

The President's News Conference With European Union Leaders in Brussels

January 11, 1994

President Clinton. Thank you very much. We have just had a very productive meeting, President Delors and Prime Minister Papandreu and I. As I have said many times in the last few days, I came to Brussels in the hope of working with the leaders of Europe to build a broader and more integrated Europe. At the heart of this new concept of security is the economic vitality of the relationship between the United States and the European Union. The EU remains America's most valued partner in trade and investment. A strong relationship between us is good for America. It can help to generate more jobs, more growth, more opportunities for workers and businesses at home as well as for those here in Europe.

That is one of the reasons that our administration strongly supported the Maastricht Treaty. We believe a strong and more unified Europe makes for a more effective economic and political partner. I think we proved that through our combined efforts to lead the world to a new GATT agreement in December.

One key to achieving that accord came last spring when President Delors agreed to join me in focusing on market access at last year's G-7 summit. I'm committed to deepening our relationship with the EU through regular meetings at all levels to continue to address other concerns as we address the market access concern and as we work together to get a new GATT agreement.

I have argued in my own country that to advance the global economy and to advance the interests of American workers as well, we must compete, not retreat. All advanced economies can only generate more jobs and higher incomes when they have more people beyond their borders to buy their goods and services. Therefore, we must continue our efforts to expand global growth and world markets. The GATT agreement will help in that regard. I am convinced it will create millions of jobs in the global economy between now and the end of the decade. But we also have responsibilities, the United States, the EU, and others, to continue our own efforts toward open trade and more global growth.

In today's meeting, we discussed four ways in which we can build on the momentum generated by the GATT agreement. First, we stressed the need to finalize and ratify the agreement. The agreement itself was an impressive breakthrough, but there are several areas in which we did not reach full agreement. I emphasized today our strong desire to resolve our outstanding differences. We also agreed that further market access offers from Japan and from other countries are also needed to meet the ambitious goals on which we agreed. The U.S. and the EU cannot alone create the open markets the world needs. We think it is clearly time for the other great economic power, Japan, to join us in this effort to open markets.

Second, we agreed on the importance of putting jobs at the center of our trade and economic agenda. Today, the nations of the European Union are facing high and persistent rates of unemployment and sluggish growth. In the United States, we have begun to generate more jobs, but our Nation still has a long way to go before our unemployment is at an acceptable level and before our workers begin to generate more income when they work harder. The renewal of each of our economies will benefit all of them. We discussed some of the innovative ideas contained in the Delors white paper. President Delors and Prime Minister Papandreu both make very thoughtful comments about the kinds of things we could do to generate more job growth both in Europe and the United States. And we look forward to pursuing those ideas at the jobs conference in Washington this spring and again at the G-7 summit this July.

Third, we agreed to explore the next generation of trade issues. I suggested that the successor agenda to the Uruguay round should include issues such as the impact of environmental policies on trade, antitrust and other competition policies, and labor standards, something that I think we must, frankly, address. While we continue to tear down anticompetitive practices and other barriers to trade, we simply have to assure that our economic policies also protect the environment and the well-being of workers. And as we bring others into the orbit of global trade,

people who can benefit from the investment and trading opportunities we offer, we must ensure that their policies benefit the interest of their workers and our common interest in enhancing environmental protection throughout the globe. That is exactly what we tried to do with the North American Free Trade Agreement. And in the coming months I look forward to continuing discussions on these issues with our EU partners.

Finally, we discussed the imperative of helping to integrate the new market democracies of Europe's eastern half into the transatlantic community. Yesterday, NATO took an historic step in this direction with the Partnership For Peace. We must match that effort by helping to ensure that our markets are open to the products of Eastern Europe. Ultimately, the further integration of Europe can be a future source of jobs and prosperity for both the United States and Western Europe as these nations become increasingly productive and, therefore, increasingly able to serve as consumers in the global economy.

