

The President's News Conference With President Vladimir Putin of Russia
in Kranj
June 16, 2001

President Bush. Good afternoon. President Putin and I have just concluded 2 hours of straightforward and productive meetings. We had a good discussion of our views of Russian-American relations and of the changing world at the beginnings of this new century. Our countries have common interests, and we share great responsibilities.

My meeting with President Putin today is an important step in building a constructive, respectful relationship with Russia, a relationship that has the potential to benefit not only our two countries but also the world. Russia is an important country with vast potential. When Russia and the United States work together in a constructive way, we can make the world a safer and more prosperous place.

I enjoyed the opportunity to meet President Putin in person for the first time. I am convinced that he and I can build a relationship of mutual respect and candor. And I'm convinced that it's important for the world that we do so.

More than a decade after the cold war ended, it is time to move beyond suspicion and toward straight talk, beyond mutually assured destruction and toward mutually earned respect. As we work together to address the world as it is, not as it used to be, it is important that we not only talk differently; we also must act differently.

We have great opportunities to cooperate on economic, commercial, regional, and security issues. President Putin and I have agreed to launch an extensive dialog about a wide range of issues that we can constructively address together.

We also discussed the importance of sound investment climate to improve Russia's future economic prosperity. I was so impressed that he was able to simplify his tax code in Russia with a flat tax. I'm not

so sure I'll have the same success with our Congress.

We must continue a dialog, so I'm prepared to send both Secretary O'Neill and Secretary Evans to Moscow soon to further our discussions. I want to encourage Russian and American businesses to become more involved in our discussions, so that together, we can foster meaningful investments. President Putin agrees with this approach.

And we've agreed to launch regular detailed and serious consultations on the nature of our security relationship. I said to President Putin that we need a new approach for a new era, an approach that protects both our peoples and strengthens deterrence by exploring and developing our new attitudes toward defenses and missile defenses. I've directed Secretary of State Powell and Secretary of Defense Rumsfeld to work with their Russian counterparts to begin discussing a new security framework. I have invited President Putin to Washington this fall; he accepted. He invited me to Russia, and I accepted, and I look forward to the visit.

We also agreed to continue our cooperation and work toward common solutions on important regional issues, from the Balkans to Nagorno-Karabakh to Afghanistan. And we discussed our common interest in developing the energy resources of the Caspian Basin in a way that benefits all the countries of the region.

Respectful relations require honesty. And we did discuss areas where my country has differences with Russia, over Chechnya and over media relations. I also expressed my hope that Russia will develop constructive relations with its neighbors, like Georgia, that are trying to find their own way in a challenging but hopeful world.

This was a very good meeting. And I look forward to my next meeting with President Putin in July. I very much enjoyed our time together. He's an honest, straightforward man who loves his country. He loves his family. We share a lot of values. I view him as a remarkable leader. I believe his leadership will serve Russia well. Russia and America have the opportunity to accomplish much together; we should seize it. And today we have begun.

And finally, I'm especially pleased we're able to have this meeting in Slovenia, one of the success stories of Southeast Europe. In my meetings today with the President and the Prime Minister, I reaffirmed America's support for Slovenia's integration with Europe and the Euro-Atlantic community. I especially thank the people of Slovenia, and I want to thank the leadership for such warm hospitality and congratulate the people on the 10th anniversary of its independence on June the 25th.

I only regret not staying long enough to see Lake Bled or to climb Mount Triglav. Who knows, maybe I'll have the opportunity down the road.

Mr. President.

President Putin. First of all, I wanted to confirm everything that's been said by President Bush when he characterized our meeting. I could even add that I was counting on an open, frank dialog, confidential dialog. But in this regard, as they say in cases like this, reality was a lot bigger than expectations, because this was not only a confidential discussion but extremely and all the way to more than what you could expect from frankness, because President Bush, as a person who has studied history, proposed a very global, wide-scale approach and view to history. And it was very interesting and positive.

We sat, talked about the past, about the present, about the future of our countries and about the development of the situation in the world for many years into the future. This was really a very interesting discussion. I think that we found a good basis to start

building on our cooperation. We're counting on a pragmatic relationship between Russia and the United States. We compared our approaches in key areas, and once again, we established our common ground.

