

the profound transformation of NATO, including its political and peacekeeping dimension, and to the new realities of Russia as it builds a democratic society. It will also reflect the shared commitment of both NATO and Russia to develop their relations in a manner that enhances mutual security.

The Presidents recalled the historic significance of the Treaty on Conventional Armed Forces in Europe in establishing the trust necessary to build a common security space on the continent in the interest of all states in Europe, whether or not they belong to a military or political alliance, and to continue to preclude any destabilizing build-up of forces in different regions of Europe.

The Presidents stressed the importance of adapting the CFE Treaty. They agreed on the need to accelerate negotiations among CFE parties with a view to concluding by late spring or early summer of 1997 a framework agreement setting forth the basic elements of an adapted CFE Treaty, in accordance with the objectives and principles of the Document on Scope and Parameters agreed at Lisbon in December 1996.

President Yeltsin underscored Russian concerns that NATO enlargement will lead to a potentially threatening build-up of permanently stationed combat forces of NATO near to Russia. President Clinton stressed that the Alliance contemplates nothing of the kind.

President Yeltsin welcomed President Clinton's statements and affirmed that Russia would exercise similar restraint in its conventional force deployments in Europe.

President Clinton also noted NATO's policy on nuclear weapons deployments, as articulated by the North Atlantic Council on December 10, 1996, that NATO members have "no intention, no plan and no reason" to deploy nuclear weapons on the territory of states that are not now members of the Alliance, nor do they foresee any future need to do so. President Clinton noted NATO's willingness to include specific reference to this policy in the NATO-Russia document. President Yeltsin spoke in favor of including such a reference in the document.

The Presidents agreed that the United States, Russia and all their partners in Europe face many common security challenges that can best be addressed through cooperation among all the states of the Euro-Atlantic area. They pledged to intensify their efforts to build on the common ground identified in their meetings in Helsinki to improve the effectiveness of European security institutions, including by concluding the agreements and arrangements outlined in this statement.

NOTE: An original was not available for verification of the content of this joint statement.

## Joint Statement on United States-Russia Economic Initiative

*March 21, 1997*

President Clinton and President Yeltsin have committed to a joint initiative to stimulate investment and growth in Russia, deepen U.S.-Russian economic ties and accelerate Russia's integration with global markets. In so doing, the Presidents underscored the vital importance of bold measures to complete Russia's historic transformation to a market economy. This transformation is in the mutual interest of the United States and Russia—to meet the aspirations of the Russian people for a more secure and prosperous future, and to encourage trade, investment and new jobs in both countries. Both Presidents affirmed their commitment to achieve

the vast potential of U.S.-Russian economic cooperation.

The Presidents discussed recent economic developments in their countries and objectives for the future. The process of unprecedented transformation of Russia into a democratic nation that respects private ownership and the principles of a free market is continuing. In the past five years, a once non-existent private sector has emerged to produce 70 percent of Russia's national income and employ 55 percent of the Russian work force. With basic market structures now formed, markets, not the state, increasingly allocate resources and drive prices

and business decisions. Private banks, capital markets and commodity exchanges are emerging as the new institutions underpinning Russian economics. Inflation has been sharply reduced, and Russia has begun to enter international capital markets. Taking into account these changes, the United States and Russia will consider problems connected with the regulation of trade between the two countries, take steps to increase access to each other's markets, and establish the appropriate conditions to extend Most Favored Nation status to Russia on a permanent and unconditional basis.

President Yeltsin outlined Russia's plans to enact and implement a new legal regime that convincingly demonstrates Russia's commitment to attracting foreign and domestic investment. His highest economic priority is a tax regime that both meets the revenue needs of the Russian government and stimulates legitimate business, including actions on the value-added tax, excise tax, and both corporate and individual income taxes. Russia will act to pass a new tax administration law that clarifies authorities, responsibilities, fines and the ability to resolve disputes. In the energy sector, measures will be taken to pass legislation that brings into full force Russia's Production Sharing Agreement law and provides the authority to develop PSA fields. New efforts will be made to ratify the U.S.-Russia bilateral investment treaty. The Presidents committed to deepen cooperation to fight economic crime. President Yeltsin highlighted his plans to consolidate the rule of law and to strengthen Russian legislation aimed in particular at combating money laundering and organized crime. President Yeltsin stressed the importance of the quick adoption of a new criminal procedure code. He will pursue the substantial completion of this agenda by the end of 1997. Further, the Presidents committed to work together to meet the challenge of attracting investment in order to utilize the vast human and natural resources that Russia possesses.

President Clinton stated that U.S. Government agencies will maximize support under their programs to finance American investment in Russia. U.S. efforts will include intensified efforts for project finance, political risk insurance and investment funds through the Overseas Private Investment Corporation; expanding financing for transactions involving equipment exports through the Export-Import Bank that will result in capital investments in the Russian economy;

and additional investments through the U.S.-Russia Investment Fund.

