth and opportunity throughout our region.

I hope we can work even more closely together to lift the lives of our people -- by creating new jobs through open markets and open trade, improving education to enable all our children to thrive, expanding access to modern technology to connect all our people to the information age, combatting drugs and organized crime,

protecting the wonders of our shared environment, and helping our neighbors throughout the hemisphere to resolve their conflicts peacefully.

Already Brazil has given so much to the United States. You have given us artists like Candido Portinari, whose murals hang in our Library of Congress in Washington; innovative writers like Jorge Amado; and explorers from Alberto Santos Dumont, the father of aviation, to the Brazilian astronaut who will soon come to NASA to train for the international space station. You have given us athletes -- from the magnificent Pele to the World Cup champions who made Los Angeles feel like Rio for a day.

And no matter what language our people speak, you have given us all reason to sing -- from the batucada of Bahia to the bossa nova, from the rhythm of samba to the rock of tropicalismo, from the quiet choro to the lively forro.

In Brazilian music many influences come together to form something wonderful and unique. In the same way, the rich diversity of your people and the American people make both our nations special and strong.

Both of us have a long tradition of welcoming immigrants from distant shores who want to build a better life for their children. We share a belief that we can live together and learn together, work together and grow together, no matter what our color, our creed.

In a world where nations are still torn apart because some people fight over their differences when they should respect, accommodate, even celebrate them, Brazil and the United States have a special ability and a special responsibility to show a better way.

Mr. President, as we reach for the future, America reaches out to Brazil with a hand of friendship and a pledge of partnership. We share a vision of a better tomorrow. When I first met you shortly before you were inaugurated President, I said to myself, there is a person who can imagine the future; I hope we will build it together.

Thank you. (Applause.)

END

8:50 P.M. (L)

Caracas, lunes 13 de octubre, 1997

NACIONAL

10/13 - Monday

Secretario de Energía, Federico Peña

'EEUU mantendrá inversión energética en Venezuela'

DESEAN LAS AUTORIDADES estadounidenses mantener el status de principal inversor energético en el mercado venezolano. Dijo el alto funcionario que 'será la clave para los esfuerzos de Venezuela por expandir su industria petrolera y modernizar su economía'

Mariela León**El Universal**

Caracas.- El secretario de Energía de Estados Unidos, Federico Peña, señaló la disposición estadounidense de importar, en un futuro, más petróleo venezolano, dadas las garantías de suplidor estable.

Aseguró que la inversión de EEUU 'continuará en el sector energético y será la clave para los esfuerzos venezolanos de expandir su industria petrolera y modernizar su economía'.

Al término de una entrevista de una hora sostenida entre el alto funcionario de la Administración Clinton con el ministro y viceministro de Energía y Minas, Erwin Arrieta y Evanan Romero; y el presidente de Petróleos de Venezuela, Luis Giusti, ofrecieron una declaración de prensa conjunta, anticipando algunos detalles del acuerdo que suscribirán hoy ambos gobiernos en el palacio de Miraflores.

Sostuvo Federico Peña que Estados Unidos y Venezuela tienen 'una larga e histórica trayectoria de cooperación, particularmente en el sector energético, muchas personas no se dan cuenta, pero Venezuela es el mayor suplidor de petróleo hacia el mercado estadounidense con aproximadamente 18% de nuestras importaciones y Venezuela es uno de los mayores inversores de nuestro mercado de gasolina y derivados'.

Precisó que la empresa Citgo es uno de los mayores distribuidores de gasolina en Estados Unidos.

Subrayó que Venezuela 'posee 15.000 estaciones de servicio, es muy claro que este país contribuye grandemente con nuestra economía'.

Por otro lado, dijo que las empresas norteamericanas han venido a jugar un papel cada vez más importante en el mercado energético venezolano. 'EEUU es actualmente el mayor inversor en la economía venezolana y esperamos mantener ese status. Las oportunidades de inversión privada en la apertura petrolera venezolana se estiman en 30 millardos de dólares. Y en las dos últimas rondas licitatorias de los campos marginales, las empresas norteamericanas ganaron en el orden de los 700 millones de dólares en este lucrativo mercado', indicó el secretario de Energía. Reiteró Peña que la cooperación entre Estados Unidos y Venezuela es verdaderamente buena para ambas partes, 'desde la perspectiva de Estados Unidos, el creciente papel del petróleo venezolano en nuestros mercados, producen nuestra dependencia de suplidores en regiones menos estables en el mundo'.

Desde la perspectiva venezolana, apuntó que la inversión continuará en el sector energético y será la clave para los esfuerzos venezolanos de expandir la industria petrolera y modernizar la economía.

¿Estados Unidos estima aumentar la compra de petróleo venezolano e importar

orimulsión?

En el futuro, ojalá, vamos a tener más petróleo venezolano, porque es muy importante para EEUU ser suplido por países del mundo que no tienen problemas. Estamos aquí para firmar un acuerdo para avanzar y afianzar estas relaciones.

Ver también

Reiteración de una vieja amistad

Una mirada a los entretelones de la gira



[Indice] [Nacional] [Internacional] [Política] [Economía] [Petróleo]
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OCT 14 – Sao Paulo

Divider Title: _____

SCHEDULE OF THE PRESIDENT

FOR

TUESDAY, OCTOBER 14, 1997

FINAL SCHEDULE

SCHEDULING DIRECTOR:

STEPHANIE STREETT

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(Sao Paulo, Brazil)

DAVID MOREHOUSE

STAFF OFFICE: 34220

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WEATHER:

BRASILIA, BRAZIL

Partly cloudy. Wind southwest at 5 to 10 knots.

Low 57 to 62.

High 76 to 81.

SAO PAULO, BRAZIL

Partly cloudy. Wind southwest at 8 to 12 knots.

Low 50 to 55.

High 67 to 72.

**SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, OCTOBER 14, 1997**

FINAL SCHEDULE

NOTE: The First Lady will depart the hotel at 11:30 am for her separate schedule.

8:50 am- **MORNING UPDATE**
9:00 am **FAMILY ROOM**
Ambassador's Residence
Staff Contact: Sandy Berger, John Podesta

9:00 am- **BRIEFING FOR BILATERAL MEETINGS**
9:30 am **DINING ROOM**
Ambassador's Residence
Staff Contact: Sandy Berger, Mack McLarty

Participants

Secretary Madeleine Albright
Ambassador Mel Levitsky *NSC to do Letter*
John Podesta
Samuel Berger
Mack McLarty
Jim Steinberg
Jeffrey Davidow
Lael Brainard
Jim Dobbins

9:35 am **THE PRESIDENT** departs the Ambassador's Residence via
motorcade en route Planalto Palace
[drive time: 20 minutes]

9:55 am **THE PRESIDENT** arrives the Planalto Palace
OPEN PRESS

Greeter: Ambassador Federico Araujo, Chief of Protocol

10:00 am-
10:30 am
(8:00 am-8:30 am EDT)

ARRIVAL CEREMONY
OUTSIDE GROUNDS
Planalto Palace (Presidential Offices)
Staff Contact: Sandy Berger, Mack McLarty
Event Coordinator: Laura Graham
OPEN PRESS (Outside)
POOL PRESS (Inside)

- Ambassador Araujo escorts **the President** to the Commander of the Honor Guard who invites **the President** to review the troops.
- **The President** with the Commander reviews the troops.
- **The President** is then escorted to the top of the ramp and greeted by President Cardoso, Foreign Minister Luiz Lampreia and Secretary Madeleine Albright.
- The *United States National Anthem* is played.
- The *Brazilian National Anthem* is played.
- **The President** and President Cardoso are escorted to the main hall for a photo opportunity.
- **The President** and President Cardoso greet the Brazilian and United States' Delegations.
- **The President** and the President Cardoso proceed to the Qualencia Room.

Participants
THE PRESIDENT Ambassador Mel Levitsky Secretary Madeleine Albright Secretary William Daley Secretary Richard Riley Ambassador Bill Richardson Barry McCaffrey John Podesta Mack McLarty Members of the Congressional Delegation Sandy Berger Melanne Vermeer Daniel Goldin Mary Mel French Jim Steinberg

10:35 am-
10:55 am

**ONE ON ONE MEETING WITH PRESIDENT FERNANDO
CARDOSO**
QUALIENCIA ROOM (2ND FLOOR)
Planalto Palace (Presidential Offices)
Staff Contact: Sandy Berger, Mack McLarty
Event Coordinator: Laura Graham
Interpretation: Whisper
POOL SPRAY(at the top)

American Participants	Brazilian Participants
THE PRESIDENT Ambassador Mel Levitsky Secretary Madeleine Albright Mack McLarty Samuel Berger Jim Dobbins (note taker)	President Fernando Cardoso Foreign Minister Lampreia Ambassador to the United States Paulo Tarso Special Assistant to the President Ambassador Gelson Fonseca (note taker)

11:00 am- **EXPANDED BILATERAL MEETING WITH PRESIDENT**
11:45 am **FERNANDO CARDOSO**
(8:55 am - 9:40 am EDT) **MEETING ROOM (1ST FLOOR)**
Planalto Palace (Presidential Offices)
Staff Contact: Sandy Berger, Mack McLarty
Event Coordinator: Laura Graham
Interpretation: Simultaneous
POOL SPRAY (at the top)

American Participants	Brazilian Participants
<p>THE PRESIDENT Ambassador Mel Levitsky Secretary Madeleine Albright Secretary William Daley Secretary Richard Riley Ambassador Bill Richardson Barry McCaffrey John Podesta Mack McLarty Samuel Berger Daniel Goldin Jeffrey Davidow Jim Steinberg Jim Dobbins (note taker)</p>	<p>President Fernando Cardoso Foreign Minister Lampreia Minister of Justice Iris Rezende Machado Minister of Finance Pedro Sampaio Malan Minister of Education Paulo Renato Souza Minister of Industry, Commerce and Tourism Francisco Dornelles Minister of Federal Administer and State Reform Luiz Carlos Bresser Pereira Minister of Science and Technology Jose Israel Vargas Minister of the Environment, Water Resources and the Amazon Gustavo Krause Chief of Civil Household Clovis de Barros Cavalho Secretary for Strategic Affairs Ronaldo Sardenberg Secretary for Social Communication Rego Barros Ambassador to the United States Paulo Tarso Undersecretary for Economic Integration and Foreign Trade Botafogo Undersecretary for Political Affairs Ivan Cannabrava Special Assistant to the President, Ambassador Gelson Fonseca</p>

11:55 am-
12:55 pm

BRIEFING FOR PRESS CONFERENCE/LUNCH
MEETING ROOM (1ST FLOOR)

Planalto Palace

Staff Contact: Sandy Berger, Mack McLarty, Mike McCurry

Note: The first half of this briefing will cover domestic issues.