I want to return now to what the President said very recently, that Russia and the United States are not enemies, they do not threaten each other, and they could be fully good allies. And taking into account the fact that the United States and the Russian Federation—as no one else, as no other country of the world—have accumulated huge amounts of nuclear weapons, weapons of mass destruction, we bear a special responsibility for maintaining the common peace and security in the world, for building a new architecture of security in the world.

All of this presupposes a very close cooperation for strengthening security in the 21st century. And saying this, any unilateral actions can only make more complicated various problems and issues.

One of the central topics of our discussion was the strengthening of strategic stability. We exchanged our views on our approaches. It was very important for me to hear how and what the President of the United States thinks and to hear directly from him.

In turn, naturally, I expressed the approaches of Russia in this sphere. The differences in approaches do exist, and naturally, in one short moment, it's impossible to overcome all of them. But I am convinced that ahead of us we have a constructive dialog and the will to talk about these topics, to discuss, to hear, to listen—to listen and to hear each other. And to my mind, this is very important.

The President and I have agreed that we're going to tell our Ministers of Defense, Secretaries of Defense, Foreign Ministers, to continue in this vein, to continue this discussion without any pauses.

Of course, we discussed some very difficult regional issues, the Near East and

Afghanistan and the Balkans. I have to say that this discussion showed that the differences in our approaches in the very fundamental areas are much less than that which unites us. The differences in our positions, positions of the two countries, really are not of a fundamental nature, a global nature, something which cannot be solved—not at all. I think that it would be very incorrect for us to start forcing out issues and arguments and not take into account the very fundamental, main concepts and issues in our relationships, which are the basis and the whole foundation of the relationship between the Russian Federation and the United States of America.

The President and I are united in saying that the economic ties between our two countries do not correspond to the potential of our two countries. The Government of the Russian Federation, businessmen of both countries, and the U.S. administration, of course, can do a lot more to support the effectiveness of our economic ties. And the President expressed that we need an additional impulse from our businessmen, that we will do everything possible to receive a very high-level business delegation of the United States to Russia, moreover, especially if it is headed by one of the senior officials of the U.S. administration.

Here there are a lot of very specific issues. We talked about energy resources; we talked about using the Caspian Basin. You know, very soon the new pipeline system is going to go into effect, which is going to be transporting energy resources from the Caspian region through *novie russkies*. And this is a joint project of two companies, Russian and American companies. I'm sure that this will not be the last such project.

I want to stress here that the issues that were discussed at Ljubljana are going to be the subject of our continuing dialog. And we really, in fact, did agree that we're going to talk in Genoa; we're going to talk in Shanghai at the APEC Conference. And I'm very grateful to the President of the

United States for inviting me to the United States. I would do it with great pleasure, especially because he invited to have me over at his ranch. And I'm going to receive him in my own home, not just in Russia but in my own home.

And the last, in the last few months, and at the very threshold of our meeting, there was a lot of discussion about the fact that U.S.-Russian relations are overburdened by problems and issues that are somehow reaching a critical stage. I think the very nature and the result of our discussion today between myself and the President of the United States will put an end to all of these rumors. We see very clearly a very positive prospect of our relationship in the future. And we are all geared up to work in the future constructively, pragmatically, and to establish very good, predictable relationship.

And of course, I cannot but say the very highest about the hospitality of our hosts, who provided us with all the conditions necessary for holding this very good meeting—good, moral atmosphere.

Thank you. Thank you ever so much.

Moderator. Dear colleagues, we have said that we're going to give the first opportunity to ask a question to journalists from Slovenia, please.

[*At this point, a question was asked, and an English translation was not provided.*]

President Bush. I don't think the interpreter could have done it in English, but anyway, go ahead.

NATO Enlargement

Q. On the next summit in Prague, where, according to Lord Robertson, enlargement will happen, and what is the Russian position on enlargement?

President Bush. I went to my first NATO summit, and there appears to be a uniform desire to expand NATO. This is certainly the position of my country. But as I reminded the leaders today, that there is a

process, and the countries must work toward that process. I am impressed by the progress being made in this country, and we will take that under consideration when we meet in Prague a year from this fall.

