

global approach to eliminating or significantly reducing illicit drug production, where appropriate through effective alternative development programmes.

Non-Proliferation and Export Controls

24. The proliferation of weapons of mass destruction and their delivery systems threatens the security of every nation. Our countries have been in the forefront of efforts to prevent proliferation, and we have worked closely together to support international non-proliferation regimes. We pledge to continue and strengthen this co-operation. As a key element of this co-operation, we reaffirm our commitment to ensure the effective implementation of export controls, in keeping with our undertakings within the non-proliferation regimes. We will deny any kind of assistance to programmes for weapons of mass destruction and their means of delivery. To this end, we will where appropriate undertake and encourage the strengthening of laws, regulations and enforcement mechanisms. We will likewise enhance amongst ourselves and with other countries our co-operation on export control, including for instance on the exchange of information. We will ask our experts to focus on strengthening export control implementation. And we will broaden awareness among our industrial and business communities of export control requirements.

Year 2000 Bug

25. The Year 2000 (or Millennium) Bug problem, deriving from the way computers deal with the change to the year 2000, presents major challenges to the international community, with vast implications, in particular in the defence, transport, telecommunications, financial services, energy and environmental sectors, and we noted the vital dependence of some sectors on others. We agreed to take further urgent action and to share information, among ourselves and with others, that will assist in preventing disruption in the near and longer term. We shall work closely with business and organisations working in those sectors, who will bear much of the responsibility to address the problem. We will work together in international organisations, such as the World Bank to assist developing countries, and the OECD, to

help solve this critical technological problem and prepare for the year 2000.

Next Summit

26. We accepted the invitation of the Chancellor of the Federal Republic of Germany to meet again next year in Köln on 18–20 June.

17 May 1998

NOTE: This communique was made available by the Office of the Press Secretary on May 17 but was not issued as a White House press release. An original was not available for verification of the content of this communique.

The President's News Conference With European Union Leaders in London, United Kingdom

May 18, 1998

Prime Minister Tony Blair. Thanks very much, ladies and gentlemen. Do sit down. I'm sorry there isn't a text yet, but you'll be provided with one shortly.

Can I, first of all, set out what I believe that we have achieved at this summit, and then ask the President of the European Commission and, finally, the President of the United States to speak to you.

As you know, there have been for some years serious differences over the U.S.'s sanctions policy and the EU's extraterritoriality. And what we established today is at least a basis for a lasting solution to these problems. We've avoided a showdown over sanctions with which we don't agree, and we've done it in a way that at least provides the chance of a solution to the problem in the future. And the President of the United States will set out the U.S. position in a moment. So there's still more work to do, but it is a real step forward.

In addition, today we have launched a major new transatlantic trade initiative, the Transatlantic Economic Partnership, which will further add momentum to the process of developing what is already the most important bilateral trade relationship in the world. We've also agreed to work ever more closely together to promote multilateral trade liberalization.

Finally, we have welcomed the very substantial report presented to us by our senior officials on the progress achieved since our last summit towards further implementation of the 1995 new transatlantic trade agreement. Some examples of this are: cooperation to prevent drug smuggling through the Caribbean; a joint decision to give awards in central and Eastern Europe who have helped in recent years to entrench democracy and civil rights in those countries; and a joint EU-U.S. program in the Ukraine and Poland to warn women of the dangers of being lured into the sex trade in Western Europe.

So there are a series of measures that we have put together and agreed, and we have made very substantial progress on both the issues of sanctions and extraterritoriality, and of course, in taking forward our trade partnership through a major new trade initiative. And I'm delighted to be able to make those announcements to you today.

Jacques, do you want to add some words?

President Jacques Santer. Ladies and gentlemen, our summit today is the sixth between the European Union and the United States since the adoption of the new transatlantic agenda. These summits are becoming more and more important to the development of the transatlantic relationship. The breadth of issues we covered today and the substantial agreements we came to prove how worthwhile these meetings now are.

The 1995 new transatlantic agenda has led to much more intense cooperation across the Atlantic. It is not just a question of warm words but complete agreements. For example, today's signature of the mutual recognition agreement offers real benefits to business and consumers on both sides of the Atlantic.

Today's summit is particularly important because we and the United States have struck a deal on the U.S. sanctions laws. This agreement, after weeks of intense negotiations with the U.S. administration, finally brings peace in this longstanding dispute.