We have already begun to open our markets to these new democracies. And I have urged that both the United States and the EU explore additional ways in which we can further open our markets to the nations to our east. Our trade relations are a source of strength, a source of jobs, a source of prosperity.

I look forward to continuing these discussions in the future. We had a lot of very good specific discussions this morning on the jobs issue in particular. And we intend to continue to work together and to make progress together.

Thank you very much.

President Andreas Papandreou. President Clinton, in this very brief presentation, has covered the issues that we discussed today. He has done so in a very complete way, so I will make two or three comments and not more.

To begin with, we have the revitalization of transatlantic relations, relations between Europe, the European Union, and the United States of America. It is very important for President Clinton that European integration, the great objective of a united Europe, is very important.

Now, the other important issue is an opening towards Eastern Europe. The walls separating the East from the West have been dismantled. We do not want any further divisions in Europe. But we should not ignore the dangers that may confront us on this road. Russia is involved in

a very difficult economic, political, and social reform. And we would like to contribute in any way we can so that this road will lead to a modern economy, to a peaceful policy, and to a just society. We hope that that will be the final outcome of this process.

Now, the third point which is directly linked to what we have mentioned so far is a Partnership For Peace. We have to work together for peace. This is a great concept. We should consider ways of working together in the area of defense in connection with problems arising due to crises, due to nationalist fanaticism, due to conflicts in Europe or at the periphery. Crisis management is a very important objective. Military cooperation without Eastern European countries being members of NATO but cooperation between them and NATO is not a threat for Russia but rather an invitation to Russia to contribute constructively.

I will not embark on the problem of the European economy. Mr. Delors will speak about this problem. But the truth is that there are three regions in which we have both unemployment and recession: Europe, Japan, and the United States. Now, the United States have started an upswing.

We are faced with a very serious problem in connection with employment, and we will have to live with this problem for many years unless we manage to find a radical solution. It is not the right time to go into the details of these solutions. Now, this is what I wanted to say at the present juncture.

So, President Delors.

President Jacques Delors. Questions immediately, because this is more interesting than what I could add. President Papandreou has spoken on behalf of the Community.

Bosnia

Q. Helen Thomas, UPI, United Press International. Back to NATO, Mr. President. What makes you think that the Serbs will take the threat seriously now since NATO has been the boy crying wolf in the past? And what really has stiffened everybody's spine now after 2 years of shelling, bombing, slaughter?

President Clinton. Well, keep in mind now, the resolution was directed toward a specific set of circumstances. NATO reaffirmed the August position that if Sarajevo was subject to strangulation, defined as large-scale shelling, that air power from NATO could be used as a re-

sponse to that. And then today, there were added two conditions that we asked our military leadership to come up with, plans to ensure that the troop replacement in Srebrenica could proceed and to see whether the airstrip at Tuzla could be opened.

I can only tell you what happened in the meetings. The Secretary General of NATO and I both said that these steps should not be called for unless everyone voting in the affirmative was prepared to see them through. And there was an explicit discussion of that. So I think that the continued deterioration of conditions, the frustration of all of us that no peace agreement has been made, and that explicit debate should give this vote the credibility that I believe it deserves.

The Global Economy

Q. Listening to what you said about growth and jobs and also defense of the environment and social rights, I'm very struck by how similar your language is to the proposals which President Delors recently put to the European heads of government. Would you acknowledge that your thinking on these issues is very largely convergent? And what would you say to some people who responded in this Union by saying now is no time to be unduly concerned about workers' rights or the environment, that this can be no priority when we are tackling mass unemployment? It's a debate we've had here in the Union. I wonder how you would advise people in that respect here.

President Clinton. First of all, I think it is fair to say that President Delors and I share a lot of common ideas. Prime Minister Papandreou and I have shared some ideas. I've read some of his thoughts and interviews. I think any person who seriously studies this issue, who studies income trends in the United States, who studies job trends in Europe, who studies now what is happening in Japan, will reach the conclusion that every wealthy country in the world is having great difficulty creating jobs and raising incomes and that there are some common elements to this malady which have to be addressed.