The Balkans

Q. A question for you, Mr. Putin. You're leaving from Slovenia, straight to Belgrade. Do you have any concrete solutions for the Balkan crisis?

President Putin. As I understand you, what you have in mind is the situation in the region.

Yes, it's working. It's working. It's good to have dealings with effective people that make things work.

As I understand it, what you have in mind is the overall situation in the Balkans, right? Macedonia, Kosovo, et cetera, right? Well, we do have our own idea, vision of what's happening here and how we should act.

Today we did discuss with the President of the United States, Mr. Bush. The most important things that we have to really pay attention to is to put an effective block, an end to any kind of extremism and feelings of intolerance—religious intolerance. People who are trying to solve, no matter how complex an issue of national or ethnic or religious conflict—weapons simply are not those kinds of things which can solve these problems.

In some of the countries of the former Soviet Union, for instance—you probably know, we talk about this very often—in the Baltic States, for instance, we feel that human rights are damaged, especially of the ethnic Russian populations. In Latvia, for instance, 40 percent of the population is Russian-speaking, a huge number of non-citizens—in other words, people who can't even get citizenship. We don't send weapons there. We don't support those people. We don't call it terrorism. We don't try to get people to rise up on the basis of national or ethnic origin or religious feel-

ings. We don't encourage people to take up arms to fight against that.

I stress against, and I insist that people who try to do this do not deserve the support of the international community. But on the contrary, the international community must say once and for all, everybody who does this will receive due answer. These things can only be solved through negotiations. This is a very difficult process. It requires patience, but there is no other way.

National Missile Defense/Nuclear Proliferation

Q. A question to both of you, if I may. President Putin, President Bush has said that he's going to go forward with his missile defense plans basically with or without your blessing. Are you unyielding in your opposition to his missile defense plan? Is there anything you can do to stop it?

And to President Bush, did President Putin ease your concern at all about the spread of nuclear technologies by Russia, and is this a man that Americans can trust?

President Bush. Yes. Do you want to go first?

President Putin. Now, as far as the issue of antimissile defense, the official position of the Russian Government is known. I don't think we need to spend time to, yet again, declare it. We proceed from the idea that the 1972 ABM Treaty is the cornerstone of the modern architecture of international security. We proceed from the premise that there are elements which unite us with our partners in the United States.

When we hear about things like concerns of the future and about threats from the future, we do agree that together, we have to sit down and have a good think about this. But we proceed from the idea that these concerns and threats are different kinds of things. Threats have to be defined. We have to look at where they come from and then make some decisions as to how we have to counter them.

We feel that we can do it best together. Based upon today's dialog, I've come to the conclusion, and the impression, that we might have a very constructive development here in this arena; at least the President of the United States listened carefully. He listens to our arguments very carefully. But I think the specialists, as I have said before, have to sit down, have contact to identify the overall platform that we're going to work from, and try to find a way together to solve these problems.

Now, as far as the issues of proliferation and nonproliferation, I have to say that in our opinion, this is a topic that's very, very closely tied to the ABM Treaty because many other things are hooked onto this same string. And many threshold states, when it comes to the destruction of a previous accord, can only be happy and say, "Look, fantastic. Yesterday, we were threshold. Nobody agreed—nobody took any account of us—now, today, recognize us." This is a problem we're going to have to really think very hard about.

Can we trust Russia? I'm not going to answer to that. I could ask the very same question.

President Bush. I found him to be very straightforward and trustworthy. We had a very good dialog. I was able to get a sense of his soul, a man deeply committed to his country and the best interests of his country. And I appreciated so very much the frank dialog. There was no kind of diplomatic chitchat, trying to throw each other off balance. There was a straightforward dialog. And that's the beginning of a very constructive relationship. I wouldn't have invited him to my ranch if I didn't trust him. *[Laughter]*

Secondly, I appreciate the opportunity to be able to talk about a new relationship, and we will continue these dialogs. The basis for my discussion began with this simple premise, that Russia and the United States must establish a new relationship beyond that of the old cold war mentality. The cold war said loud and clear that we're

opponents and that we bring the peace through the ability for each of us to destroy each other. Friends don't destroy each other. People who cooperate do not have a basis of peace on destruction.