Participants
Secretary Madeleine Albright
John Podesta
Mack McLarty
Samuel Berger
Mike McCurry
Jeffrey Davidow
Jim Steinberg
Lael Brainard
Jim Dobbins

1:00 pm

THE PRESIDENT departs the Planalto Palace via motorcade en route Alvarada Palace
[drive time: 10 minutes]

1:10 pm

THE PRESIDENT arrives Alvarada Palace

Greeters: Presidential Minister Pecly Moreira

- **The President** is escorted by Minister Moreira to the entrance and is greeted by President Cardoso.
- **The President**, President Cardoso, Secretary Madeleine Albright, and Foreign Minister Luiz Lampreia proceed to the second floor.

1:15 pm-
2:15 pm

**JOINT PRESS CONFERENCE AND SIGNING WITH PRESIDENT
FERNANDO CARDOSO**

GARDEN (Rain Site: Planalto Palace)
Alvarada Palace (Presidential Residence)

Remarks: Tony Blinken

Staff Contact: Sandy Berger, Mack McLarty, Mike McCurry

Event Coordinator: Laura Graham

Interpretation: Simultaneous

OPEN PRESS

- Secretary Madeleine Albright and Foreign Minister Lampreia are escorted to their seats in the front row.
- **The President** and President Cardoso are escorted into the garden and proceed to the signing table on the stage.
- A Declaration on Education is signed by both leaders.
- **The President** and President Cardoso proceed to the lecterns.
- President Cardoso makes a statement.
- **The President** makes a statement.
- Questions are taken from each leader.
- Upon the conclusion of the press conference, President Cardoso escorts **the President** to the door.
- **The President** departs.

American Delegation	Brazilian Delegation
<p>THE PRESIDENT Ambassador Mel Levitsky Secretary Madeleine Albright Secretary William Daley <i>Wrote Turkey</i> Secretary Richard Riley Ambassador Bill Richardson Barry McCaffrey John Podesta Mack McLarty Members of the Congressional Delegation Samuel Berger Sidney Blumenthal Maria Echaveste Daniel Goldin Harriet Babitt Mary Mel French Jeffrey Daivdow Jim Steinberg Jim Dobbins</p>	<p>President Fernando Cardoso</p>

2:20 pm

THE PRESIDENT departs Alvarada Palace via motorcade en route the
Brazilian Congress
[drive time: 10 minutes]

2:30 pm

THE PRESIDENT arrives at the Brazilian Congress
OPEN PRESS

Greeter: Federico Arruda, Senate Chief of Protocol

-- **The President** is escorted by Federico Arruda through an honor
cordon to the entrance.

-- **The President** is greeted by Antonio Carlos Magalhaes, President of
the Senate and Michael Temer, President, Chamber of Deputies.
POOL PRESS

-- **The President**, Antonio Magalhaes and Michael Temer proceed to
the Grand Hall to sign the Guest Book.
POOL PRESS

-- **The President**, Antonio Magalhaes, President of the Senate and
Michael Temer, President, Chamber of Deputies, proceed to Salon
Nobre.

2:35 pm-
3:05 pm

MEETING WITH CONGRESSIONAL LEADERS
SALON NOBRE
Brazilian Congress
Staff Contact: Sandy Berger, Mack McLarty
Event Coordinator: Laura Graham
Interpretation: Consecutive
CLOSED PRESS/OFFICIAL PHOTO ONLY

Podest + Berger Photos

American Participants	Brazilian Participants
THE PRESIDENT Ambassador Levitsky Secretary Madeleine Albright Mack McLarty Members of the Congressional Delegation Samuel Berger Jim Dobbins John Podesta	Antonio Carlos Magalhaes, President of the Senate Michael Temer, President, Chamber of Deputies

-- **The President** meets informally with 15 Congressional members.

-- Upon the conclusion of the meeting, Antonio Magalhaes and Michael Temer escort **the President** to the door.

-- **The President** departs.

3:10 pm

THE PRESIDENT departs the Brazilian Congress via motorcade en route the United States Embassy
[drive time: 10 minutes]

3:20 pm

THE PRESIDENT arrives at the United States Embassy

Greeter: Jim Derham, Deputy Chief of Mission

3:25 pm-

3:30 pm

PHOTO WITH MARINE DETACHMENT
COURTYARD
United States Embassy
Staff Contact: Sandy Berger
Event Coordinator: Laura Graham
WHITE HOUSE PHOTO ONLY

NOTE: The First Lady and Mrs. Joan Levitsky will rejoin the President at the United States Embassy at this time.

3:35 pm-
4:20 pm
(1:35 pm- 2:20 pm EDT)

**REMARKS TO THE UNITED STATES EMBASSY STAFF
LAWN (Rain Site: Outdoor Tent)**

United States Embassy
Remarks: Vinca LaFleur
Staff Contact: Sandy Berger
Event Coordinator: Laura Graham
WHITE HOUSE PHOTO ONLY

- Off stage announcement of **the President**, the First Lady, Secretary Madeleine Albright, Ambassador Mel Levitsky, and Mrs. Joan Levitsky, to "Ruffles and Flourishes" and "Hail to the Chief."
- Ambassador Mel Levitsky makes welcoming remarks and introduces Secretary Madeleine Albright.
- Secretary Madeleine Albright makes brief remarks and introduces the First Lady.
- The First Lady makes brief remarks and introduces **the President**.
- **The President** makes brief remarks.
- Upon the conclusion of his remarks, **the President** works a ropeline and departs.

Note: The President will pause briefly at the flagpole during the ropeline to view a plaque commemorating his visit. *Photo*

Participants
THE PRESIDENT
The First Lady
Ambassador Mel Levitsky
Secretary Madeleine Albright
Secretary William Daley
Secretary Richard Riley
Ambassador Bill Richardson
Members of the Congressional Delegation
John Podesta
Samuel Berger
Melanne Verveer
Jeffrey Davidow
Jim Steinberg

7:05 pm

THE PRESIDENT and the First Lady arrive at the Sheraton Hotel

Greeters: General Manager, The Sheraton Hotel

TBD

BRIEFING FOR TOWN HALL MEETING

PRESIDENTIAL SUITE

Staff Contact: Sandy Berger, Mack McLarty, Mike McCurry

DOWN FOR THE EVENING

BC AND HRC RON

SHERATON HOTEL
SAO PAULO, BRAZIL

STAFF RON

SHERATON HOTEL
SAO PAULO, BRAZIL

Record Type: Record

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Subject: 1997-10-14 press conference

THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate Release
14, 1997

October

REMARKS BY PRESIDENT CLINTON
AND PRESIDENT CARDOSO
AT SIGNING OF DECLARATION ON EDUCATION

Garden of Alvorada Palace
Brasilia, Brazil

1:40 P.M. (L)

PRESIDENT CARDOSO: Mr. President of the United States of America, William Clinton, ladies and gentlemen, may I say to you first what a pleasure it is, Mr. President, for me and for Ruth, my wife, to welcome both you and Mrs. Clinton. And I'd like to take advantage of this opportunity to state our pleasure, and I'm quite sure the pleasure of the Brazilian people as a whole. This is particularly due to the excellent relations between the two of us, which I think makes it obvious to everyone that there is a friendship that joins these two Presidents, and that we share a great many interests -- and by "we," I mean our two peoples.

On both sides, we are interested in ensuring that we will draw closer together and bring our societies closer together as well in very practical ways. We've had a number of opportunities in which to chat. We've covered, I think, just about every problem that was on our agenda before this meeting, including the most general problems, such as peace throughout the

world; including the possibility of working together in a number of situations which might require more direct action on the part of the United States or Brazil -- not just in our region, of course, but also views were exchanged, opinions were exchanged about a number of international problems as well. And I can assure you that we both agree with regard to the overall objective, which is to increase the prosperity of people on the Earth as a whole.

It is also our conviction that prosperity is something that needs to be made a general phenomenon. The prosperity of one nation should not harm the prosperity of any other nation, and nothing leads us to believe this. On the contrary; we feel that what's good for Brazil is good for the United States, and what's good for the United States is good for Brazil as well.