Now, let me say in response to the two issues you've raised, first of all, with regard to the environment, I believe that dealing with the environment creates jobs, doesn't cost jobs if you do it in the right way. And I think we now have about 20 years of evidence that supports

that, that if you have the right sort of sensible environmental policy and if you finance it in the right way, you will create jobs, not cost jobs. Much of the environmental cleanup that is sensible requires the development of technologies and the generation of high-wage jobs which will be virtually exclusively the province of the same countries that are having trouble creating jobs.

With regard to workers' rights, I would respond in two ways. First of all, if in order to create jobs we have to give up all the supports that we have worked hard for over decades for working families, then we may wind up paying the same political price and social price. That is, we do not want to see the collapse of the middle class in Europe or in the United States. What we want to do is to rebuild and strengthen the middle class.

If you look at the vote in Russia, if you look at the recent vote in Poland, you see what happens in democracies when middle class people feel that the future will be worse than the present. So if you're going to ask for changes in the system of support, those changes have to be done in a way that increase the sense of security that middle class, working class families have in all these countries.

Secondly, the issue of worker rights and the issue of the environment should be seen from our prospective as a global one. That is, if you look at what Ambassador Kantor negotiated with Mexico in the NAFTA treaty, the first trade agreement ever to explicitly deal with environmental and labor issues, we did it because we said, okay, if we're going to open our borders and trade more and invest more with developing nations, we want to know that their working people will receive some of the benefits and a fair share of the benefits of this trade and investment. Otherwise, they won't have increasing incomes, and they won't be able to buy our products and services.

So I see this whole worker rights issue as more a function of the global economy and one that will help us to build up ordinary citizens everywhere, which I think should be our ultimate objective.

Bosnia

Q. Terry Hunt, from Associated Press. Mr. President, back on Bosnia, you mentioned that this threat of military action is not a new threat. How long can NATO keep on making these

threats without carrying them out, without delivering? At what point does it become, as you warned about yesterday, an empty threat?

President Clinton. Well, first of all, we have two different issues here. The French and the British proposed the motion to ask our military planners to come up with a strategy to ensure the rotation of troops in Srebrenica and to see whether with the use of air power or some other device we might secure the opening of the airstrip at Tuzla to continue the U.N. mission, the humanitarian mission. So we'll await the plan and see what happens.

On the question of the use of air strikes in retaliation for the strangulation of Sarajevo, that is largely going to be a function of the behavior of the people who have been shelling Sarajevo, the Bosnian Serbs. When you say how long, it depends on what is their behavior. Is the shelling going to abate now, as it did after August when we adopted the resolution? And then it basically escalated dramatically only relatively recently. Or will they continue to do it? And then we'll see if our resolve is there. My resolve is there; that's all I can tell you. And I believe the people in that room knew what they were doing when they voted for this resolution. When you say how long, it depends in part on what will be the conduct from this day forward of those who have been responsible for shelling Sarajevo.

Integration of East and West

Q. I had a question on Partnership For Peace. And I'd be grateful if, Mr. President, you could answer and then perhaps President Delors, too. With hindsight, I wonder whether you don't think you missed a trick by making entry into NATO for the former Communist countries of Central and Eastern Europe work on the same track as entry into the European Union. Would this not have been a more credible approach for Partnership For Peace?

President Clinton. I'll be glad to answer that question, but I think perhaps I should defer to President Delors since he has a much better sense of how the membership track for the European Union works and let him answer the question that you specifically posed, and then I'll also respond. And perhaps Prime Minister Papandreou will respond.

