

Exchange With Reporters Prior to Discussions With President Boris Yeltsin of Russia in Helsinki

March 21, 1997

Russia and NATO

Q. President Yeltsin, do you consider NATO a threat to Russia, or are you convinced otherwise by now?

President Yeltsin. Well, I'm not convinced otherwise.

President Clinton. We'll have a press conference later, guys.

Q. You guys always give us a surprise when you meet, Mr. President. Do you expect any surprises today?

President Yeltsin. Perhaps through the course of the discussions we may have some surprises. We won't have any surprises at the end of the discussions.

NOTE: The exchange began at 9:43 a.m. at Mantyniemi, the residence of President Martti Ahtisaari of Finland. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of this exchange.

The President's News Conference With President Boris Yeltsin of Russia in Helsinki

March 21, 1997

President Clinton. Please sit down, everyone. Don't make me all alone. [*Laughter*] Let me say that President Yeltsin and I will have opening statements, and then we'll begin alternating questions, first with a question from the Russian press and then the American press and then back and forth.

I would like to begin by thanking President Ahtisaari, Prime Minister Lipponen, all the people of Finland for their very gracious hospitality to President Yeltsin and to me and for the extremely constructive role that Finland plays in a new era for Europe.

This is my first meeting with President Yeltsin in each of our second terms, our 11th meeting overall. At each meeting we have strengthened our nations' relationship and laid a firmer foundation for peace and security, freedom and prosperity in the 21st century.

Here in Helsinki we have addressed three fundamental challenges: first, building an undivided, democratic, and peaceful Europe for the first time in history; second, continuing to lead the world away from the nuclear threat; and third, forging new ties of trade and investment that will help Russia to complete its remarkable transformation to a market economy and will bring greater prosperity to both our peoples.

A Europe undivided and democratic must be a secure Europe. NATO is the bedrock of Europe's security and the tie that binds the United States to that security. That is why the United States has led the way in adapting NATO to new missions, in opening its doors to new members, in strengthening its ties to nonmembers through the Partnership For Peace, in seeking to forge a strong, practical partnership between NATO and Russia. We are building a new NATO, just as the Russian people are building a new Russia. I am determined that Russia will become a respected partner with NATO in making the future for all of Europe peaceful and secure.

I reaffirmed that NATO enlargement in the Madrid summit will proceed, and President Yeltsin made it clear that he thinks it's a mistake. But we also have an important and, I believe, overriding agreement: We agreed that the relationship between the United States and Russia and the benefits of cooperation between NATO and Russia are too important to be jeopardized.

We didn't come here expecting to change each other's mind about our disagreement, but we both did come here hoping to find a way of shifting the accent from our disagreement

to the goals, the tasks, and the opportunities we share. And we have succeeded.

President Yeltsin and I agree that NATO Secretary General Solana and Russian Foreign Minister Primakov should try to complete negotiations on a NATO-Russian document in the coming weeks. It would include a forum for regular consultations that would allow NATO and Russia to work and to act together as we are doing today in Bosnia. It would demonstrate that a new Russia and a new NATO are partners, not adversaries, in bringing a brighter future to Europe.

We also agreed that our negotiators and those of the other 28 participating states should accelerate their efforts in Vienna to adapt the CFE Treaty to the post-cold-war era by setting new limits on conventional forces.

The second area of our discussion involved our obligation to continue to lead the world away from the dangers of weapons of mass destruction. We have already taken important steps. We signed the Comprehensive Nuclear Test Ban Treaty. We extended the Non-Proliferation Treaty. We stopped targeting each other's cities and citizens. We put START I into force. And we're both committed to securing ratification of the Chemical Weapons Convention before it goes into force next month, so that we can finally begin to banish poison gas from the Earth.

Today President Yeltsin agreed to seek the Duma's prompt ratification of START II, already ratified by the United States Senate. But we will not stop there. The United States is prepared to open negotiations on further strategic arms cuts with Russia under a START III immediately after the Duma ratifies START II. President Yeltsin and I agreed on guidelines for START III negotiations that will cap at 2,000 to 2,500 the number of strategic nuclear warheads each of our countries would retain, and to finish the reductions of START III by the year 2007. Now, think about it. This means that within a decade we will have reduced both sides' strategic nuclear arsenals by 80 percent below their cold war peak of just 5 years ago.

We also reached agreement in our work to preserve the Anti-Ballistic Missile Treaty, a cornerstone of our arms control efforts. Distinguishing between ballistic missile systems restricted by the ABM Treaty and theater missile defenses that are not restricted has been a very difficult issue to resolve. Today, after 3 years

of negotiations, we agreed to preserve the ABM Treaty while giving each of us the ability to develop defenses against theater missiles.

Finally, we discussed our economic relationship and the fact that the strong and secure Russia we welcome as a full partner for the 21st century requires that the benefits of democracy and free markets must be felt by Russia's citizens.

President Yeltsin recently demonstrated his determination to reinvigorate economic reform in his State of the Federation Address and with the appointment of a vigorous new economic team. His bold agenda to improve the investment climate and stimulate growth includes comprehensive tax reform, new energy laws, and tough anticrime legislation.