Just in terms of commercial relations, for example, the United States is our number one trading partner. But Brazil, as we like to say, is also a major global trader. We have excellent relations with the Mercosur countries, other countries in Latin America, with Europe and Asia, not to mention Africa. And it is with a full understanding of the comprehensive nature, the global nature of our relationships that we, in turn, have been able to reach a closer relationship.

We have underscored our commitment to the sort of endeavor that we have embarked upon, for example, in Mercosur, which is a very important part of our foreign policy in Brazil,

which we feel to be an example of the success of the work of these four countries -- Paraguay, Uruguay, Brazil, Argentina, and now Chile as well.

Much agreement has been reached with regard to trade, democracy, keeping peace. And we also believe that by

working together we can move towards the integration of the Americas as a whole in such a way as to avoid harming our Mercosur interests and in such a way as to avoid harming the interests of the NAFTA countries. But we should integrate the hemisphere as a whole in the line with the view that has already been expressed just a moment ago -- in other words, prosperity for all is best for each and every one.

On the other hand, it also became quite clear that we agree on a number of other issues, even at a personal level. For example, our take on problems is quite similar in our two countries. An example of that fact can be seen via the declaration that we are now signing in the area of education, one of the social area endeavors. I was extremely pleased when I heard President Clinton's State of the Union address, because he

spoke about education and what he said certainly made me feel quite enthusiastic. What he said moved us. As a former professor and as two human beings, I'm sure that we agree that education is an instrument which will allow us to equalize relations within a society and to do away with so many of the differences and asymmetries that can exist among countries as well.

In this meeting we would like to reaffirm our full commitment to all the programs in the educational field as a symbol of our concern of the social issues. The integration that we are seeking to pursue as the regional, sub-regional and even at a broader level, as soon as that becomes timely, is going to be integration that will exclude no countries, no fragments within countries, either. Integration is designed to improve the standard of living of the peoples who integrate.

Another thing that we can go over is a list of key issues that have to do with, for example, the climate change. President Clinton, for example, holds the view that I think is quite proper vis a vis climate change. He talks about shared responsibility. He talks about the fact that responsibility should exclude no segment of humanity because the climate is something that involves the preservation of the conditions of life for future generations throughout the planet. So we must come up with mechanisms which will allow us to reduce the greenhouse gas effect. We should reduce the greenhouse gases, but in such a way as to ensure that we're not harming the interests or the development of any country -- the United States, Brazil or developing countries. These things should be done in a balanced way to ensure that we will solve the problems and do so in the best way for our countries, which is what we're going to try to do in Kyoto in December.

Another thing that we're doing is broadening our cooperation in the field of space studies in a clear demonstration of a number of possibilities that exist for cooperation between Brazil and the United States, certainly in terms of advanced technology.

I don't want to take up too much time, but may I reaffirm the fact that -- very simply, because we did cover such a broad range of topics -- the fact that we avoided no single topic is a clear sign that we can reach an understanding even upon those things that we have some slight misunderstandings on. And, of course, misunderstandings usually just reflect the interests of our individual countries that we, of course, must defend properly, but at the same time in a way which shows that we have an old friendship, a long-term friendship and this friendship allows us to deal with these issues in such a way.

I'd like to repeat something I said in the Panalto Palace. Since the second world war never have we seen so many possibilities for cooperation in so many broad fields --

certainly nothing compared to the many opportunities that are opening up for Brazil and the United States right now, which is why I'm particularly pleased to speak via the media to the

peoples of our countries to reaffirm the tremendous satisfaction that I feel in being able to welcome this great President, Bill Clinton, in our country.

Thank you so much. (Applause.)

PRESIDENT CLINTON: Thank you very much, Mr. President. Let me begin by thanking you and Mrs. Cardoso and the representatives of your government for the warm welcome you have given to us, including our very large delegation, the senior members of our administration, a big percentage of our Cabinet and the distinguished delegation from Congress. We are delighted to be here.

I believe this visit marks a new phase in the long friendship between the United States and Brazil. This is clearly a unique moment of opportunity in the Americas. A quiet revolution is bringing our hemisphere together around common values of democracy, free markets, mutual respect and cooperation. It gives us the opportunity to advance the welfare, the freedom and the security of all of our people in a way that has not been possible before.

Because we have the largest economies and the most diverse populations in the hemisphere, Brazil and the United States have both a special ability and a special responsibility to help lead the Americas into the 21st century. Under President Cardoso's leadership, Brazil clearly is meeting that challenge in fulfilling its destiny as a great nation. Through your own remarkable economic reforms, your strategic partnership with Argentina, your leadership in Mercosur and throughout the hemisphere, and increasingly on the wider international stage, Brazil has helped to consolidate peace and democracy and to promote prosperity and stability.

Brazil and the United States share a fundamental belief that opening the markets of our hemisphere to trade and investment is the best way to create good jobs and strengthen democracy and cooperation in all our countries.

Three years ago, when we met at the Summit of the Americas in Miami, we pledged to pursue a free trade area of the Americas by early in the next century. Today, the President and I agreed that at the next Summit of the Americas in Santiago, we should launch comprehensive and balanced negotiations to achieve that goal, turning our common agenda into a common plan of action.

If I might, I'd like to just speak a moment about

what I think has been the cause of some misunderstanding between our two countries, which is the question of what the American attitude toward Mercosur is and what its relationship to our support for a free trade area of the Americas is.

I support Mercosur. I think it has been a good thing for Brazil, a good thing for all the member nations, a good thing for stability, for growth and cooperation in the region, and quite a good thing for the United States. Our exports to the Mercosur countries have grown substantially since 1991. And we believe that these sort of regional trade arrangements everywhere -- if they serve to open borders, to increase economic activities and to promote growth, promote stability and opportunity that benefit Americans.

We believe that we can create a free trade area of the Americas consistent with Mercosur and the leadership and role of Brazil and the other members in it. So to me, this is a false choice that we don't intend to ask the Brazilians, the Argentineans, or the other members of Mercosur to make. We believe we can build on this and go forward to a free trade area of the Americas.

Trade has produced about a third of the economic

growth the United States has enjoyed since I became President in January of 1993. And I'm working hard to continue to expand our capacity to trade and to create good high-wage jobs in our own country by securing the presidential negotiating authority necessary to tear down more of the trade barriers of the past so that we can open wider the doors of the future to good jobs and higher incomes.

Now, let me say that as we promote more free markets and more free trade, I believe that all of us must work harder to extend their benefits to all citizens. No great democracy has succeeded in doing that so far. We know we have to begin by ensuring that all of our citizens receive the education and training they need to succeed in this new economy. And I applaud the President's emphasis on education. The education declaration we have just signed focuses on what I believe the keys to making education work in both our countries are.

First, high standards for what children must learn and testing to measure their progress. Second, training our teachers so that those to whom we entrust our children's future are, themselves, well-prepared. Third, intensive parent and community involvement. And fourthly, something the President has worked very hard on, access to technology to realize the possibilities of the information age for all our children.

In the United States we're working hard to make sure that every classroom and library in our country is hooked up to

the Internet by the year 2000. We're giving discounted rates to our schools so that they can afford to be on the Internet. And we are finding something I am certain will be the experience in Brazil as well, and that is that very often the largest benefit of this technology revolution will flow to the children who are most in need, who tend to be in isolated rural or urban school districts where they have not had the chances and the opportunities many of our other children have. So I think that the Internet can be an instrument by which we democratize as well as increase the excellence of educational opportunity.

We've also agreed that we can't have today's progress at tomorrow's expense. The President talked a little bit about our common commitment to the environment. The clean energy agreement we have signed will help Brazil to continue to grow, fueled by renewable and efficient energy technologies. Our park services will work together to protect wetlands like the Everglades and the Pantanal Park in Brazil. We share Brazil's determination to conserve the Amazon, one of the most wondrous and biologically diverse environmental habitats in the world. The United States will contribute another \$10 million to the G-7's cooperative program with Brazil to sustain the rainforests. And we will help Brazil to put 21st century technology into this effort, including research done by Brazilians in space.

The fires throughout the Amazon have added urgency to these efforts, and the uncertainties about the climatic effects of this El Nino, both in South America and in the United States, have also added urgency to our efforts.

We did, as the President said, discuss the challenge of climate change. Five years ago in Rio, the world community began to chart a common course to reduce the greenhouse gas emissions that lead to global warming. Developed countries have a special responsibility to lead. I told President Cardoso that the United States will meet that responsibility with a commitment to limit our emissions when we meet in Kyoto on December the 6th. But as we do our part, I believe so, too, must the developing world. Climate change, after all, is a global problem that requires a global solution.

So here is the question, it seems to me -- and I would like to talk a little about this because I think it's quite important -- I think it's very important that the people of Brazil understand that just as with the trade issue and Mercosur,

the United States would never knowingly make any suggestion that would undermine the growth of Brazil or any other country. It is not in our interest. We, after all, only have 4 percent of world's people. We enjoy a very high standard of living. We can only maintain our own standard of living if you grow. If there are more good jobs for Brazilians, higher incomes, more people are brought into the social compact in this country, then you can

be a stronger partner, not only for us, but for your neighbors in this continent and throughout the world.

So our strategy is to aggressively support the growth of the emerging economies of the world, the strength of their democracies, and our capacity to cooperate together. I do not believe that any reasonable person can look at the world of today and imagine the world of tomorrow and believe that America can gain by someone else's economic loss. We have an interest in finding a way to grow together.

By the same token, the world will not gain if some countries limit their greenhouse gas emissions and other countries grow in the same old way with the same old energy base so that the climate continues to warm more rapidly than it has at any time in the last 10,000 years.

