

Mr. President, our increasing cooperation in all these areas and all the things that you mentioned is a real testament to the astonishing record established by Chile in the last few years in economic and in political terms. The leadership you are showing now in the hemisphere for peace and prosperity and freedom is a natural outgrowth of the leadership you have demonstrated and that the Chilean people have demonstrated within your own borders. It is altogether fitting that the spirit of hemispheric cooperation and the future orientation of our cooperation, which was established 4 years ago at Miami, should be carried on under your leadership here at Santiago.

It is clear to anyone who imagines the way the future should be that our burdens will be

lighter and our strides will be longer if we move forward together. That is the promise of our growing partnership. And you have the thanks, the respect, and the admiration of the American people for your role in it.

Thank you, sir.

NOTE: President Frei spoke at 12:29 p.m. in La Moneda Palace. He spoke in Spanish, and his remarks were translated by an interpreter. In his remarks, President Clinton referred to the Global Learning and Observations to Benefit the Environment (GLOBE) program. A portion of these remarks could not be verified because the tape was incomplete.

Joint Declaration With President Eduardo Frei of Chile *April 16, 1998*

On the invitation of the President of the Republic of Chile, Eduardo Frei Ruiz-Tagle, the President of the United States of America, Mr. William Jefferson Clinton, made a State visit to Chile, April 16–17, 1998. The President of the United States was accompanied by his wife, Hillary Rodham Clinton, and by a high-level delegation composed of Secretary of State Madeleine Korbelt Albright, Attorney General Janet Reno, Secretary of Commerce William Daley, Secretary of Education Richard W. Riley, United States Trade Representative Charlene Barshefsky, Director of National Drug Control Policy Barry McCaffrey, Counselor to the President and Special Envoy to the Americas Thomas “Mack” McLarty, and Assistant to the President for National Security Affairs Samuel R. Berger.

In recent years, the United States and Chile have established solid and stable relations, based on a mutual commitment to respect democracy and human rights, open markets and free trade. This joint vision was reaffirmed during the State visit of President Frei to the United States in February 1997 and was strengthened on the occasion of the State visit of President Clinton. Today, the Presidents note with satisfaction the progress achieved in their bilateral relations, and state that this will have a positive impact on

the quality of life of their peoples, and to that effect agree on the following Joint Declaration:

During working meetings held at the Palacio de la Moneda, Presidents Clinton and Frei reviewed the excellent state of bilateral relations, assessed progress made since the State visit of President Frei to the United States in February, 1997 and identified areas for future collaboration. As part of the high-level Consultative Framework begun by Presidents Clinton and Frei in 1994, they reaffirmed their desire to continue strengthening the comprehensive ties between the two countries.

The Presidents reiterate the political commitment of their Governments to ensure that the second Summit of the Americas, to take place April 18–19 in Santiago, contributes to strengthening hemispheric relations and to improving the development and well-being of the peoples of the Hemisphere in concrete and positive ways. In that context, they discussed the four major areas of the agenda: Education, Preserving and Strengthening Democracy and Human Rights, Economic Integration and Free Trade, and the Eradication of Poverty and Discrimination.

In addition to underscoring the importance of the Declaration and Plan of Action which will be adopted by the thirty-four Heads of State

or Government at the Summit, both Presidents agreed on the need to continue working together on the process of integration and free trade at the hemispheric level, reaffirming their commitment to the formal start of negotiations for the establishment of the Free Trade Area of the Americas (FTAA) during the Santiago Summit.

The Presidents agree on the great importance of education as the most effective tool to attain full development, and in particular to reinforce the values of democracy, to give hope to our peoples for a better life, and to prepare our citizens for the 21st century global economy. Within this context, they welcomed the signing of a Memorandum of Understanding on Education, which will put technology at the service of creating opportunities for the poorest segments of the population and other disadvantaged groups, improve quality and standards, strengthen professional development of teachers and enhance cooperation in all levels of education. They also applauded the signing of an agreement by which Chile will join the "GLOBE Program" designed to link schools and scientists around the world through the Internet, so that information and experiences can be exchanged and so that students can make environmental scientific observations for use by researchers.

The Presidents agreed upon a program of cooperation between their respective agencies for international development, including jointly funded scholarships for training in such areas as combating poverty, strengthening democracy and education, and economic integration.