The European Union has opposed the United States sanctions laws on investments in Iran, Libya, and Cuba not only because we believe they are illegal but also because they are counterproductive. We in Europe have always taken very seriously the fight to

curb terrorism and the spread of weapons of mass destruction. But the U.S. sanctions laws make our cooperation on these issues more, rather than less difficult.

The deal today means that European companies and businessmen can conduct their business without the threat of U.S. sanctions hanging over their heads. It's a deal that is good for European companies who now have protection from the sanctions. It's a deal that is good for the European Union which has shown that it can act together, united in important foreign policy issues. And it is good for the transatlantic relationship which can now develop further, free of this longstanding dispute.

There are obviously still some further steps that need to be taken before the deal can be completely implemented, but I am hopeful that these will be concluded as soon as possible. By getting rid of the biggest problem in our relationship with the United States, the door is now open to further deepen and enhance our cooperation across the Atlantic.

Today at the summit we agreed to a substantial new initiative to deepen the trade relationship called the Transatlantic Economic Partnership. In this initiative, first we address the further removal of barriers in our bilateral trade. It also says that United States and the European Union will work together to achieve a substantial, further trade liberalization on a multilateral basis.

Today's agreement will add to the prosperity of both the United States and the European Union and, more generally, in the world. It will, thus, create better prospects for future jobs.

President Clinton, Prime Minister Tony Blair, and I will be in Geneva to celebrate the 50th anniversary of the GATT, an organization which has contributed so much to the stability and prosperity of the postwar world. Our agreements this morning sends a powerful message of transatlantic support to that meeting and to the further development of multilateral liberalization.

But of course, today's summit, as is usual on these occasions, was also an opportunity to discuss many key foreign policy issues including Turkey, Cyprus, Kosovo, and Ukraine. On Ukraine, we agreed to call on

the European Bank for Reconstruction and Development to play its part in the implementation of the memorandum of understanding on nuclear safety concluded between the G-7 and the Ukraine.

In conclusion, this summit has placed the transatlantic relationship on an even stronger footing. We can now look forward to an even deeper partnership in the future.

Thank you.

President Clinton. Thank you very much. I'd like to begin by thanking Prime Minister Blair for the creative and strong leadership that he has provided to the European Union and to the U.S.-EU partnership. And I thank President Santer for his years of work for European unity.

America welcomes a strong partnership with a strong and united Europe, to improve the lives, the security, the well-being of our own people and others around the world. The EU, as I'm sure all of you know, is America's largest trade and investment partner. Two-way trade supports more than 6 million jobs on both sides of the Atlantic.

Today I am very pleased that we have agreed to new steps to strengthen that economic partnership. First, we will work to dismantle trade barriers, both bilateral and multilateral trade barriers, in areas such as manufacturing, services and agriculture, about a dozen in all, while maintaining the highest standards of labor and environment.

Now, let me also say that we have agreed in this effort that we will make an effort to give all the stakeholders in our economic lives, environmental stakeholders, labor stakeholders, other elements of civil society, a chance to be heard in these negotiations, in these discussions. And I believe that is a new paradigm which ought to be mirrored in trade negotiations throughout the world.

Indeed, as President Santer said, when we conclude here, I am going to Geneva, where I will speak about how we can work together to strengthen the world trading system on the occasion of its 50th anniversary. And I will argue that the WTO ought to embrace the kinds of things that we and the EU have agreed to do here, to give all the stakeholders a role, and to do a better job of respecting the importance of preserving the environment and of making sure trade works for the

benefit of all the people in all the countries involved.

I am also pleased that we have reached agreement today, as the Prime Minister and President Santer said, on an issue of vital importance to our own security and well-being. We share an interest in combating terrorism and limiting the spread of weapons of mass destruction. We understand, always, the problems with weapons of mass destruction, but we are, I hope, all more sensitive to them in light of the recent events in South Asia.

Here in London, the EU countries have committed to enhance their cooperation with us with regard to Iran. They will step up efforts to prevent the transfer of technology that could be used to develop weapons of mass destruction. They have agreed to work toward the ratification of all 11 counterterrorism conventions. We've agreed to cooperate in the development of Caspian energy resources.

I'd also like to emphasize that Russia, too, has taken important steps to strengthen controls over the export of sensitive technology, notably but not exclusively, to Iran, in effect, establishing Russia's first comprehensive catchall export control system. We'll be watching and working closely with the Russians to help make sure this system works.