So what we want to do is to find a way for the developing countries to fulfill their responsibilities within the framework of Kyoto, recognizing that those of us in developed countries must do more, but that we must all participate. And we want to be very explicit that any participation on your part would not come at the expense of economic growth.

Developing nations have an opportunity to chart a different energy future than some of the developed countries. And if we share our technology and we share our knowledge, then we can achieve that. This is very important.

Brazil has already gone a long way toward proving this point, because you have developed so many non-traditional fuels, biologically-based fuels, for running your vehicles. So you have given evidence to the general point that I hope will be embraced by all the countries of the developing world. And I encourage that.

Finally, let me say, we talked about expanding our cooperation in regional and global security, and I want to say a word of appreciation to Brazil as the guarantor of the Peru-Ecuador peace process, and appreciation for its historic decision to join the Nuclear Non-proliferation Treaty and to sign the Comprehensive Test Ban Treaty. In all these actions, Brazil has taken its place as a world leader for peace and security.

Today, the Mutual Legal Assistance Treaty we signed will help us to crack down on drug production and trafficking and fight transnational crime in a way that benefits all of our people.

President Cardoso said two years ago when he visited me at the White House -- and I quote -- "The vocation of Brazil and the United States is to stand together." I believe we stand together today as never before. The issues we face are central to the well-being of both our peoples. The fate of our

hemisphere, with strong democracies, a commitment to fight crime and drugs, to work for lasting peace, the future of the new economy, preparing our people for the 21st century -- that's what this trip is all about. These are all objectives we share, and they really matter to ordinary citizens in both our nations and throughout this hemisphere.

Thank you. (Applause.)

PRESIDENT CARDOSO: President Clinton, I'd like to ask you to begin if you don't mind.

Q Mr. President, Attorney General Reno has made her decision and will extend her inquiry into your telephone fundraising to determine whether a special counsel should be named. How do you feel about that hanging over you for another 60 days at least?

PRESIDENT CLINTON: I feel nothing about it. There is a law and there are facts. And I feel that it would be much better if she were permitted to do her job. I know I didn't do anything wrong. I did everything I could to comply with the law. I feel good about it. But I told you yesterday, the thing I don't feel good about is the overt, explicit, overbearing attempt to politicize this whole process and to put pressure on more than one actor in it. That's wrong. There's a law. There's a fact-finding process. And I'm going to cooperate with it in every way I possibly can.

Q Mr. Clinton, will the recent -- between the European Union and Mercosur affect how you formulate your strategy for commerce in the Americas?

And for President Fernando Enrique, the question is, what is the relative importance of Europe as far as Brazil's commercial strategy or trade strategies concerned, especially vis a vis the United States?

PRESIDENT CLINTON: Well, first of all, if I were in Brazil I would be trying to sell as much as I could to America and to Europe. I think that's the way this market works. Both the European Union and the United States have increased our exports to Brazil and to the Mercosur countries in the last few years markedly. So I don't feel threatened by it, I just want to make sure we're fully competing. And if we don't fully compete, it will be our fault, not yours and not Europe's.

That's one of the reasons that I'm seeking fast track authority. It's up to the United States to decide whether it's going to be a fully competitive nation, but we have -- in the last two years, for the first time in a long time, more than half our new jobs have come in the higher wage categories. And

it's the direct result of our aggressive pursuit of trade opportunities.

So I'm prepared to compete and all I want is a fair chance to compete with the Europeans here or anywhere else. But I don't see that as a bad thing. If I were in your position, I'd be trying to sell more to everybody.

PRESIDENT CARDOSO: Well, I believe that what President Clinton said is most helpful to us. The more competition we have between the United States and Europe for trade, the better it is for us because it makes our products much cheaper. So I agree with President Clinton. It is true that Brazil's number one individual client is the United States today. But the European Union, as a whole, or taken as a whole, imports and exports a bit more than the United States, actually. We are now, as I said before and I'm going to repeat this, global traders. We actually trade with a number of countries and areas throughout the world and we're very interested in increasing these trade flows.

With regard to the United States, we have increased such trade flows. Unfortunately, we have an increasing trade deficit as a result of the increased trade with the United States. So we have to review this situation and try to balance it better to the benefit of both. We want to increase imports and exports. We don't want a zero-sum game and we don't want a game in which one loses and the other wins. We want a win-win situation in the trade arena.

That is why we say that our trade policy with Europe is very active. It will continue to be very active. But I agree wholeheartedly with President Clinton -- we cannot think about

such economic blocks as isolated fortresses. They have been designed to increase trade, and we're going to take advantage of every opportunity that we can find to intensify our trade abroad, to sell things abroad. We will do so whenever we can. We're not going to close off our economy because our competitiveness, our progress in the area of technology and the cheapening of the products for our own people depend on such trade.

Thank you

Q Mr. President, in Venezuela your discussions included alternative energy sources. Here you've also discussed safe or clean energy sources. I wonder, given that in the United States there is opportunity for improvement in the area of both energy incentives and also reducing the amount of emissions, do you find it difficult to discuss this topic while abroad?

PRESIDENT CLINTON: No, because I don't think the two things are inconsistent. I think we are -- a real

responsibility in the United States to do energy conversion. We were on that path, ironically, 20 years ago, when our experts underestimated the amount of natural gas reserves that would be available to us in the United States and throughout the world. And we thought we could move to a clean coal technology and do the job. We now know that that decision was not accurate. But the people who made the decisions 20 years ago did it based on the best evidence they had at the time.

So I think we're going to have more reliance on natural gas and other forms of energy that are even cleaner. And we have to do more conservation. If you were there at the climate change conference we had at Georgetown a couple of weeks ago, we learned, among other things, that two-thirds of all the heat generated in the production of electricity is wasted. If we can recover half of that waste heat, we will generate enormous new capacity for growth without adding one single pollutant in the form of greenhouse gases to the atmosphere. So we've got a lot to do on our own account.

But as I said -- let me reiterate what I said. What I want to do is to try to help the developing countries grow their economy just as fast as would otherwise be the case, but chart a different energy future than the one we charted in the past when we were at the same stage of development. And the question is, can they do that. I think it's absolutely clear, crystal clear that they can.

And this is a big problem. In China today, bronchial disease is, among children, the number one health problem for kids in the country already. So I want the Chinese economy to grow and the Chinese people to prosper, but I think they should choose a different energy course for the same growth. And I think they can and we should be trying to help them. If we don't do it, then no matter what we in the developed countries do, within 30 to 40 years we'll be right back in the same pickle we're in today, except worse.

Q I have two questions for both Presidents. For President Clinton, since 1995 both governments have worked on the bilateral trade with you, but so far they have no concrete results. And the perception is that Brazil is still complaining about trade barriers and better access to the U.S. market. So I'd like to know if both Presidents have now a new orientation toward a new phase in the trade bilateral relationship.

For President Fernando Enrique, my question is, if there is no fast track authority, if this is not granted, would Brazil be willing to negotiate -- if there is no fast track, do you believe that there will be an continuity in the negotiations of FTAA? And if there isn't, would Mercosur take on this role -- in other words, the role of the principal protagonist in terms of trade in the region?

PRESIDENT CARDOSO: I don't want to make any bets on American policy. If there is going to be this sort of a policy or not is the United States' problem. I think that President Clinton is going to be in a position to get the fast track authority he wants.

But integration, whether we're talking about integration throughout the hemisphere or Mercosur, are two processes that are very interesting to our economies, quite apart from any political issues, which will simply decide the speed at which such issues are decided. So what President Clinton said was crystal clear when he talked about his view of Mercosur and FTAA. He said there is no clash between the two; there is no opposition. There is simply a situation, and we have to give ourselves enough time so that we will be in a position to prepare for increased competition. It's just a matter of time, procedures, so that we will be in a position to participate fully in conversations and understandings.

So with or without a fast track authority, the question is, is it good or bad for us to increase international trade, and the answer is always the same -- it's always good to increase international trade. So I would say that the other factors are just conditioning factors, but the key objectives are out there and they're unchanging.

We will continue to work to our utmost to consolidate Mercosur, but simultaneously to work on the FTAA. We signed an agreement in Miami -- I didn't sign it myself personally, but I was just the President-elect, but President Clinton was kind enough to ask me to come and observe. And this is not just a commitment on paper. It's a real commitment -- we really want to increase our trade foundation.

Now, people are talking about the United States, Europe and so forth -- trade is trade. We have to look at things one question at a time, how we're going to deal with the interests that are being affected, how can we build bridges in such a way as to benefit the parties involved. All of this involves a long construction process.

PRESIDENT CLINTON: Let me say, first of all, I would only add to what the President said that I believe, and I think he believes, as well, that if we can proceed with this free trade area of the Americas, it's also a way of stabilizing the democratic governments of many smaller countries in our hemisphere and giving them some assurance that, if they stay with democracy and reform, their people will also be able to reap some economic benefit from it.

So I think it is important that Brazil assume a leadership role in this fashioning of this whole agreement. And

I hope they will, because I think what we're trying to do is to say, this is, first and foremost, about economics, but economics supports freedom and democracy and stability if we do it properly.

Now, on the question you asked me, the trade question, let me just briefly say, we went over the specific trade issues that Brazil has with the United States and the specific trade issues the United States has with Brazil. And we -- obviously, neither one of us are trade negotiators and these are somewhat specific and, in some cases, almost arcane issues involved, but what we did do is we resolved that we would give both sides instruction that we want these matters resolved if at all possible and as quickly as possible. They're dragging on, they're an irritant to our relationship. And they're, in the context of our larger objective, a negative rather than a positive force and we'd like to have them resolved. And that's basically the decision we made.