The Presidents reaffirmed the commitment of their Governments to achieve a comprehensive free trade agreement that includes both countries, and to adopt specific measures aimed at promoting the competitiveness of their respective countries in the global economy. In this regard, they noted with satisfaction the significant progress made in improving agricultural trade relations through the Consultative Commission on Agriculture created by the two Presidents last year. In light of the economic development achieved in recent years in both countries and with a view to promoting cooperation bilaterally and in regional and multilateral areas, including the World Trade Organization, Free Trade Area of Americas, and the Asia Pacific Economic Council, the Presidents agreed to establish the U.S.-Chile Joint Commission on Trade and Investment. This consultative mecha-

nism will be comprised of the relevant Ministries involved in these topics and will be chaired by the Chilean Minister of Foreign Relations and the U.S. Trade Representative, who will meet at the time of the Second WTO Ministerial Conference to sign the appropriate agreement. The Committee will hold its first meeting prior to October, 1998. On that occasion, it will examine the full range of measures affecting the various dimensions of trade, including such new areas as electronic commerce. It will also discuss ways of addressing restrictive trade practices, and the consequences of such practices, in the context of a global economy.

The Presidents reaffirmed their commitment to the WTO, including full, effective implementation of the agreements reached in the Uruguay Round. Both countries pledge to continue promoting within the WTO full multilateral liberalization of trade, complementing negotiations already scheduled for the agriculture and service sectors.

On bilateral commercial matters, the Presidents underscored the value of completing as soon as possible the efforts to sign a bilateral Open Skies agreement in order to provide their citizens better air transport services and to facilitate commerce and exchange between their countries. They also agreed that their ministries should deepen bilateral cooperation by exchanging commercial missions and information on major infrastructure projects, as well as creating databases on commercial opportunities in each country.

The Presidents reviewed topics of common interest relating to recent world economic events, and recognized the importance of applying sound macroeconomic policies, including balanced budgets and financial transparency, which have enabled both nations to continue experiencing high levels of economic growth, despite difficulties in other regions of the world. In order to strengthen bilateral financial cooperation, United States and Chilean banking oversight authorities have signed a Statement of Cooperation to Enhance Cooperation in the Supervision of Cross-border Banking Institutions.

The Presidents affirm their desire to strengthen cooperation on the environment and sustainable development. They firmly support the principles and objectives of the Kyoto Protocol, and are convinced that the market mechanisms that it establishes will be a great help to mobilize

the resources of the private sector to reduce greenhouse gas emissions.

They recognize the potential of the Clean Development Mechanism to become an important resource for attracting private sector initiatives and investment in clean energy technologies, energy efficiency, forests and other activities that reduce, absorb or eliminate greenhouse gas emissions.

They agreed that all countries should be involved in global efforts to address climate change, taking into account their common, but differentiated responsibilities.

Developed countries must set the example in reducing greenhouse gas emissions as a matter of priority, while developing countries should participate meaningfully in efforts to address climate change, for example, by taking on emissions targets whenever possible.

They commit their governments to work together on these issues in preparation for the next conference of parties to the Framework Convention on Climate Change this November in Buenos Aires.

Concerned by the profound impact caused by the El Nino weather phenomenon throughout the Americas, the Presidents welcomed the signing of a Declaration of Intent to advance the launching of a Pan-American Climate Information System for Disaster Preparedness. Such a system will utilize the latest technology to help governments and private citizens better prepare themselves to be able to reduce the damages caused by climate-related phenomena.

They agreed to instruct their experts to explore the mutual benefit that could accrue to their respective nationals under a bilateral Social Security agreement that would eliminate double taxation of Social Security contributions and help improve benefit rights for people who have worked in both countries.

The Presidents also welcome the signing of a Memorandum of Understanding between our Governments' authorities for the Promotion and Development of Public Policies for the Strengthening of Government Administration.

Presidents Clinton and Frei reiterated their commitment to continue their efforts to promote international peace and security, and cooperation with respect to compliance with agreements and treaties at the international and regional levels. In that regard, they applaud the work of the Defense Consultative Commission and the Global Security Dialogue. They noted the

importance their Governments attach to policies designed to achieve greater transparency, both in terms of defense expenditures and conventional arms transfers, and to foster mutual confidence and security-building measures. In that spirit, the leaders support the adoption of regional transparency measures for conventional arms purchases.