The actions taken by the EU and Russian advance Congress' objective in enacting the Iran-Libya Sanctions Act. It is not primarily a sanctions act. It is an act that is designed to give the incentives for all of us to work together to retard the spread of weapons of mass destruction and to support more aggressive efforts to fight terrorism. Therefore, the waivers we have granted today are part of our overall strategy to deter Iran from acquiring weapons of mass destruction and promoting terrorism. And it is an important new stage in our partnership.

We have also forged a pathbreaking common approach to deter investment in illegally expropriated property around the world, including, but not limited to Cuba. Our governments will deny all forms of commercial assistance for these transactions, including loans, grants, subsidies, fiscal advantages, guarantees, political risk insurance. This understanding furthers the goals of protecting

property rights in Cuba and worldwide, advances the interests of U.S. claimants, and protects U.S. investors, and does so far more effectively than the United States could have done alone.

It also furthers, as the Prime Minister said and as President Santer did, the objectives of the European Union in getting away from the unilateral sanctions regime.

We have finally agreed to work together with Russia to strengthen nuclear safety. This is also very important, especially with regard to nuclear waste removal and storage in northwest Russia. We will act together to encourage Ukraine to embark on bold economic reform and to speed the closure of the Chernobyl reactors that threaten safety and health.

Let me finally add that today we will honor 50 exceptional individuals from Europe's new democracies for their work in helping freedom take strong root across the continent. I believe about half a dozen of them are here today. From protecting human rights in Belarus to preserving the environment in Slovakia, these dedicated men and women, like so many others, are helping to make Europe free, peaceful, prosperous, and united. I thank them, and again, I thank the Prime Minister for his truly outstanding leadership.

Thank you very much.

Northern Ireland Peace Process

Q. All three of you have spoken of the economic benefits which could flow to Northern Ireland and, in some cases, you've announced specific packages; in view of the polls which clearly show that the majority of the Unionist community has yet to be convinced. How conditional are those benefits on convincing the "yes" vote in the referendum on Friday?

Prime Minister Blair. Well, I don't think anyone is trying to say that investment is conditional on how people vote. But what people are saying is: It's a matter of common sense; if there's peace and stability in Northern Ireland, there is a far greater chance of attracting investment; that people from Europe, from the United States, from right around the world see Northern Ireland as an immensely exciting investment opportunity.

But obviously, it's far easier from them to come and invest if they're investing in the context of peace and stability.

And I know that there are still people in Northern Ireland yet to make up their minds. And in the end the decision has got to be for people in Northern Ireland. But I have answered very clearly and specifically some of the questions that people have put to me. I have tried to tell people why it is so important that they recognize that the choice is not between the future that we've outlined in this agreement, which is the only chance I've seen of a peaceful, successful future for Northern Ireland, and the status quos that exist now.

The danger that we foresee is that the real choice is between the agreement and everything slipping back. And we want to do as much as we possibly can to avoid that, because we recognize, as your question implies, that if we can get real peace and stability there, well, the chances for people in Northern Ireland are just amazing. And we would like them to take advantage of that.

Mr. President.

President Clinton. Well, I agree with that. There's no sort of quid pro quo here. It's just a fact that, for example, the Irish community in America, both Protestant and Catholic, which desperately wants to see an end to the Troubles will be more interested in trying to make sure that a courageous effort on behalf of peace by the people of Northern Ireland has a better chance to succeed by greater investment. I don't think there's any question about that.

I also would just say that I think that if the majority community—in any vote to change, you might argue that the majority will always be willing to change because they're in the majority; they say, "Well, we have what we like now." But they don't have peace now. They don't have maximum prosperity now. And if you think about the next 10 to 20 years, if I were an Irish Protestant, which I am, living in Northern Ireland instead of the United States, I would be thinking about my daughter's future and her children's future. And I'd say, "If you look at the framework, this protects us, no matter what happens to population patterns, no matter what happens to immigration patterns, no

matter what happens. We're all going to be able to be protected and have a role in the democracy of our country, and I like that."

So I'm hoping that everyone will be thinking that way, thinking about the future, thinking about their children. And I think the risk of doing this is so much smaller than the risk of letting it blow apart, that I believe in the end a lot of the undecided voters will go in and vote their hopes instead of their fears.

President Santer. I only would add that the European Commission launched several years ago, as you remember the peace program and also for the reconciliation for Northern Ireland and the surrounding counties. And I was very impressed on my last trip in Northern Ireland several weeks ago, how many people are working across community levels in these schools, these programs. There are more, at this moment, more than 11,000 applications of this program, more than 200,000 people across the community working in these programs, and they are supporting from grassroot levels these peace and reconciliation programs.