President Delors. Back in 1989, already with the events that took place then, the summit of industrialized nations dealt at length with this

question: How, after the fall of the Berlin Wall and the collapse of communism, could we make it possible for the countries in question to get back onto the track of pluralist democracy and open economy? And then it seemed to us that immediate entry by the countries in question into the European Union would be more damaging for them than would be a period of preparation and adaptation. We were afraid then that there would be a clash between the strong and the weak, however much aid we could give them. So a period of transition was necessary. It was in the context of the mission that was entrusted to the European Community and to the Commission that we endeavored to help them in order to make it possible for them to progress in parallel along the two tracks that I have indicated today. After 4 years of experience and speaking in my personal name, I am ready to take stock of this aid to which the Community has contributed a lot.

May I recall that in 1989, the European Union only represented 25 percent of the external trade of the countries of Eastern Europe. Now we represent 60 percent. And so we have replaced COMECON, and that was absolutely necessary. We have doubled our imports over 3 years from these countries. We represent 60 percent of total aid, including the aid from the international financial organizations. But we cannot replace them. These countries are responsible countries. They have to learn the workings of an open economy and democracy. Of course, there are claims; in our countries there are also people that are recommending other solutions. But I still think that immediate entry to the European Union would have been very damaging to them, irrespective of what our leaders would have had to explain to our citizens who are taxpayers.

For today, we have to take stock of what's happened, but not do this having in mind the idea that we could substitute for them. They are responsible for the fates. Some of them have chosen the "big bang" approach in order to reform their economies. I deplore this, and I feel that this was one of the reasons for the return of the former Communists and others. Others have taken a more gradualist approach. But each country was different. Czechoslovakia was traditionally an industrial country. Hungary, even out of communism, had begun experiments in decentralization way back in 1970. So we cannot act in their stead. Today, they have to face a

growing problem of security. The Partnership For Peace is there to deal with this, but there is also a need for economic security.

But I'm a pragmatist. I'm open to any solution. But when I hear some leaders within Europe saying that we should have acted otherwise, I remain convinced that we did opt for the right solution. Now, have we always supplied it with the desirable efficacy? That's another question. It remains open. But again, with the commissioners responsible, we shall take stock of all of this.

But we have to be careful. All of the miracle solutions that have been proposed would not have resolved the problems, and anyway, we can see this with German unification. It is not this that in any way has diminished the frustration of the populations concerned or filled the psychological gap or even made it possible to get onto the ideal road towards modernization. There are all sorts of problems. Besides, I'm very respectful of what is happening in Germany. But it is an experience contrary to the other one. You can see what problems remain to be resolved.

President Papandreou. Just a few words, because I think President Delors has stated very clearly our stand. There is a very delicate relationship between deepening of the European Union and enlargement of the Union. They must go together in a careful relationship. Otherwise, the Union itself may not be able to achieve its fundamental goals. So some delays are necessary, both from the point of view of the countries petitioning the entry and also from the Union itself. But I think I've said enough, in view of what President Delors has already said in such detail.

President Clinton. I'd like to go back to your original question. What you asked, I think, was, since there is sort of a phased-in possibility for additional membership in the European Union and a phased-in possibility for membership in NATO, should the criteria and timetables have been reconciled? I think that's the question you're asking.

I can't give you a yes or no, except to say that I think it would have been difficult to do that for a couple of reasons. First of all, NATO and the European Union are fundamentally different organizations. Membership in NATO means that each member has a solemn obligation to defend the security of each other—any other member from attack. And membership in

NATO includes a guarantee, therefore, coming from the United States and from Canada, something that is not the same with the European Union.

On the other hand, membership in the European Union now involves a commitment to a level of economic and political integration that some who may want to be a part of NATO may or may not want to commit to. So I think, as a practical matter, it would have been very difficult to reconcile these two timetables since the organizations are different. Some may be more interested in being in the European Union. I can conceive of some countries who want to be in the Union who may not want to be in NATO. Some may wish to be in NATO before they're able to meet the responsibilities of the European Union.