Our nations are confronted with new threats in the 21st century. Terror in the hands of what we call rogue nations is a threat. I expressed my concern—and so did the President—very openly, about nations on his border and nations that can't stand America's freedoms developing the capacity to hold each of us hostage; and he agreed. I brought up concerns about Iran. And I'm hesitant to put words in the President's mouth, but he said he's concerned, as well—I think that accurately categorizes your position—and we'll work together to stop the spread of weapons of mass destruction. And I believe as we go down the road that we'll be able to develop a constructive relationship as to how to use our technologies and research and willingness to keep the peace, in a way that makes the world more peaceful.

I was so pleased that we were able to begin constructive, real dialog between our Secretary of Defense Rumsfeld and Mr. Andrei Ivanov. These will be fruitful discussions, and I believe what people will see is a strategy, a joint strategy. The President's a history major, and so am I. And we remember the old history. It's time to write new history, in a positive and constructive way.

NATO Expansion

Q. This is a question to both Presidents, if you allow. Mr. Bush, you partially answered—you talked about issues of strategic security; you talked about the future. In this connection, could you tell us anything about what you talked about the expansion of NATO? Thank you.

President Bush. *[Inaudible]*—to expand, so long as nations met their obligations and fulfilled their—met what's called the MAP process. I said yesterday in Poland, I felt like a secure border for Russia, a border

with safe and friendly nations, is positive. And I expressed my Government's position very plainly. And the President, of course, had a reaction, which I'm sure he'll give you right now.

I thought he was going to give it to you right now. [Laughter]

President Putin. Yes, I'm going to lay it out for you. I'm going to lay it out for you. Look, I'm going to read to you something which was recently declassified. Speaking for myself—look, this was printed a while back, but there's a document—attached addendum documents which were secret. "Copy declassified"—it was top secret. Look, here it is. This is a note of the Soviet Government from 1954, sent to the countries of NATO. Here's what it says: "The leadership, holding to its inalienable policy and taking into account all the tensions, the Soviet Government announces its intention to enter into discussions with NATO countries about its participation in NATO, with the North Atlantic Treaty Organization."

And this was the answer—look, here's the answer: The Soviet Government proposed—they were talking about the widening of the NATO pact and what they're going to do about bringing the Soviet Union in. "There is no need to stress the completely unrealistic nature of such a proposal from the Soviet Union." That's the answer that NATO gave.

So what we're talking about here, you remember about a year ago, I think, somebody asked a question about, "What's your attitude? Is it possible that Russia is going to join in NATO or not?" I said, "Why not?" And right away, Mrs. Albright, former Secretary of State—she was someplace on a trip to Europe—she said, "Look, we're not talking about this right now."

Look, you understand that our attitude toward NATO is not was one toward an enemy organization; of course not. And I'm very grateful to the President of the United States that finally, from the territory of the United States, these words were heard.

This is very important for us; we value this. When a President of a great power says that he wants to see Russia as a partner and maybe even as an ally, this is worth so much to us.

But if that's the case, then, look, we ask ourselves a question: Look, this is a military organization? Yes, it's military. They don't want us there? They don't want us there. It's moving towards our border? Yes, it's moving towards our border. Why?

So this is the foundation of all our concerns, not just to bring it in or not bring it in, or accept NATO or not accept NATO. Look, the positive feeling that we now have developed today with President Bush—this could be a separate subject of discussion because, you know, Russia is cooperating with NATO. We have an agreement; we have association; we have various accords and treaties; there's the JPC. And there's no need to fire up this whole situation.

National Missile Defense/Russia-U.S. Relations

Q. Mr. President, did you offer President Putin any inducements in this conversation to ease his opposition to a U.S. missile defense plan?

And President Putin, to follow up on your comments just now, does the simple fact of President Bush saying that Russia is not an enemy actually change your strategic or military planning?

President Bush. I offered something; logic and a hopeful tomorrow. I offered the opportunity, which the President is going to seize, for us, as leaders of great powers, to work together.

We have a unique opportunity to address the true threats of the 21st century together. We have a great moment during our tenures to cast aside the suspicions and doubts that used to plague our nations. And I'm committed to do so.