Therefore, I think we have to support also from an economic side this peace process. It is a longstanding process, but nevertheless, I think that through our structures and programs that people are coming closer together and the cross-border community complying also to a lasting peace. And I wanted also that it would happen on Friday and we ask that you would also have the possibility to support it for the next time.

Middle East Peace Process

Q. Mr. President, Secretary Albright and Dennis Ross are here in London after the talks in Washington with Prime Minister Netanyahu. Has the Prime Minister softened his resistance to the American proposal for Israeli troop withdrawals, pull-backs from the West Bank? What will Secretary Albright take to the meeting today when she sees Yasser Arafat? Could you give us some kind of update on these talks?

President Clinton. On a few occasions in the past I have given you an answer like this, and I hope you will abide my having to do so again.

The posture of the talks now is such that anything I saw publicly to characterize the

position taken by Mr. Netanyahu, or anybody else in the back-and-forth, would almost certainly reduce the chances of our being able to get an agreement which would move the parties to final status and reduce dramatically tensions in the region.

So I think I should reaffirm what I said earlier today. The parties are working. They have been working hard. In my judgment, they have been working in honest, earnest good faith. And we have our hopes, but I think it is important not to raise false hopes or to characterize the talks at this time. They are just in a period when anything we say publicly will increase the chances that we will fail. And if we get something we can say, believe me, I'd be the first one to the microphone. I'd be very happy. But I think it's important not to do more than that now.

Chequers Golf Outing

Q. Mr. President, we gather it's not been all work today and that you are reported to have introduced our Prime Minister to the mysteries of golf. How did he do?

President Clinton. You know, there's a golf course across the street from Chequers, and the first nine holes were a part of the Chequers to stay until 1906. So it's at least 100 years old, the first nine holes. So this morning I got up early and the Prime Minister went with me and we walked about four and a half holes of the golf course. And he says, mind you, that he has never hit a golf ball before in his life. And he asked me to drive two balls off of every tee of these four holes we played, and that he would play the rest of the way in.

So I told him how to hold the club, how to stand, how to swing. And it was embarrassing how good he was. And the guy that was going around with us was a four handicap. For those of you who play, that's nearly scratch; it's very good. And he thought, he just couldn't believe the Prime Minister was telling the truth, that he never hit the ball before. It was amazing.

All I had to do was get him off the tee, and he did very well. He three-putted no greens; he two-putted every green, all four greens. And he only just missed two shots. The rest of it—it was unbelievable. Either

he is an unbelievable athlete, or I have a career as a golf instructor after I leave the White House. [Laughter] One of the two things must be true.

Prime Minister Blair. It's true. I'm ashamed to say I haven't played golf. But I had the best teacher I could possibly have. It's not everyone who says he's been given golfing lessons by the President of the United States of America. But we will put it down to beginner's luck, a bit like politics. [Laughter]

Nuclear Proliferation in South Asia

Q. Mr. President, have you or will you contact the Indian or Pakistani Prime Ministers concerning the nuclear programs they're developing? What factors are you weighing in deciding whether to go ahead with your trip planned for later this year to those two countries? And did the agreement that you announced today, or understanding on sanctions that you announced today, provide any way through to resolving the dispute that you had up at the G-8 on how to properly respond to India and Pakistan's programs?

President Clinton. The answer to the latter question is, no. The answer to the first two questions you asked is, I would like to talk to the Pakistani Prime Minister just to reassure him of my support for a decision not to test and my understanding of the difficulty of his position and what I think is the way out of this. I think Prime Minister Blair feels the same way.

I have made no decision about my travel plans. But keep in mind, what we need here is a way to break out of this box. What we need here is a way for both the national aspirations for security and for standing on the part of the Indians, and the national aspirations for security and for standing on the part of the Pakistanis to be resolved in a way that is positive.

I mean, this is, indeed, a very sad thing because it has the prospect of spreading not just to Pakistan, but to others in a way that could reverse decades of movement away from the nuclear precipice, in ways that clearly will not increase the security of countries, no matter how many times they say over and over and over again they only want these weapons for defensive purposes.