Q Mr. President, just to go back for a moment to Janet Reno and her investigation -- I'm wondering if you can tell

us, has this whole affair complicated your relationship with her and your ability to actually function with your highest ranking law enforcement official? For instance, do you find yourself not talking to her because you're hesitant to have too much contact with the Attorney General?

PRESIDENT CLINTON: Well, I don't really have anything to add to what I said yesterday about that. I think you all are perfectly capable of drawing your own conclusions and evaluating whether this puts our political system in balance or out of balance, and I don't think that we should discuss it here.

The most important thing is we've got a law; we've got a fact-finding process. The fact-finding process should proceed with integrity; the law should be implemented without pressure either way. I am doing my part. I wish others were doing as well.

Q Mr. Fernando Enrique, I hope you don't mind if I ask Mr. Clinton the question. Mr. President, your visit was preceded by diplomatic turmoil. A document was disseminated that said that Brazilian corruption was endemic. This was commented on by the American Ambassador and his comments made things worse. The head of the Supreme Tribunal, the Superior Court in Brazil reacted badly, as did some other people in the federal government -- even a governor of a federal district. And they also reacted not just to this issue, but to a number of other issues in which excess security was demanded by some of your advisors.

Brazilian authorities called this people's attitude rather aggressive. Not only authorities, but people as a whole

in Brazil felt that they had been badly mistreated. I would like to know your view, sir. Do you think there was any exaggeration? Do you think there were any diplomatic mishaps in this situation?

PRESIDENT CLINTON: Well, first of all, I became aware of this document and the characterization of the Brazilian culture after it had been released. The document was wrong and it represented an appalling error of judgment for anybody to write such a thing. It has been decisively rejected by every American authority, beginning with the Ambassador here now. And it has been excised from the document.

So I regret very much that it happened, but once in a while such a thing may even happen in Brazil, where someone who works for some agency will put out something in printing which shouldn't happen. I can only ask the Brazilian people not to infer that that is the feeling of either the government or, more importantly, the people of the United States toward Brazil. I assure you that no Brazilian could have been any more upset about it than I was. I thought it was terrible and I did everything I could to correct it.

Now, in terms of the trip here, I just don't have enough facts to know. I know that our people historically, because of the problems that have periodically affected our Presidents -- always on our own home turf, I might add, always when we're at home -- that the security for an American President often seems to others to be too rigid and too uncompromising. But, as I said, we've never had problems with our Presidents' security in a foreign country, but we've had enough problems at home over the last 35 years and before that I hope you will at least understand that. But I try to make sure that our people are as understanding and cooperative with the people in every country and community they visit as possible, and I hope they have been. That's all I can say. I don't know the facts.

Q Sir, does it embarrass you when these questions about fundraising follow you on foreign trips, as they have on this one, or does it embarrass the country?

PRESIDENT CLINTON: Well, I can't be embarrassed by other people's judgment. I have no control over what you decide to ask about. That's your decision, not mine. That's a question you should ask somebody besides me. I didn't have anything to do with what was asked. I think other people sometimes in other countries wonder what it's all about, especially when everyone concedes that there was no request or improper public action in any way, nor did any occur as a result of whatever communications are in dispute.

But that's a decision for you. You have to decide what questions you're going to ask. I can't be embarrassed about

how you decide to do your job.

Q I have a question that I want to ask both Presidents. People who monitor relations between Brazil and the United States feel that the problems that we have had most recently are often exacerbated by the bureaucracies of our two countries simply because there's not enough involvement of the Presidents and the leaders of the two countries. This is criticism that's been leveled against our countries. I wonder if you would agree.

The United States has a difficulty being a superpower, and the only superpower, to deal with an emerging power in the Americas that is asserting its leadership as a democracy as a freer market. Former Secretary Kissinger told me recently that he believed that really you have to adapt, because you are not used to that. You have to adapt intellectually to that. I'd like you to talk about this issue. Does our emerging role bother Americans or the United States of America?

PRESIDENT CARDOSO: Well, at least as far as the Brazilian side is concerned, I was so very pleased because the touchiest issues are always being brought up for President Clinton. No one is asking me these touchy questions. I was so pleased up until now.

However, my involvement and President Clinton's involvement can only be that of people who are involved at a very general level involving problems between our two countries. Of course, there are always going to be some sort of bureaucratic problems, but I'm quite sure that we can deal with them quite easily. I think bureaucratic problems and red tape dissolve as soon as people see the warmth of our warm and direct personal relations, which are much more important than any bureaucratic entanglement.

Now, of course, we do understand fully that for security reasons, you do have some problems of your own. Luckily enough, we in Brazil don't have to face these major threats. It's not the case of every country. The United States particularly has had to face some very difficult situations. Of course, our security forces try to pay attention at all times in Brazil. But I'm always breaking the rules in Brazil and so far nothing has ever happened and things are very tranquil and I'm sure they'll continue to be so in the future.

But I'm quite sure that anything that comes up can be dealt with quite easily because of the warmth and the openness that President Clinton and Mrs. Clinton have shown to us in Brazil at all times. They have shown to all Brazilians that their trip is an open-hearted visit.

PRESIDENT CLINTON: I'd actually like to respond, if I might, to both your questions. Because the question you asked

the President, I think the answer to your question is a lot of -- people who work in government bureaucracies the world over are following established policies, and they tend to acquire an interest in maintaining the established policies, and most of them don't have the authority to change it, which is why these kind of personal relationships are so important. Because it's our responsibility if we want to change the direction of the country not to blame the people who work for us -- and

particularly the people who many not even be political appointees, they work through from one administration to another -- but to try to give different instructions, to send different messages down there.

And that's why -- sometimes I think, with all respect, sometimes members of the press and even our own publics say, well, why did they spend all that money and do that foreign trip, all the money we spent to come here, all the money we spent to entertain us -- why did they do all that? There didn't seem to be an great earth-shaking specific agreement. And the main reason is the very thing you said -- that we have to increase understanding, we have to increase sensitivity. And even subtle shifts in our position can send a different message to those down in the governmental hierarchies that have to implement these decisions on a daily basis. So I think that's a very good question.

The second thing is, does the United States, at the end of the Cold War left as being the world's only superpower, feel threatened by the emergence of Brazil or any other country. The answer to that is, I actually support the emergence of countries to a greater role of influence and responsibilities, as long as they share our basic values -- not agree with us on everything, but share our basic values.

If they're committed to freedom and democracy, if they're committed to open trading systems, if they're committed to giving all their people a chance to participate in the wealth that the global economy generates, if they're committed to a responsible global approach on the environment, if they're committed to working with us against threats that cross national borders -- terrorism, weapons proliferation, criminal syndicates and drug trafficking -- if they're committed to those things, then I don't see this as competition. I see this as people emerging to take on more responsibility. And if we work together, more good will happen.

I'll give you another example. When I became President, there was the question of whether the United States would object if, in addition to NATO in Europe, there were an independent European security force working with NATO. And I made it clear from the beginning, I support this. I don't see these things as competing.

We have to change because most of the threats to nations in the years ahead will come not from other nations, but from threats that cross national borders -- guerrillas, terrorists, weapons proliferation, drugs, crime, environmental and disease problems -- number one. And because most of the benefits that nations can derive for their people require them to cooperate with people beyond their borders, we will have to change our conception of how national power and influence is acquired.

National power and influence is acquired, ironically, by becoming more interdependent and cooperative with others who are strong and self-sufficient and self-reliant, but need to be allied with you. And I do believe, frankly, that this will require a big change in the way people look at politics -- not just in the United States, but elsewhere.

Q Since you spoke yesterday on Air Force One, it's been reported that the White House and the Justice Department have been negotiating to figure out a way that you could speak to investigators about campaign finance. Have you reached such an agreement? And under what conditions would you speak to the Justice Department?

PRESIDENT CLINTON: I know nothing about that I didn't say yesterday. I literally -- no one has talked to me about it and I know nothing to add to what I said yesterday.

Q Mr. President, Mr. President of Brazil, Fernando Enrique Cardoso, Brazil defends negotiations with the FTAA in complementation to tariff laws. Now, what complements are we talking about specifically as long as Brazil adheres to the calendar?

And for President Bill Clinton, last night, Mr. Clinton, you said that you felt touched by Brazil and had felt touched by Brazil for over 30 years. Have you been touched enough to say that you're going to give support to Brazil's candidacy on the Security Council so that Brazil will become a full member of the Group of Nine as well next year?

PRESIDENT CARDOSO: Okay, I'm going to break a couple of the rules here once again. Go ahead, one last additional question, very, very quickly before we answer.

Q The United States government wants that Brazil open the Brazilian market, but there are many restrictions against Brazilian products, like oranges. My question is, why not the USA don't change the situation, keep the situation and allow the free commerce for many Brazilian companies?

Fernando Cardoso, I would like to know what the Brazilian government's view on these non-tariff barriers against a number of Brazilian products that are trying to get into the U.S. market.

PRESIDENT CARDOSO: All right, I'm going to begin by answering the question on the additional agreements or side agreements to the FTAA. I think that President Clinton talked about his views very clearly when he talked about the meaning of the overall proposal for hemisphere-wide integration. And he made his comments in a way that I think was quite proper.