I said in Poland, and I'll say it again: Russia is not the enemy of the United States. As a matter of fact, after our meeting today, I'm convinced it can be a strong

partner and friend, more so than people could imagine.

The leader of Russia is working hard on behalf of his people to promote prosperity and peace. And I believe our nations can work together to achieve prosperity and peace, not only within our respective countries but around the world. I believe that.

And so we didn't have a bargaining session. We had a session of two men who have come to office for the right purpose, not only to represent our countries but given our standing, our respective standings, to work together to deal with the threats of the 21st century. A threat of the 21st century is energy; a threat of the 21st century is poverty; a threat of the 21st century is the spread of weapons of mass destruction. And as the President said to me clearly, he said that "You're not the only nation that cares about weapons of mass destruction; we care." And we have an opportunity to do that. We have an opportunity to reject extremists that could threaten our respective nations and respect our—and threaten our alliances. And we will do so—we will do so.

And today has been a very constructive day. Everybody is trying to read body language. Mark me down as very pleased with the progress and the frank discussion. We will meet again in July, then later in the fall. Then we'll have the great Crawford, Texas, summit. And I believe that people who watch carefully our relationship will see that it grows and emerges. It starts with trust. Ron [Ron Fournier, Associated Press] asked a great question: Can I trust him? And I can. And from that basis we can begin a very fruitful relationship.

Q. So there were no specific—that you offered in this meeting, just logic?

President Bush. We did not—well, first of all, our relationship is larger than just security relationships. It's bigger than figuring out how to deal with the ABM Treaty; it's much bigger than that. It deals with two leaders who share values.

The President told me something very interesting. He said, "I read where you named your daughters after your mother and your mother-in-law." And I said, "Yes, I'm a great diplomat, aren't I?" [Laughter] And he said, "I did the same thing." [Laughter] I said, "Mr. President, you're a fine diplomat, as well." We share our love for our families. We've got common interests. And from that basis we will seize the moment to make a difference in the world. That's why he ran for the Presidency, and it's why I ran for the Presidency.

This is not a bargaining session. The President didn't say, "You know, if you do this, I'll do that." It's bigger than that. It's a bigger relationship than that, and it's important to understand that.

Q. Question on whether the simple fact of President Bush saying that you are no longer—the United States is not your enemy actually changes your military thinking or your strategic thinking and planning?

President Putin. This is not a question; I think this has become an interview. [Laughter] But look, nonetheless, I'll respond. It's not by accident that I said that's it's important for us. And it seems to me that if you start with a mutual understanding that we are partners, that's the way we're going to move to try to solve this very important issue.

Look, we didn't just sit down and say that our specialists are going to meet and they're going to have an exchange of views. But we agreed that they're going to discuss very specific questions which cause concern to both sides, very specific items. I'm not prepared right now to get into this publicly, but we're talking about specifics.

Moreover, I have to say that between Russia and the United States, we have two protocols that we've signed on nonstrategic ABM systems, in New York and I think it was in Helsinki. And this, too, is a subject of very special review. I think the specialists should define all these things. Again, I define—I repeat—define the threats and

those things which just stand in the way; to look at the power that both countries have to neutralize these threats. I think we can work out a common approach.

Russia-U.S. Economic Ties

Q. To both Presidents, if you allow: Getting back to trade and economic issues, ties between our two countries, how soon do you think we can expect a delegation of American businessmen to Moscow? And do you have any plans on creating an intergovernmental commission of various agencies, which could stimulate economic ties between the United States and Russia? Thank you.

President Bush. I'll talk to the Secretary of Commerce as soon as I get back and tell him of our agreement and get him moving. Sometimes I worry a little bit about commissions. If commissions exist just to exist, then I don't think it's fruitful. If commissions exist in order to stimulate action, then perhaps.

Let me say one other area where the United States is in agreement with Russia. We think Russia ought to be admitted into the World Trade Organization. And we'll work toward that end. The Russian President has expressed a desire to join the WTO, and I think it makes sense. I think that will help a lot.