And so that's what we have to do. And it's too soon for quick, easy answers on that. But I can tell you that my view is, we need—instead of saying, "We're not going to talk. We're not going to go here. We're not going to go there," what we really need to think of is—Pakistan has been a good ally of ours, India has been, arguably, the most successful democracy in history in the last 50 years because they preserved the democracy in the face of absolutely overwhelming diversity and difficulty, and pressures internal and external—and they can't get along over Kashmir, and they have some other tensions. And then their neighbors sometimes turn up the tensions a little bit.

We've got to find a way out of this. We can't have a situation where every country in the world that thinks it has a problem, either in terms of its standing or its security, believes that the way to resolve that is to put a couple of scientists in a laboratory and figure out how to conduct a nuclear explosion. We just—that is not the right thing to do. But we have to find the right way, offer it, and work it through with these folks. And I think maybe we can.

But the answer to your question is, I'd like to talk to the Pakistani Prime Minister, not because I think I can pressure him into doing that—I don't think for a moment I can do that—but just because I would like to express my personal conviction about this in a way that I hope would allow them to think about it.

Turkey, Greece, and Cyprus

Q. Mr. President, did you have a chance to talk about Turkey's European case, and related with that, the Cyprus question with Mr. Blair and other world leaders?

President Clinton. Yes, I did. And if I had any sense, I'd just stop there—that's the answer to your question.

You know what I think, what the United States believes. The United States believes that there ought to be a path for Turkey to keep moving toward closer union with Europe. The United States supports the fact that Turkey and Greece are in NATO. The United States believes that there should be an honorable settlement to the Cyprus impasse because it is keeping Turkey and

Greece, and the other Aegean issues—keeping Turkey and Greece from being genuine allies and being genuinely available to spend their time, their energy, and their resources promoting peace and development for their own people, and being enormous, stabilizing forces in their respective regions of Europe.

So, for me, this is a very important thing. To get there, I think we'll have to proceed on many fronts at once, and I think both the Turks and Greeks will have to make difficult decisions, which I believe the European Union, and I know the United States will strongly support. But I don't think we can solve one problem in isolation from the other. I think we have to move forward on all these problems—the Cyprus, the Aegean jurisdictional disputes, the role of Turkey in Europe's future—all of that we have to move forward on. But I think that both the Greeks and the Turks have a bigger interest in a comprehensive resolution of that, and I know the rest of us do, than it appears just from following daily events. We have got to resolve this.

Prime Minister Blair. Can I just add to that, on behalf of the European Union, that I agree entirely with what the President has just said. And I think it's important to emphasize yet again that Europe wants a good and close relationship with Turkey. We want Turkey to feel included in the family of European nations. We have a deep concern over what has happened, and is happening, in Cyprus. And we believe it is essential that we make progress in this area.

Now, we know the difficulties that Turkey felt that it had following the Luxembourg conclusions last year, but I think we should and will redouble our efforts to give a very clear signal to Turkey about our proper and true intentions and also to do what we can to bring hope in the conflict in Cyprus.

Nuclear Proliferation in South Asia

Q. Thank you very much, Mr. President. If I could ask the Prime Minister and President Santer, Pakistan is complaining about the lack of response to India's nuclear explosions. Specifically, at the G-8, there was no call for sanctions. Britain and the European Union are not following the lead of the United States, Canada, and Japan, and calling

for sanctions. Will Britain and the European Union impose sanctions on India for its nuclear explosions?

And to you, Mr. President, beyond words to Pakistan, and beyond the possible delivery of those F-16's that Pakistan has already paid for, what specific concrete steps will you take to reassure the Pakistanis that might convince them not to go ahead with their own nuclear test?

Prime Minister Blair. Well, in respect to the first point, I mean, as the G-8 statement made clear, obviously, individual countries have their own individual positions vis-a-vis sanctions. But do not underestimate two very clear points of agreement that were established in our G-8 discussions. The first is our condemnation of the Indian nuclear tests. The second is our desire to see India integrate itself unconditionally, into the Comprehensive Test Ban Treaty process.

And I believe if we need to look at the way forward from here, it is not merely a question of expressing our dismay and concern, which I did personally to the Indian Prime Minister last Friday; it is also finding the best way forward from now. And we expressed that very clearly at the G-8. I'm sure that is the position of all of the European Union countries, as well. And I think the most persuasive argument with Pakistan is to say very clearly to them that if India believes that it enhances its standing in the world by this action, it does not. And all of us are deeply conscious of the threat and danger to security of the world that nuclear testing poses. So that is why I think it is important to see where we go from here. And the statement of the G-8 particularly in relation to the Comprehensive Test Ban Treaty was most important and significant.