He said it's not just a matter of tariffs -- I'm going to talk about the tariffs in a minute -- but it's not just a matter of tariffs. It's a much broader concept that we're fighting for here, because we're talking about the fact that there are some political considerations that come into play. And, of course, political considerations are based on values -- a common desire, a shared desire to keep the peace, to control drug trafficking, to avoid criminal activities on the international level or in the international sphere.

So we're not just talking about trade here, so much so that what we proposed in the meetings that we've had thus far and that we're going to continue to have over the next few days, is that the key topic be education. And in Santiago, we're going to keep insisting on education as the key issue, because people can say, all right, very generously, let's talk about something that will move people, but that means that we have to talk about something that goes beyond tariffs.

Tariffs, of course, are very important to countries and their economies and especially interesting to specialists. But countries have much more that they talk about and disagree with in the area of international relations aside from tariffs. And so we have to talk about things that will bring our people closer together.

Education is ideal because the basic tenet of education is equality, and I think that what President Clinton said here pretty much follows along the same line of thought. And we do not want to limit our relationship to issues that don't even require a meeting between Presidents, because technical-level meetings will be enough.

What we are here to express and symbolize is something far greater than this. It's the desire for democracy and greater equality. A country such as Brazil that has no reason to hide its problems, especially our social problems, which are so great in nature, is in a position to want very much

to improve the standard of living of its people. Within Mercosur, outside of Mercosur, we're very interested in seeing

that all agreements be broader in scope, just as President Clinton just said.

So with regard to the specific issues that were brought up -- you talked about steel and orange juice and footwear and -- everywhere throughout Latin America where President Clinton goes, he's going to hear the same issues being brought up. And elsewhere as well, because the French, the Japanese, the British, they all have the same problems. To the degree that our countries move forward and progress, especially Brazil, where the industry sector is growing rapidly, of course we're going to begin to compete and problems and are going to crop up. And, of course, some moment in time is going to require arbitration of some nature, which is not meant to be just political in nature. But the greater our understanding is, the better our possibilities will be of reaching an understanding as to these issues.

Now, there are specific points on the agenda of demands of our two countries that neither one of us have really talked about them much. Some were brought up now, but we both know what they are. And when President Clinton goes back to the United States, people are going to ask him, did they ask you about this, that, or the other. I'm not even going to mention what they are. He's going to say, yes, I did talk to President Cardoso about it. What did he say? Well, President Cardoso said he's going to give utmost consideration to these issues. And that's what I'm going to say to you. We're both going to work hard to try to solve these issues.

PRESIDENT CLINTON: Let me say again, on balance, the United States has a lower tariff structure than virtually any country in the world, and fewer restrictions on trade than the European Union, for example. And I hope we can work these last remaining areas out. If you think about how big and complicated our countries are and the fact that we have now two-way trade in the neighborhood of \$23 billion a year. The number of disputes is actually relatively small and I'm encouraged by that.

I'm not going to ignore the gentleman's clever question on the United Nations. First of all, you should know that today Brazil has been elected to a two-year term on the Security Council. Congratulations, Mr. President, that's a very good thing for the United Nations, as well as for Brazil.

The United States' position has been that the Security Council ought to be expanded, that a permanent seat ought to be given to Latin America, and that the Latin American nations themselves should resolve how that permanent seat should be filled. This really is one of those areas where I don't think it's our place to tell the people of Latin America how to proceed here. I hope we will proceed and give a permanent seat on the Security Council to Latin America, because I think that the actions of the last several years clearly warrant that. And,

again, that's another one of those questions like the gentleman who asked me about Brazil's emergence. The more there is a stable, constructive presence in global affairs presented by Latin America, the better off the world's going to be.

Q Thank you, Mr. President, and good afternoon. Based on your comments yesterday on Air Force One, sir, it would seem that you've been briefed on the videotapes that are soon to be released. What is your understanding of what's on them? And is there anything on them that causes you any concern?

PRESIDENT CLINTON: No, I think it's the same old stuff. As I said, those of you who have been going to the fundraisers with me, you've already seen it live so the replay will probably be boring for you. That's what I understand and I'm not worried about it.

Q Mr. President -- are already saying that --
(inaudible.)

PRESIDENT CLINTON: I've not made a decision yet about what to do. But let me say this, I intend to take a strong position there and I expect to probably be criticized by all sides. The United States, as our friends in Europe are well aware, is in a particularly difficult position when the benchmark is 1990, for three reasons.

Number one, we've had economic growth since 1990 far greater than Europe, so our greenhouse gas emissions have gone up more, which means we have more to do to go down. Number two, the Europeans are -- particularly if they're treated together -- benefit from the incorporation of East Germany into Germany and the dramatic drop in production in East Germany, which has a high level of pollution. Therefore, they get a big reduction in pollution for something that -- not because of any independent policy action taken, but because of the incorporation of East Germany into Germany.

And, thirdly, the presence of the North Sea oil for Great Britain gave Britain the ability to sell the oil, which is relatively polluting to other countries and keep the natural gas, which is quite clean, and substitute that for coal. So using the 1990 base mark, they have a lot of inherent advantages over the United States in terms of the degree of rigor required to meet any given target.

Nonetheless, I think there's so much we can do through technology and different purchasing patterns and conservation patterns, that I think that we can do quite a great deal. And I intend to propose that we do a great deal. What I'm trying to do is to put together a comprehensive agreement in Kyoto that will actually do what everybody wants, which is do

reduce greenhouse gas emissions into the atmosphere substantially in the next century.

Right now we're at about double the volume of greenhouse gases in the atmosphere that existed before the dawn of the Industrial Age. If we don't do something we'll be triple the volume by the middle of the next century. And we know that something bad will happen. Even though the skeptics on the other side say we don't know exactly what and when, we know enough to know it's not going to be good, and we've seen enough evidence of that so far.

So I'm going to have a credible plan. I'm going to do my best to get everybody involved in it. I hope I'll even have some success at selling it to the Congress. Right now, it may be a lot easier to sell it to the environmentalists and to the business community than to sell it to the Congress, but I'll do my best.

Q Mr. President, have you decided against using your line item veto authority? And am I mistaken, or is this becoming habit forming?

PRESIDENT CLINTON: Well, it's not habit forming but, yes, I used it again today -- as I told you yesterday I would -- on I can't remember how many projects, but more than a dozen worth more than \$140 million that were not either in my

budget or recommended by the Department of Defense. I thought it was appropriate.

I know that a lot of members that voted for the line item veto in Congress now wonder whether they did the right thing, now that I'm exercising it. But I'd like to remind you that, again, I have deferred, in great measure, to Congress. Congress put in 750 projects not requested in our budget or in the Defense Department plan, and reduced overall weapons procurement, reduced overall research and development to pay for virtually all of them.

And I'm hoping that in the years ahead I won't be using it as much and future Presidents won't use it as much because it will lead to a different kind of negotiation in the budgeting process.

But I think what I did today was responsible and quite restrained. And I believe that it's important to send a signal to the American people that we're going to stay on the budget track we started on, and we're going to stay within these numbers and balance the budget. That's one of the things that's given us the big economy we've got.

PRESIDENT CARDOSO: I'd like to thank all the

Brazilian and American journalists for having joined us and for being so good about answering all our questions. And may I say that the emphasis that President Clinton has put on the environmental issue is one that I would like to bring up for Brazil as well. We have an energy matrix that is very, very clean. We use hydro power and now gas, natural gas. And we are strengthening our links with regard to the energy matrix throughout the rest of Latin America. So I think that our dialogue in terms of climate has been extremely positive.

Thank you to everyone.

END

2:35 P.M. (L)

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THE WHITE HOUSE

Office of the Press Secretary
(Brasilia, Brazil)

For Immediate

Release

October 14, 1997

PRESS BRIEFING
BY MIKE MCCURRY AND
DEPUTY NATIONAL SECURITY ADVISOR JIM STEINBERG

The Naoum Hotel
Brasilia, Brazil

3:34 P.M. (L)

MR. MCCURRY: I'd like to start with a read out on the President's bilateral meeting with President Cardoso. Deputy National Security Advisor Jim Steinberg is here, along with Ambassador Jim Dobbins, who is the Senior Director at the National Security Council for Inter-American Affairs. And they can tell you more about the excellent meeting that the President's enjoyed today.

MR. STEINBERG: Thank you, Mike. As you know, the principal activity today, in addition to a signing of a number of agreements on which you have fact sheets now, was the bilateral meeting between President Cardoso and President Clinton and their respective teams.

My read out to you is in large part an indirect one because a significant part of the discussion were a one-on-one discussion between President Clinton and President Cardoso that lasted for about 30 to 40 minutes at the beginning of their discussions. After they finished, they came out and gave us a sense of what they talked about, so my readout will be based on our understanding from their reports.

The first topic that they discussed had to do with the relationship between Mercosur and the FTAA and the two Presidents' approach to this question. I think you heard a lot about it at the press conference today, which really reflected the tenor of their general discussions, which is that they both agreed that the effort for subregional integration through Mercosur and the broader effort to achieve an FTAA are viewed by both Presidents as complementary, that they both serve the broader purpose of promoting growth and more open trade. And they indicated that they were prepared to move forward with both. In particular, President Cardoso indicated that he agreed with President Clinton about their readiness to launch negotiations for an FTAA at Santiago, Chile at the next Summit of the Americas meeting in April.