The Presidents applauded plans announced by Vice President Gore and Prime Minister Chernomyrdin to launch a regional investment initiative that will attract resources to key regions, including the Russian Far East, to demonstrate the impact of joint efforts on policy reform and investment finance and to create new channels of commercial cooperation between regions in both countries. The United States and Russia recognize that Russian action on its economic agenda is key to building investor confidence and creating the demand needed to translate American financing into real investments in Russia. Toward this end, President Clinton is seeking additional funding in 1998 to expand U.S.-Russian economic cooperation, with a focus on tackling barriers to investment and doubling exchange programs between Americans and Russians, including the introduction of a new program to forge long-lasting connections between young, highly qualified individuals likely to emerge as influential leaders in future U.S. and Russian societies. The Presidents looked forward to the work of the joint Capital Markets Forum, which will bring together public and private sector participants to support the rapid development of Russia's capital markets.

Presidents Clinton and Yeltsin affirmed that cooperation to integrate Russia's economy into the global economic system represents one of their most important priorities. The United States and Russia will intensify their efforts to accelerate Russia's integration into the international economic community. The Presidents set as a target that both sides would undertake best efforts for Russia, on commercial conditions generally applicable to newly acceding members, to join the World Trade Organization in 1998, and to join the Paris Club in 1997 assuming agreement on conditions of membership. Together, the United States and Russia will define tasks which need to be accomplished and set targets for their completion in order to achieve this objective. They also count on making considerable progress toward Russia's accession to the Organization for Economic Cooperation and Development.

The Presidents agreed that Vice President Gore and Prime Minister Chernomyrdin should broaden and intensify the work of the U.S.-Russian Commission on Economic and Technological Cooperation. The Presidents welcomed

the Commission's efforts to move beyond co-operation between federal governments to foster regional and local ties between the peoples of their countries. They noted the Commission's important achievements in the fields of trade and investment, energy, environment, health, defense conversion, agriculture, space, and science and technology. They recognized the Commission's leadership role in carrying forward bilateral relations into the twenty-first century.

Presidents Clinton and Yeltsin expect that as the century turns, their joint initiative will result in a strategic economic partnership between the United States and Russia that will decisively

strengthen bilateral ties and positively shape changes in the world economy. They look forward to a prosperous and market-oriented Russia as a full partner in the premier organizations that will define economic and trade relations for the twenty-first century. This will allow Russia to take its place among the community of nations contributing to a new international economic order where open markets and free trade foster global prosperity and the well-being of American and Russian citizens alike.

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## **The President's Radio Address** *March 22, 1997*

Good morning. I'm glad to be back at the microphone this morning after relying on the Vice President to fill in for me last Saturday. My knee is healing just fine, and I'm happy to report that I've just completed a successful summit meeting with President Boris Yeltsin of Russia in Helsinki, Finland. Together we're building a strong United States-Russia relationship to meet the challenges of the 21st century: building a democratic, undivided Europe at peace; leading the world away from the nuclear threat; forging new ties of trade and investment that will benefit all our people.

Today I want to talk with you about how we can work together to strengthen America's working families and to help them meet their responsibilities both at work and at home. We have made significant progress in this area with the Family and Medical Leave Act of 1993. That was landmark legislation, and I was very proud that it was the first bill I signed as President. But I'm even more proud of the impact this law has had on the everyday lives of working families.

Since its enactment, millions of Americans have been able to take unpaid leave to care for a newborn child or to be with a family member who's sick. I know that many Americans would have lost their jobs if it weren't for the family leave law.

With new pressures on families in the way they work and live, we have to do even more

to give people the chance to be good workers and good parents. That's why I proposed expanding the Family and Medical Leave Act so that workers can take time off to attend teacher conferences or to take a child for a medical checkup. I have challenged the Congress to pass legislation that will do just that this year, and I have high hopes that they will.

This morning I want to talk about another way to strengthen our working families. I have a plan that offers employees this simple choice: If you work overtime, you can be paid time and a half, just as the law now requires, or if you want, you can take that payment in time, an hour and a half off for every hour of overtime you work. Simply put, you can choose money in the bank or time on the clock. Comp time can be used for a vacation, an extended maternity leave, or to spend more time with your children or your parents.

We can give employees in American business more flexibility. That serves everyone's interests. But we must make sure that as we give greater flexibility, we do it in a way that's good for both business and employees.

Unfortunately, a version of comp time legislation that is moving through Congress now would take the wrong approach. It could actually leave working families worse off than today. Strong comp-time legislation gives employees the choice of when to take their overtime pay in money or in time off from work. But under