

for me, I would like to listen to his advices as well.

And also I'm very pleased that the two Governments are issuing the agreed statement on electronic commerce today. And also, we are to confirm the progress on the deregulation issues, confirming the direction and contents of our efforts.

And I must stress that the deregulation dialog is a two-way street, so I very much look forward to very positive responses by the American Government on the issues that we are raising.

But if we talk too much here today, we will be having fewer minutes for our discussion. So I'd like to stop here.

Japanese Economic Recovery Program

Q. Mr. President, let me ask about the Japanese tax cut issue. Are you going to discuss this issue with the Prime Minister?

President Clinton. Well, we will probably discuss it in the meeting, but I believe the—as I said, the Prime Minister has proposed what I believe is an aggressive economics program.

I think that the tax cut and the investment and spending initiatives also have to be accompanied by effective banking reform, and we need to discuss that. And I agree with what the Prime Minister said. We want to have a mutual deregulation initiative, and we've talked about this in several areas, and we've made some progress. I hope we will be able to put out statements for you before we—at least before the summit is over, some time in the next couple of days, which will indicate what we're doing so that both of us will be seen to be doing more to try to restore growth in the Asia-Pacific region.

NOTE: The President spoke at 10:34 a.m. at the Swallow Hotel. In his remarks, he referred to President Soeharto of Indonesia; Prime Minister Nawaz Sharif of Pakistan; and Prime Minister Atal Behari Vajpayee of India. Prime Minister Hashimoto spoke in Japanese, and his remarks were translated by an interpreter. A portion of these remarks could not be verified because the tape was incomplete.

Exchange With Reporters Prior to Discussions With President Jacques Chirac of France in Birmingham, United Kingdom May 15, 1998

Nuclear Proliferation in South Asia

Q. Mr. President, will you be trying to persuade the other summit leaders to impose sanctions on India?

President Clinton. First of all, I would like to thank President and Mrs. Chirac for the wonderful reception that Hillary has received in France. She was there for a couple of days; she was able to go out with Mrs. Chirac to her constituency. And she called me last night very, very excited and very pleased. And I thank you for your hospitality. It was wonderful.

President Chirac. The visit to Correze was simply fascinating, as we heard. And I certainly agree with that.

President Clinton. We're going to discuss this. As you know, I think it's important that we take a clear position. I hope we can convince Pakistan not to engage in testing. I'd like everyone to sign on to the Comprehensive Test Ban and work together to reduce the nuclear threat.

There are ways for a great nation to preserve its security without nuclear weapons, and that's what I want to focus on.

Middle East Peace Process

Q. Mr. President, there were eight people killed on the West Bank. Is that a sign people are losing hope in the peace process there, and what can you do?

President Clinton. Well, we know there's a lot of frustration there, and I regret very much the loss of life as well as the tensions which occurred there. I saw the—all I know is what I saw on television last night. But for me, the larger lesson is that delay is not the friend of peace and that we need to work very hard. I'm encouraged that Secretary Albright and Prime Minister Netanyahu are still working, and we need, I think of all us, to try to come to terms with the difficult issues that would at least get the parties into the final status talks.

We have been more than a year now without any substantial progress. And I think the larger message here, apart from the tragedies involved for everybody, is that delay is not the friend of the peace process. It's time to move.

Situation in Indonesia

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

President Clinton. Would you translate for the Americans?

President Chirac. Well, of course, we would like to have a peaceful solution to the Indonesian crisis—all the more, considering that Indonesia needs the international community in order to overcome the financial crisis. And of course, we will encourage fully any solution that would be liable to settle the political crisis in Indonesia.

President Clinton. Let me say, first, we have been working since last November with President Soeharto and with Indonesia to try to work through the financial crisis. The IMF has modified its plan on a couple of occasions to try

to make it possible to have both reform and to minimize the harm to ordinary citizens in Indonesia.

In terms of who should govern Indonesia, that is a question for the Indonesians to decide, not the G-8. But I do believe that resolving the crisis now requires not only economic reform but also a genuine dialog between the Government and all the elements in society to try to determine how they should go forward. That, to me, is the most important thing. The result of that dialog is for them to decide, not us.

President's Health

Q. Mr. President, how is your back?

President Clinton. Great. Much better today.

NOTE: The exchange began at 1:52 p.m. at the Swallow Hotel. In his remarks, the President referred to President Chirac's wife, Bernadette, Councillor General, Correze Department; and Prime Minister Binyamin Netanyahu of Israel. President Chirac spoke in French, and his remarks were translated by an interpreter.

Remarks Prior to a Working Luncheon With President Jacques Chirac of France in Birmingham, United Kingdom

May 15, 1998

I was playing on a basketball team in Oxford, and I can remember playing the University of Birmingham. But it's changed very much. I learned today Birmingham has more meters of canals than Venice. I didn't know that, either. And I went walking—it's amazing—you should take a little time to go for a walk on the canal. It's utterly amazing; it's beautiful—it's beautiful. Mostly it's new development, mostly in the last 10 years, new pubs, new stores. But they have a lot of the old hooks lifting things off the barges—[inaudible]—factories, heavy industry.

But it's very, very beautiful. It's amazing what they've done. I now see why Tony wanted us to come. I mean it's a real symbol of—[inaudi-

ble]—in a new direction. Even if you just have a few minutes, I think, to walk along the canal and have some local person explain how it works, as I did, it's fascinating.

So we have to go to work, everyone. [Laughter]

They have to work, too. They work hard. When we go on these walks, they have to carry all this heavy equipment. I feel so badly for them. You didn't even get a beer, did you, when we were done? [Laughter]

NOTE: The President spoke at 2 p.m. at the Swallow Hotel. In his remarks, he referred to Prime Minister Tony Blair of the United Kingdom.