President Santer. I only want to add, first, that the European Union would, at the next European Ministerial Council on the 25th of May—so next Monday—discuss the relations about the European Union with India on the basis of the statements we made at the G-8 meeting last weekend.

Second, speaking from the European Commission, I must say that the main program we have—about 80 to 90 percent of our programs are humanitarian programs to India. We are focusing to the poorest people

of this country. So I don't think that sanctions for these programs, the humanitarian programs, would not produce any deeper concern. But we have to reflect on our attitude and the concerted attitude to India on the next occasion—on Monday.

President Clinton. First of all, let me say, I think that it's important to point out that in addition to Japan, Canada, and the United States, the Dutch, the Swedes have announced that they intend to have economic—take economic actions, and I believe there will be other European countries as well.

And everybody who was at the G-8 said that there would be some impact on their relations with India as a result of this. So I thought it was quite a strong statement. And given the well-known positions of all the countries involved, I thought it was stronger than could have been predicted when we went in.

Now, what I would hope we could work with the Pakistanis on are specific things that would allay their security concerns, and also make it clear that there will be political and economic benefits over the long run to showing restraint here. But the Prime Minister mentioned one of the things that I think could really help us out of this conundrum, which would be if India would say, "Okay, now we're ready to sign the Comprehensive Test Ban Treaty," Pakistan has said in the past that if India signed, they would sign.

But again, I say somehow we've got to put this back on track. Remember, it wasn't very long ago that Argentina and Brazil had nuclear programs. And they just said, "We're not going to do this. We are not going to run the slightest risk that some future rift between ourselves would lead to some kind of explosion. We're not going to sink vast amounts of our national treasury into this when we have so many poor people in our country and we need this money freed up to other things. We are going to find other ways, number one, to take care of our security and, number two, to consider ourselves and have others consider us great nations."

And I think it would be fair to say that both of them have succeeded very well. I think it would be fair to say that at least all of us who live in the Americas believe they're

enormously important countries and think more of them, not less of them, because they gave up their nuclear weapons. They have vigorous militaries, and they certainly feel themselves secure.

So we have to try to create that kind of condition under admittedly more difficult circumstances on the Indian subcontinent; that is, the previous tensions between India and China, the previous tensions between India and Pakistan. I understand they're different, but the fundamental fact is the same. So that's what I'm going to try to sell, and whatever happens, I'm going to work every day I'm President, until I leave office in 2001, I'm going to work for this because I do not want to see us slip back away. We're on the right track here as a world. We don't want to turn back.

Northern Ireland Peace Process

Q. Mr. President, why is it that if you feel it's so important to secure a yes vote in Northern Ireland, you decided it would be counterproductive to visit Northern Ireland before the vote?

And Prime Minister, are you concerned at opinion polls which suggest a slippage in the yes vote amongst the Unionist community? There is one in two Northern Ireland newspapers today which you may be aware of, which suggests that only 25 percent of young Protestants, who've never known anything but violence, are prepared to vote yes.

President Clinton. Let me answer your question first, because I think your question to the Prime Minister is the far more important one.

I decided that I shouldn't go, first of all, because I felt that I'd have just as good a chance to have my message heard if I did something like the interview the Prime Minister and I did with David Frost, that would be widely heard, under circumstances that would not allow me to become the issue in the election for those that are opposed to this measure.

I believe—you have to understand what I believe. I believe that the voters who actually weigh the merits and the substance and think rationally about what the alternatives are, if this fails and if it succeeds, will overwhelmingly vote yes. I believe the voters who

will vote no will be those who, frankly, don't trust the other side and don't feel that they can trust the other side and who, therefore, can get distracted. And I do not want to be a distraction.

The second reason I didn't want to do it is a lot of the leaders in Northern Ireland didn't think it would help. And my own experience is, I was the Governor of a State with not many more people than Northern Ireland had before I became President. And there were several times when the President of another party came into my State. At one time, I remember in 1984, President Reagan who was immensely popular in my State, campaigning for my opponent. President Reagan got 62 percent of the vote, and I got 63 percent of the vote. So it had no impact. I did not want to become the issue. But I did want my commitment to the welfare of the people of Northern Ireland in both communities to be heard. So I hope I made the right decision, and I hope I was heard.