And there's a lot of areas in our business relationships. I reminded the President that oftentimes people speak in terms of—they say Russia is a country of great resources, only referring to the energy resources, the mining resources, the timber resources. That's true. But Russia has got a resource that's invaluable in this new era, and that's brainpower. Russia's got great mathematicians and engineers who can just as easily participate in the high-tech world as American engineers and American mathematicians. And that's an area of great interest to me, and it's an area of great interest to the President. It's an area where we can begin a fruitful dialog.

The deployment of capital is something that's very important to Russia; it's important to our businessmen. The President understands it's important to have rule of law, a reasonable tax system, transparency in the economy. And he's working toward that, and I am grateful. Our businessmen and our Secretary of Commerce will hear that when they travel to Russia.

President Putin. You know, I agree with the President in that to overload our relationship by a variety of bureaucratic structures and organizations, that's not always justified. The most important thing is to create favorable conditions for effective work by the business community. We know the plans of President Bush with respect to his taxation policy and with respect to other measures which he is planning, with respect to the economy of the United States.

From our part, we still have to do so much that would make Russia attractive for foreign investors—although among international investors, the Americans are in first place. Naturally, first and foremost, we have to take care of the issues of the energy problem in the world at large. American business is showing a great interest in this sphere.

But we also know that President Bush has plans in the atomic energy field. Here, too, we think we've got a couple of things we could talk about. We have a very fruitful area of cooperation we could work in. We have a number of various structures that are working very appropriately now in reprocessing uranium.

We've got pretty good cooperation in space now. It seems to me that to a significant extent, that which exists now, it is functioning very successfully now, the space station, the International Space Station and the participation of the United States and Russia.

We have so many other areas we'd like to work in. But when the businessmen come—that depends, of course, on the U.S.

side—but we'll receive them at any time that's appropriate to them.

NOTE: The President's news conference began at 5:30 p.m. at Brdo Castle. President Putin spoke in Russian, and his remarks were translated by an interpreter. In his remarks, President Bush referred to his mother, Barbara Bush, his mother-in-law, Jenna Welch, and his daughters, Jenna and Barbara P.;

Russian Minister of Foreign Affairs Igor Ivanov; and President Milan Kucan and Prime Minister Janez Drnovsek of Slovenia. He also referred to MAP, NATO's Membership Action Plan process. President Putin referred to former U.S. Secretary of State Madeline K. Albright; and to JPC, the NATO-Russia Permanent Joint Council. A reporter referred to NATO Secretary General Lord Robertson.

Remarks Following a Meeting With Secretary of State Colin L. Powell and an Exchange With Reporters *June 18, 2001*

The President. Good morning. The Secretary and I were following up on our recent trip to Europe. I had some conversations today with the President of Spain, the Prime Minister of Britain, the President of Poland, to brief them on my conversations with President Putin.

The conversation with President Putin was positive. It indicated to me that we can have a very frank and honest relationship, that there are areas where we can work together. And I shared with those three leaders the summary of my discussions with him.

They were most pleased that the conversation went well. They were pleased to hear that the United States welcomes Russia to look westward and will help Russia do so. And they were pleased to hear we're going to send some delegations over to Russia to have economic dialog.

So, the Secretary is here today, where we can follow up and put an action plan in place to take advantage of the cooperation that I'm confident can exist.

Senior Adviser on Strategic Initiatives Karl Rove

Q. Mr. President, I was wondering what your level of confidence is, sir, in one of your senior political advisers, Mr. Rove? It

seems that some Republicans have voiced displeasure about some of the issues and decisions he was involved in recently—Vieques among them—as well as the calls for investigation of him, sir, in the House. I'm just wondering what your level of confidence is.

The President. My level of confidence with Karl Rove has never been higher. He's a man of—he gives me sound advice. He adheres to the ethical rules of our Government, and he's doing a great job on behalf of the American people.

Situation in Macedonia

Q. Mr. President, President Putin is now warning that the situation in Macedonia shows signs of becoming another, sort of, Kosovo. And in particular, he's called for closing the border between Kosovo and Macedonia, Albania and Macedonia. Are those steps that you would support? And what do you think can be done to avoid having the sort of U.S.-Russian tensions that occurred during the Kosovo crisis?

The President. Well, we strongly believe we need to shut off the border between Kosovo and Macedonia. As a matter of fact, our troops that participate in KFOR are doing just that.