Recognizing the importance of the Organization of American States, which will celebrate its 50th anniversary this month, and in order to make its modernization a reality, the Presidents instructed their Foreign Ministers to consult with their colleagues in the Hemisphere to establish effective means through which the OAS could be revitalized, with due regard to its relations with other hemispheric institutions, and to agree on a timetable for the review and reform to be completed.

The Presidents also reviewed the situations in Iraq, the Middle East and Bosnia, where Chile and the United States are participating with peacekeeping forces under the mandate of the United Nations, and they agreed to maintain such important joint efforts on behalf of international peace.

In their capacity as Guarantors of the Rio Protocol, the Presidents reviewed recent progress achieved by the Governments of Ecuador and Peru and continue to urge both parties to settle their dispute by the May 30 target date agreed to by both parties.

The Presidents agreed to continue negotiations to reach a prompt agreement on cooperation that will provide for coordination of efforts of both countries to take more effective and timely action against illicit traffic of narcotic drugs and psychotropic substances and their related crimes, as well as to prevent the abuse of those substances. All this, with the aim of reaching full implementation of the principles and policies contained in the Hemispheric Strategy adopted in the framework of the Interamerican Commission for Drug Abuse Control.

They also look forward to the early completion of a customs mutual assistance agreement to advance cooperation against fraud.

To facilitate and further advance our close ties, the Presidents agreed to establish a Bilateral Consultative Mechanism at the Foreign Ministry level, and to advance its operations through the appropriate diplomatic channels.

WILLIAM JEFFERSON
CLINTON
President of the
United States of America

EDUARDO FREI RUIZ-TAGLE
President of the
Republic of Chile

NOTE: This joint statement was made available by the Office of the Press Secretary, but it was not issued as a White House press release. An original was not available for verification of the content of this joint statement.

Remarks in a Discussion on Microenterprise in Santiago, Chile April 16, 1998

Audience member. Mr. President, in your country, does microenterprise exist? Is there any special legislation for microenterprise? Do you have any support programs like we have here?

The President. First of all, yes, it exists. And in the more prosperous areas of America, people can simply go to established training programs, as you have described, and then they typically will go to work for someone else, or if there is a demand there, they can often—can get credit from a bank and borrow money.

But in the poorer areas of America—because, keep in mind, there are still some parts of our country which are much poorer than others, mostly in the inner cities of our large cities, in some neighborhoods, or in some of our rural areas, or with some of our native Indian populations, where people are living a long way from the center of economic activity. And the truth is that in some places there are special programs to give credits, but in most places there aren't.

Now, when Hillary and I were living at home in Arkansas, we helped to start a bank to lend to small-business people with a special program for microentrepreneurs, for very small loans to people who were poor but who had good skills, good reputation, clearly would pay the money back. And then when I became President, we worked to pass through the Congress a modest program—as Mrs. Frei said, within the budget—but a modest program to set up institutions like this all across America.

In addition to that, we have, through our foreign aid programs—we are trying to support people like you all over the world. I just—we visited in Africa with some microentrepreneurs just recently. And every year, through our programs, we make about 2 million small loans across the world to people like you, because you really are the future of all these countries. I mean, if people like you—the stories you've told, that is the future. And as far as I know, the worst repayment rate anywhere in the world for microenterprise loans—the worst—is 97 percent. Some countries that have terrible weather problems, poor people go broke if they have a bad storm and they can't pay it back, and it drops all the way to 97 percent. Otherwise, it's always 99, 100 percent; you know, the people pay it back. So that's why I wanted to hear your stories.

But on the other hand, I agree with Mrs. Frei that the most important thing is to first have the training, because if you have it in your head—still many people find a way to get into business, to save or to borrow or to whatever.

NOTE: The President spoke at approximately 1:20 p.m. in the San Miguel neighborhood. In his remarks, he referred to Marta Frei, wife of President Eduardo Frei of Chile. A tape was not available for verification of the content of these remarks.

Remarks to Business and Community Leaders in Santiago April 16, 1998

Thank you very much, Mr. President, Mr. Fernandez, Mr. Riesco, Mr. Mayor, ladies and

gentlemen. First, let me thank President Frei for the warm welcome that Hillary and I and