Prime Minister Blair. To answer your question, I think there's obviously still a tremendous amount of debate going on. The fear that people have on specific issues—I've addressed those fears, each one of them—and those fears really revolve around this question: Is it clear that if people want to take their seats in the Government of Northern Ireland or to benefits of any of the programs or an accelerated prison release or any of the rest of it, is it clear that they will have to have given up violence for good? The answer to that question is unequivocally yes. It's what the agreement states. And I've made it clear, we will clarify that and make it clear in the legislation.

But beyond that, it is a decision that people are going to have to weigh in their own minds. And the easiest thing in politics is simply to say no. The easiest thing in politics is to sit there and say, "Change is something I'm afraid of, and I'm therefore just going to refuse it." But I ask everyone who takes that attitude to reflect upon what the future holds if there is a "no" vote for this agreement. And all the way through this campaign I've tried to ask people and to say to them, in order to understand their fears, say to them, "Well, what is the alternative to this agreement? Because, after all, what unionism

has fought for for 60, 70 years has been the principle of consent, and that principle is enshrined in terms in the agreement; in return, fairness and equal treatment for people from whatever side of the community they come from." Now, those are principles everyone can accept.

That's the agreement. That's the alternative I take to the table. I still don't know what the alternative is on the other side. And I just hope people reflect on that and really think about it, because every generation gets its chances; this is the chance for this generation in Northern Ireland. And we've all done our best to provide it for people, but in the end it's their decision. I can't make that decision for people. I can only tell them honestly what I believe and feel.

Microsoft Antitrust Case

Q. Mr. President, Microsoft has said that preventing it from distributing its Windows '98 software would cripple the computer industry and slow U.S. growth. Given the breakdown of talks over the weekend, do you now see a collision between Microsoft and the Justice Department as inevitable, and do you concur with their assessment of the economic consequences?

President Clinton. Well, let me say, as you know, as a general principle, I have taken the view that I should not comment on matters within the jurisdiction of the Justice Department that could be the subject of legal action. At this time, I do not think I should depart from that policy on this case, even though it obviously will have a big impact on an important sector of our economy. But I would have to say, based on what I know to date, I have confidence in the way the antitrust division in the Justice Department has handled the matter.

I say this, what I said—I want to reserve the right at sometime in the future if I think it's appropriate to make a comment, because this is not just an open-and-shut case of one party sues somebody else. This is something that would have a significant impact on our economy. But I think that, based on what I know, I have confidence in the way the antitrust division has handled this, and while it's pending at this time, I think I should stick to my policy and not comment.

European Union-United States Trade

Q. It seems like every 2 or 3 years there's another statement by European and American leaders that there's been another major breakthrough in trade relations. Do you now, all three of you, think it's time to set a clear and firm objective of a full-scale free trade agreement in goods, services, and capital across the Atlantic?

And, secondly, for Mr. President—I think we're struck by your repeated use of the word, "stakeholders" in your comments upon the agreement that you have reached today. Does this have something to do with your discussions about the third way that you've been holding with Mr. Blair, and is this now a key word in the process?

President Clinton. Well, let me answer, first of all, the question of whether there should be a U.S.-EU comprehensive trade negotiation is one more properly directed to the EU because there is—the United States has supported European Union and any devices, including the EMU, chosen by the leaders to achieve that union. We have also supported the broadest possible trade relationship with Europe and, as you know and have commented on elsewhere, a similar relationship in Latin America and in the Asia-Pacific region.

Now, as you know, to make full disclosure, I would have to have fast-track authority from the Congress to do some, but not all, of the things that we have contemplated in this agreement. I would be for an even more sweeping one, but I think, to be fair, it's more difficult, with all the other tensions and debates of unification going on in Europe, to get much further than we've gotten today, and what we have agreed to do is very considerable, indeed.

Now, the question you asked about the stakeholders, I have always believed that our country—that the United States could not succeed in the end, economically and socially at home, in providing opportunity for everyone who is responsible enough to work for it, and in having a community that's coming together instead of being torn apart, unless we maintained our level of engagement and involvement in the rest of the world. I have always believed we could not sustain our involvement in the rest of the world in trade

and other areas unless the American people thought we were doing it in a way that was consistent with their values when it comes to basic working standards, basic living standards, and preserving the global environment.

So what we have tried to do, without prescribing the end, is to set up a process here for our negotiation which will let all those folks into the trade debate. And what I am going to argue for at the WTO is an even more sweeping example of that. But Sir Leon Brittan—I think he's here today—commented earlier this year that in the preamble to the WTO, it says that sustainable development should be the goal of increasing global trade, and that part of the trade agenda should be providing the means to preserve the environment and increasing the number of tools to do so.