And, as I say, you heard a great deal in the press conference discussion about their various approaches, the Presidents' strong support for integration, not only as an economic strategy, but also for the broader political and security benefits that come from greater integration. They also briefly discussed the situation in Paraguay and the upcoming elections there and both indicated their strong support for continuing the constitutional processes through democratic elections in Paraguay. As you know, the countries of the region

all came together to support democratic processes in Paraguay. It's one of the more significant evolutions of the effort within the hemisphere for all the democratic countries to support democratic process.

They also had a brief discussion concerning the Security Council, particularly the issue of Security Council enlargement. President Cardoso indicated that he was not looking out for the United States to resolve the question of how the issue of a Latin American seat should be resolved.

They had an extensive discussion on the issues of climate change. And both had a chance to talk about their broader philosophies and approach to this problem. Both agreed that it was important for the developed countries to take the lead, but there was an understanding that there was a responsibility for developing countries, as well.

Both President Cardoso and President Clinton indicated that the issue was not trying to limit the growth of developing countries but, rather, as President Clinton also said at the press conference today, to try to take advantage of the fact that today we have technologies available for energy use which were not available at the time that the United States and other developed countries were going through their periods of development. And so it's possible to sustain growth through the use of different kinds of energies that will allow for both growth and lower carbon emissions. And I think that was a very important development in terms of trying to develop a common

strategy which could have positive effects as we move into Kyoto.

Finally, the President had a chance to discuss with President Cardoso a little bit of his philosophy about the importance to the United States of this consolidation of democracy and open markets in this hemisphere and how important it was to the United States' long-term strategy to have key partners in this hemisphere as a kind of a base from which we can extend and broaden our efforts to consolidate democracy and open markets and open economic systems throughout the world.

While the one-on-one meeting was going on, I should say that Secretary Albright and her counterpart, Foreign Minister Lampreia, had a chance to discuss a number of important international issues, including the Angola peace process, the Middle East and the peace process there. They also discussed Paraguay. They talked about some of the business before the Security Council. As some of you may know, Brazil is coming on to the Security Council as a non-permanent member. And they talked about issues such as Iraq and Libya. And they also had a chance to discuss our common efforts to resolve the conflict between Peru and Ecuador.

Following this briefing to the smaller group, the two Presidents joined a larger meeting which included significant numbers of members of the Cabinet of both countries, and on the Brazilian side we had a chance to hear from both their Finance Minister and their Planning Minister, discussing Brazil's approach to its domestic economic strategy of trying to promote growth while sustaining low inflation.

We heard from the Brazilian Education Minister who talked about their strategy for using technology to improve educational opportunity. And Foreign Minister Lampreia also discussed the issues coming up through the FTAA negotiations and again, the relationship with Mercosur.

On the U.S. side, in addition to President Clinton, Secretary Riley and General McCaffrey spoke -- Secretary Riley, obviously on how we plan on cooperating with Brazil and the elements of the agreement that we are signing today; and General McCaffrey praising the Brazilians for the new spirit of cooperation that prevails between our countries across a broad spectrum of common narcotics efforts.

Questions?

Q They said that they discussed some of the trade disputes between Brazil and the U.S. What were they?

MR. STEINBERG: I think, as you heard from President Cardoso and also President Clinton, I think they acknowledged

that there are a number of specific trade disputes, but what they both indicated is that they really wanted -- that they understood that there were going to be issues in trade, specific issues, but that it was important for their negotiators to take them on. This was not something the Presidents themselves would try to resolve the disputes, but rather try to give a new impulse to them in terms of trying to resolve them. And again, you heard a number of them mentioned.

Q If negotiations do begin at the next Summit of the Americas for a free trade agreement, will Brazil -- was the agreement that Brazil would negotiate bilaterally or as a member of Mercosur?

MR. STEINBERG: It wasn't presented in either of those terms. I mean, it was presented that as the Finance and Trade Ministers are coming together to try to figure out what the strategy is, the strategy would be for comprehensive negotiations, which means the full range of issues. And what the formats will be and what the range will be is something that needs to be decided probably by the heads at Santiago. There will be meetings of the Trade and Finance Ministers before then. But from our perspective, the most important of what they've agreed to do is that they are going to begin comprehensive negotiations, which means all of the issues including tariffs and market access and the like will all be on the table from the beginning of the negotiations.

Q Isn't that a key point of difference that you still haven't sorted out is whether or not Brazil -- the United States will negotiate with Brazil or with Mercosur?

MR. STEINBERG: I think that there are a number of strategies that we believe are possible to get to the free trade agreements, and the countries themselves will figure out how they want to come to the table. They can participate as having common views or having individual views, but what we want to do is to get all the issues on the table first and then we'll figure out how to structure those negotiations. I don't think that from our perspective, it is -- the countries are going to come as countries, but obviously they will have the opportunity within Mercosur to decide whether they have common positions and how they're going to approach those questions. So I think that as a procedural matter that the issue will not be framed quite the way your characterizing it.

Q Do you think the administration is prepared to negotiate with Mercosur, instead of an individual country?

MR. STEINBERG: There isn't sort of one answer to that question because there are a number of different issues on the table, whether they're tariffs or market access, and each will have to be dealt with in sort of the appropriate framework. You can't make a single answer to that question, and that's one

of things that we need to get into with all the parties.

But what is important is the recognition that we're going to put all these issues on the table. They now have sort of the substantive agenda, in effect; now we can begin to decide on the procedural modalities that they're going to work on. There's a lot of work to do, obviously, we're still a number of years away. But we're not either precluding or deciding any of those questions at this stage.

Q On greenhouse gases, is what the President said different from what he has said in the past about developing

countries doing their fair share? And were there any discussions about specifically what Brazil could do to reduce pollution and emissions?

MR. STEINBERG: There were a number of discussions about what Brazil could do, because one of the things that we are doing through some of the agreements that we're working on here are collaborative efforts on things like clean energy and technology transfer.

But what the two Presidents spent most of their time talking about was what kind of international framework could they use in which both the developed and the developing countries would take on obligations with the developed countries obviously taking the lead because of the fact that we have higher living standards, that we have obviously benefitted from the carbon emission up until now; but also the President's very strong conviction that even if the developed countries were to take very stringent measures that the relatively rapid growth of developing countries would mean that the problem would soon be even worse than it is now, unless the developing countries themselves took on some obligations.

And, again, the idea was to try to find a way to do it which focused on trying to divert the path of energy use away from high carbon usage to relatively low carbon usage while still preserving growth. And because we have the technologies, a lot of this is focusing on how do you transfer the technologies to the developing countries in a way that they can sustain their growth and reduce carbon emissions.

Q Did they also discuss global emissions trading and how something like a framework would work?

MR. STEINBERG: I don't have a lot of the detail, because some of it was discussed in the private session. But they did talk about those kinds of concepts -- joint implementation, global emissions trading and the various kinds of strategies that would lead to an efficient use of energy resources; and also providing the right kinds of technologies to

developing countries so that they can take this different energy path.

Q Did they agree on anything? Was there a proposal that they agreed on?

MR. STEINBERG: Again, I think that what they talked about was the basic concept and hopefully that this can lead, as we move forward first to Bonn and then to Kyoto, to more formal kinds of ideas.

Q Can either you or Mike give us a little more sense of the timing of a policy announcement on this? Is it going to happen while we're on this trip? The Bonn thing is just like a day or two after we get back. And what might be the forum that the President would announce what his policy is?

MR. STEINBERG: I think at this point the only thing we can say is that the President has indicated that he would like to be able to make an announcement during the course of the Bonn session. At this point, I'm not prepared to be any more specific.

MR. MCCURRY: Also, as I think you know, the President indicated in the press conference that he has used his line item veto today. He has cancelled 13 projects in the Defense Appropriations Act of 1998. That will save \$144 million in authorized spending for fiscal year 1998. We've given you some materials that detail the projects involved, which are a small fraction of those that were added by the Congress.

Clearly, the President acted in a way that recognizes the importance of Congress' role in shaping appropriations measures. We will have piped into here for you a briefing shortly from the Director of the Office of Management and Budget and the Senior Director for Arms Control on Defense Policy at the NSC, who will be briefing up in Washington with greater detail.

Q The President did seem frustrated by the fact that five of the eight questions on the U.S. side, in fact, dealt with the problems back home. Is there that frustration?

MR. MCCURRY: Well, he addressed that himself. He leaves it up to you to decide what questions to ask. I've had a number of this room on many occasions have said to me that it's sometimes frustrating to you to have to dwell on domestic matters. And, as you know, I tried to create an opportunity last night for the President to address some of these matters in the best setting that was available and that clearly didn't work.

Q I'm not asking whether he was embarrassed, I'm

asking whether -- is there White House frustration that your attempt to focus on trade is not piercing the --

MR. MCCURRY: I think that the American people will be interested in what happened on this trip and what causes the President advanced in their name, and I hope they get to read some about that. It would be frustrating if they don't get to.

Q Do you think -- for the press conference?

MR. MCCURRY: I don't know. I don't know what you guys are writing and how you're going to report.

Q In answer to Larry's question about whether, in fact, he's avoiding all contact with Janet Reno is kind of hurting the efficient functioning of the administration, he said whether this puts our system in or out of balance is up to you. But yesterday on Air Force One he clearly hinted that he had some opinions about that. Does he feel that the fact that he now can't talk to her about anything, not even these investigations, is a bad thing?

MR. MCCURRY: I think the President, as you pointed out, addressed that last night, and he answered that question.

Q Mike, can you explain on the controversy over the Commerce Department document how the President can be appalled at what the Commerce Department official had written in there, but what the State Department has now authorized is only slightly more tepid criticism than what was there?