President Delors. I would just like to add one sentence. In my humble opinion, the generation that I belong to and which holds responsibility at present has two obligations, and to reconcile these is not easy. On the one hand, we want to create a political union with the European countries that desire this, because we think that none of our countries is capable of coping with these problems and with world responsibilities. And secondly, given the events that have occurred in the East, we have another obligation which is equally important; that is, to extend our values of peace, cooperation, and mutual understanding to the wider Europe.

Believe me, to combine the two is no easy task. And again, I criticize those who put forth simplistic solutions in this area. Life is difficult. No one can prevent such events being conflictual. A little modesty on the part of those proposing miracle solutions will be necessary.

Greece

Q. Mr. President, Germany recently requested that the famous Article 5 of the NATO Pact should apply for the security for the Czech Republic, not a NATO member, in order to face a threat not been defined yet. Since Greece, a NATO member, according to reports, many of them, is facing a real threat in her northern border from an expected movement of Albanian refugees from Kosovo via Skopje—*[inaudible]*—if the same article could apply on that case, keeping also into account that European Union and Western European Union are not guaranteeing the Greek borders. And I'm taking this opportunity, Mr. President, to ask

you directly if America will be in the position to guarantee the security of Greece from such a threat on a bilateral basis?

President Clinton. Frankly, that's a conversation I think I ought to have with Prime Minister Papandreou before I have it in public, in some ways. But let me respond in two ways. First of all, the United States has taken two strong steps to try to make sure that the dire situation you described does not occur. We have sent 300 troops to be located in Macedonia, or Skopje as the Prime Minister describes it, as a part of a NATO effort or a U.N. effort to contain the conflict in Bosnia.

In addition to that, shortly before I became President but after I was elected President, the previous administration with my strong support sent a very strong and firm warning about involving Kosovo in the conflagration in Bosnia. And we made it very clear that we would have

very strong views about that and a strong reaction to it.

So I think the real issue is, are we trying to protect the interests of Greece and other nations from being embroiled in the conflict now in the Balkans? And the answer is yes, and I think we've taken two strong steps to do that. I believe we will be successful in doing that.

NOTE: The President's 41st news conference began at 12:49 p.m. in the News Conference Theatre at the headquarters of the Commission of the European Union, where he met with Greek Prime Minister Andreas Papandreou in his capacity as President, European Council, and Jacques Delors, President, European Commission. The European Presidents' remarks were translated by interpreters.

Remarks and an Exchange With Reporters Following Discussions With President Vaclav Havel of the Czech Republic in Prague *January 11, 1994*

The President. Thank you very much. First, I want to express my thanks to President Havel for his warm welcome. I'm coming back to Prague only for the second time in my life. I was here 24 years ago in this same week, in a very different role in life.

I have been deeply impressed by the progress made by the Czech Republic and was deeply impressed by the meeting I had today with the President and the Prime Minister and with other leaders of the government. I reaffirmed the fact that the security of this Republic and of the nations of Central and Eastern Europe are important to the security of the United States and to Europe and to the Atlantic alliance, that the Partnership For Peace is the beginning of a genuine security relationship which can lead to full membership in NATO, and that we must also be mindful of the economic dimension of security. For it is difficult for nations to pursue good policies and to reflect democratic values unless they can also offer the hope of success to the people within their borders who work hard, obey the law, and try to contribute to the welfare of society.

So we talked about these things, and I look forward to talking tomorrow with all the leaders, who will be here together, in perhaps somewhat more specific terms about what we can do to further both these objectives. But I am very encouraged by this meeting tonight, and I thank President Havel for his support for the Partnership For Peace.

Partnership For Peace and NATO

[At this point, a question was asked in Czech, and a translation was not provided.]

The President. That issue has not been resolved, so since it was not discussed one way or the other, I suppose it is theoretically possible. NATO is a security alliance in which all the members undertake to assume certain responsibilities for the welfare of the entire group. One of the things I want to emphasize about the Partnership For Peace is a security relationship that will permit immediately the military commanders of NATO to begin to work with the military leaders of each country involved in the Partnership, to look at joint training, to look at joint exercises, to deal with the whole