That's just one example. Is it part of the so-called third way? I think you could say that, but it's not something that came out of our dinner conversation last night. This is something Prime Minister Blair and I have long believed ought to be done. But you can't—we don't exist as economic animals alone, and in fact, if we don't find a way to prove that increasing trade will lead to prosperity more broadly shared in all the countries in which we deal and will give us the tools to improve the environment, in the end, our trade policies will prove self-defeating.

President Santer. For our trade relations, I can only say that since we adopted the new transatlantic agenda in December 1995, we made a huge progress, a long way together. And Secretary of State Madeleine Albright, this morning, made a list of all we have delivered since '95. It is a very impressive list.

Now, it's coming the way how we can deepen these transatlantic partnership relations further. And that we did this morning. And I think that this is really a major result for the future. We are the biggest world partner, the United States and Europe, and we have a balanced trade relations. And we have also a balanced foreign direct investments on both sides of the Atlantic, and, therefore, it seems to me that's very important that we strengthen and that we deepen these relations step-by-step for the future and that we make it in a very comprehensive way.

That's not to say that we would not have sometime some difficulties; the partners always have some difficulties. I remember that also with the member states in the European Union—that's my daily life—I have to deal with difficulties. And even with our friends here, in the Presidency, we are discussing the same problems—[inaudible]—cultural fields as we are discussing sometimes also with the United States. So, the thing is only in what spirit we are dealing with these problems. And therefore, I think we have to be in a partnership-like spirit, and that's the real sense and the deepness, the depths of our partnership relation. And therefore, I think this summit, the sixth summit since 1995, is a very important one, and gives a new signal for a new direction.

Situation in Indonesia

Q. With regard to Indonesia, sir, do you anticipate using U.S. forces to safeguard the lives of Americans in that country, and would the United States be prepared to give Soeharto asylum if it would help ease him from power?

President Clinton. Well, with regard to the first question, I have been given no indication that it is necessary at this time. And with regard to the second, the prospect has not been presented. As you probably know, just as we were fixing to come in here, there are all kinds of new stories which may or may not be accurate about very rapidly unfolding developments in Indonesia. And I expect that all of you may want to come back to me in 2 or 3 hours or 4 hours for comments on things that may be clearer than than they are now.

Let me just say again what I think the real issue is here. We want this country to come back together, not come apart. We want the military to continue to exercise maximum restraint so there will be minimum loss of life and injury. We want civil society to flourish there. We believe that Indonesia was headed for some tough times because there has to be some tough economic decisions taken no matter what government has been in. But the absence of a sense of political dialog and ownership and involvement obviously has contributed to the difficulties there. And then there has been a heartbreaking loss of

life of all the people who burned to death, for example.

So what we're looking for now and what we're going to be working for is the restoration of order without violence and the genuine opening of a political dialog that gives all parties in this country a feeling that they are a part of it. They should decide, the Indonesian people, who the leader of Indonesia is. And then we're going to do our best, when things settle down and human needs are taken care of and there's order, to try to get them back on the road to economic recovery. Because all of us have a big interest in the future success of a country that has done some fabulous things in the last 30 years, but it had a very bad few moments here.

Thank you.

Prime Minister Blair. Thank you very much, indeed.

President Santer. Thank you.

NOTE: The President's 159th news conference began at 1:20 p.m. at the Foreign and Commonwealth Office. The President met with Prime Minister Blair in his capacity as President of the European Council and President Jacques Santer of the European Commission. In the news conference the following people were referred to: Ambassador Dennis B. Ross, Special Middle East Coordinator; Prime Minister Binyamin Netanyahu of Israel; Chairman Yasser Arafat of the Palestinian Authority; Prime Minister Nawaz Sharif of Pakistan; and European Trade Commissioner Sir Leon Brittan, vice president, European Commission.

Statement of European Union/ United States Shared Objectives and Close Cooperation on Counter- Terrorism

May 18, 1998

1. The United States, the European Union and its member states are strategic allies in the global fight against terrorism—a grave threat to democracy, and to economic and social development. They oppose terrorism in all its forms, whatever the motivation of its perpetrators, oppose concessions to terrorists, and agree on the need to resist extortion threats. They condemn absolutely not only those who plan or commit terrorist acts, but also any who support, finance or harbour