MR. MCCURRY: I think there's a big difference. If you talk to any of the Brazilian people here, the concept of a practice that is endemic in a culture is very different from saying that there is some evidence of corrupt practices. There's a big cultural difference and it resonated clearly here with the people of Brazil and the President took proper note of that.

Q Is the new language that there's widespread corruption in Brazil, is that accurate? Or what is the new language?

MR. MCCURRY: You can ask the State Department. I don't have that available to me.

Q You don't have that, you can't get that for us?

MR. MCCURRY: I don't have that available to me right now, but I understand that it takes note of some of the

practices that exist in an effort to properly inform U.S. business interests of what investment opportunities here are

like. I'll see if the Justice Department has got anything more.

Q Mike, back on the disagreeable subject. The President said he wasn't aware of any talks to set up an interview with General Reno, but do you now? I mean, it's quite possible, of course, that some talks are going on that he's has not been party to.

MR. MCCURRY: I imagine if there are they would be between his attorney, his private attorney and the Justice Department. And the President has not been in a good position to be briefed on any talks like that.

Q Mike, the President sounded hoarse and gravelly today. Is he all right?

MR. MCCURRY: He's been using his vocal cords a lot. He used them last night on the plane longer than he should have probably.

Q One more on the disagreeable subject. It obviously took a lot of time at the press conference. Was it taking any of his physical time in terms of making calls back to Washington to talk to Ruff or anything of that nature?

MR. MCCURRY: No, the only time that it's taken for him is just to prepare for the questions that we anticipated.

Q How would you define the relationship with Brazil now? That Brasilia wants to be equal, does it mean it's going to be like --

MR. MCCURRY: I think it was -- a number of members of our delegation who participated in bilateral discussions with the government of Brazil really described this as being a sea change in the nature and quality of the relationship.

President Cardoso's description of this meeting as one that was truly excellent, reflecting both a personal relationship he has with President Clinton and the growing ties and bonds between our two countries was significant and very much appreciated by the President and by the delegation. But we really have created here an opportunity for an entirely new level of cooperation on a lot of areas, some of it reflected in the documents that were signed today. And I really think it augers well for increased U.S. involvement in this region, increased cooperative effort to address items that are on both our bilateral agenda and, given Brazil's leadership role in the hemisphere, on the regional agenda as well.

MR. STEINBERG: Just to add to that, I think one of the things that you could all see today is the personal relationship between these two Presidents is very strong. They share a lot of common interests and a common philosophy about how

economic development and social justice, social opportunity go together. And they had a chance, really, to talk about those kind of broader themes, which will have a big impact on how the bureaucracies and as the question at the press conference came about.

I think what you're seeing is really a chance for their individual commitment to the relationship between the two countries to form a basis for moving forward on a lot of other areas of common interest. And so this provides yet a kind of new impulse in what has been a remarkably growing and strengthened relationship over the years, particularly since President Cardoso has become President.

Q I'm sorry -- to bring up the equality concept

-- did you agree on the equality concept and does it mean --

MR. STEINBERG: Absolutely. I think as you heard, the President indicated that what the United States view is that what we want is strong partners. The more we have countries that share our basic approach to governance, that share our conviction that we want to make the world a better place for our people to deal with the international challenges, the better off the United States is.

Although, the United States has many strengths, there are many of these challenges which we can't resolve by ourselves. And so the more countries like Brazil are able to strengthen the quality of life for their own people, improve their economic situation and participate more actively on the international stage. And what we've seen from Brazil is a remarkable, positive development in that respect, which the President very strongly welcomes.

Q -- he's reporting the leadership of Brazil in the hemisphere?

MR. STEINBERG: What I'm saying is that the President supports all the countries, democratic countries playing a broader role on the international stage. And that countries like Brazil, as like many of the democratic partners, the President believes that all of the countries that we're visiting on this trip and all the democracies of this hemisphere have an enormous contribution to make; and that the process that we've launched with the Summit of the Americas, strengthening hemispheric cooperation, suggests that we do this as partners. There's not a question of one being dominant or one being a leader and one being a follower, but rather a partnership of democracies that are committed to the same values, working together to meet common challenges.

Q Yes, but the United States always says it wants

leadership, so --

MR. STEINBERG: I think the issue is the question of our moving together. We have no reason to lead or follow if we're all pursuing the same objectives.

Q Can I ask a question? What about Europe in this whole process of unifying the markets? Europe is developing an agreement with Mercosur. Does it worry the United States? And what can you say about the statement that was made yesterday about Brazil and Europe, which says the culture and orientation of Brazil is moving away from Europe and towards the United States? Is that the policy of the U.S. to move apart --

MR. STEINBERG: As you heard both Presidents talk about this issue at great length, this is not a zero-sum game. What we want to see is all of their countries opening their markets and expanding trade. And if the European Union is willing to open its markets more, what's important obviously is that it's on a nondiscriminatory basis, which is the basic rules of the WTO.

But we would very welcome any impulse that would lead Europe or any other country or group of countries to be more open in their trading, because we consider the United States to be perhaps the most open market in the world. And so we encourage all countries and groups of countries to proceed in that direction.

Q Why is the President risking provoking Congress over this line item veto when he's really saving very little money out of the overall spending that's involved?

MR. MCCURRY: Well, these were projects that the

President looked at carefully, and they did not meet the criteria that he establish for review of this appropriations bill. They were not projects that he had requested in his 1998 budget. They don't contribute to our national security in the estimation of the President's military experts. And they don't fit with our long-range defense plans.

There were, as you know, 750 projects that Congress added beyond the President's budget request, many of them worthy, and the President, mindful of the role the Congress plays in developing appropriations measures, let many of those stand, even though they exceeded both his own budget request and the terms of the bipartisan balanced budget agreement.

So I think he's acted here in a very prudent way, in a narrow way, consistent with the criteria that he established, and I would suggest, precisely the way that Congress intended when Congress gave the President of the United States the line

item veto authority.

Q Mike, are there a lot of projects still in there that he'd really like to veto, but out of deference to Congress he's not going to, that don't meet criteria?

MR. MCCURRY: There are projects there, if you had constructed differently, that you might have been more expansive in the use of line item veto authority -- that's clear. Let me refer all those questions -- you know, you're going to have an opportunity to hear the questions that are asked up in Washington.

Anything else before we have to go?

Q Yes, Mike, can you give us an idea for the people here what the timetable is for the release of more tapes --

MR. MCCURRY: If you're interested in that story, the timing is such that you can contact the Travel Office and drop off the trip and get to Washington in time to cover it probably.

Q This may be a better question for Jim, but I'll let you guys decide. The President today repeatedly tried to dispel suspicions among Brazilians that the U.S. wants to push them around, doesn't take Mercosur seriously, basically that we recognize them as a serious emerging power in the hemisphere. I guess my question is, how did we reach the point where he has to say those things? I mean, has there been such neglect in recent years of the bilateral relationship that these suspicions have been allowed to flourish? Why does he have to do this?

MR. STEINBERG: I think inevitably that there are forces that are interested in trying to find bases of conflict to try to sort of stake out positions that would cause particular problems between the countries. We have a number of specific trade disputes which are at issue between the countries. But I think what is important is that there aren't that many opportunities for the two Presidents themselves to get together and discuss these issues, so it's more to counteract the suspicions about what countries' objectives or their motivations might be.

From the beginning, the President has been very strongly supportive of this. He gave you the example of talking about the European Security Identity. This has very much motivated his overall philosophy. I think what's important is from time to time you have to be very vocal and public to remind people that there is an overriding objective, and that even though we have to deal with very real difficulties on specific issues, that these broader objectives are the guiding ones. And

I think it gives an impulse to all the people on both sides, that this is their goal.

Q Jim, can I follow on that? Would a mature, self-confident country get so upset about these things like whether the security -- the advance team was rude? This hypersensitivity almost suggests in some ways that Brazil has yet to really develop the potential that you keep promoting.

MR. STEINBERG: John, you're going to have to retract your statements pretty soon. (Laughter.)

We have a great deal of respect for President Cardoso and his government and the people of Brazil. And we think that this -- we have been treated extraordinarily well. The President has felt this has been an extraordinarily gracious reception. Just the fact last night that the President took the President and the First Lady up to their quarters and they spent time with them showing them around last night really reflects the quality of this relationship. And we're very pleased with the reception we've gotten here.

Q -- did any of this come up in the meeting the two Presidents themselves -- I mean, the rough press --

MR. STEINBERG: Not to my knowledge. And certainly nothing that we've heard has that been an issue.


MR. MCCURRY: All right. Anything else?

Q What is the main difference, if any, between the visit to Caracas and to Brazil in terms of the outcome of the bilateral meetings?

MR. MCCURRY: Well, I think in both cases we had an excellent opportunity to review a range of bilateral issues. There was, not surprisingly, somewhat more focus on energy related issues in the meetings we had in Caracas, given Venezuela's importance in the oil sector. But they were both meetings which advanced the President's objective of better and closer ties to a region that will increasingly be important to the people of the United States of America, and both sets of meetings quite successful in the President's opinion.

Q -- to organize a summit in November at the White House with Arafat and Netanyahu?

MR. MCCURRY: I'm not aware of any plans of that nature. I think you heard the President say at the time that President Weisman was in Washington that that idea to have utility would require the leaders to be prepared to do summit-type things. And we hope that we will someday be in a position to believe that that is the case, but at the moment the



patient diplomacy we're doing is the best formula for success.

All right, see you all in the next country.

END

4:02 P.M. (L)