To help American companies take advantage of new opportunities in Russia, we will mobilize support to help finance billions of dollars in new investment. We will work with Russia to advance its membership in key international economic institutions like the WTO, the Paris Club, and the OECD. And I am pleased to announce, with the approval of the other G-7 nations, that we will substantially increase Russia's role in our annual meeting, now to be called the Summit of the Eight, in Denver this June.

Here in Helsinki, we have proved once again that we can work together to resolve our differences, to seize our opportunities, to build a better future.

Before I turn the microphone over to President Yeltsin, let me say one word about the bombing today in Tel Aviv, which we have both been discussing in the last few minutes. Once again, an act of terror has brought death and injury to the people of Israel. I condemn it, and I extend my deepest sympathies to the families of those who were killed or injured.

There is no place for such acts of terror and violence in the peace process. There must be absolutely no doubt in the minds of the friends or of the enemies of peace that the Palestinian Authority is unalterably opposed to terror and unalterably committed to preempting and preventing such acts. This is essential to negotiating a meaningful and lasting peace. And I will do what I can to achieve that objective.

Mr. President.

President Yeltsin. Esteemed journalists, ladies and gentlemen, the first meeting of the Presidents of Russia and the United States has been held after our reelection. Naturally, it was a

difficult one because difficult issues were under discussion. But as always, our meeting was quite frank, and on the whole, it was successful. And I am completely in accord with what the President of the United States, Bill Clinton, just said.

We have opened a new stage of Russian-American relations. We discussed in detail the entire range of Russian-American issues—issues of Russian-American partnership, which is quite broad in scale. After all, our countries occupy such a position in the world that the global issues are a subject of our discussions.

Both sides defended their national interests, and both countries did not abandon them. However, our two great powers have an area—a vast area—of congruent interests. Chief among these is the stability in the international situation. This requires us to develop our relations, and there has been progress in that direction.

Five joint statements have been signed as a result of our meeting—President Bill Clinton and I just concluded signing these—on European security, on parameters of future reductions in nuclear forces, concerning the ABM missile treaty, on chemical weapons, and we also signed a U.S.-Russian economic initiative. But we have not merely stated our positions. We view the signed statements with the U.S. President as a program of our joint action aimed to develop Russian-American partnership.

I would say that emotions sometimes get the upper hand in assessing Russian-American partnership. This is not the approach that Bill and I have. Let's not forget that establishing the Russian-American partnership relations is a very complex process. We want to overcome that which divided us for decades. We want to do away with the past mistrust and animosity. We cannot accomplish this immediately. We need to be decisive and patient, and we have both with Bill Clinton.

I firmly believe that we will be able to resolve all issues which, for the time being, are still outstanding. Today's meeting with Bill convinced me of this once again. We will be doing this consistently, step by step. We will have enough patience and decisiveness.

And now I ask you to put questions to us.

Russia and NATO

Q. Boris Nikolayevich, our first impression is that there was no breakthrough on NATO here in Helsinki. Tell me, can there be some kind

of movement forward before the Madrid summit?

President Yeltsin. I don't agree with you. It was today that we had progress, very principled progress, and they consist of the following—that, yes, indeed, we do maintain our positions. We believe that the eastward expansion of NATO is a mistake and a serious one at that. Nevertheless, in order to minimize the negative consequences for Russia, we decided to sign an agreement with NATO, a Russia-NATO agreement. And this is the principal question here. We've agreed on the parameters of this document with President Bill Clinton.

This is the non-proliferation of nuclear weapons, to those new members of NATO to not proliferate conventional weapons in these countries. We agreed on non-use of the military infrastructure which remained in place after the Warsaw Pact in these countries of Central and Eastern Europe. The decision of joint actions with Russia alone, this, too, will be included in the agreement with NATO.

And finally, we've come to an agreement that this document will be binding for all. For that reason, everyone will sign this, all heads of state of all 16 member nations of NATO. This is a very principled issue, and we came to agreement on this with President Bill Clinton. That is, all states, all nations—and this will take place before Madrid—all heads of state will sign this document we sign together with Bill Clinton. And then there will be a signature of the General Secretary of NATO. And we believe that this document indeed is binding for NATO, for Russia, for all states whose leaders signed this document. So this is a very principled progress.

We didn't talk about this just yesterday and the day before. We couldn't have. We can only talk about this now, during these minutes, once we've signed the statements with the President of the United States.

President Clinton. Terry [Terence Hunt, Associated Press].

NATO Expansion

Q. President Yeltsin, after all that you've been told about how the world has changed and that there will be no nuclear weapons in Eastern Europe, do you still regard NATO's enlargement as a danger to Russia?

And to President Clinton, this exclusion of nuclear weapons from Eastern Europe and the promise that there will be no big troop buildup

in the new states, does that mean that NATO's new members will be second-class citizens, second-class members?

President Yeltsin. No, of course not, no one will think of these as being secondary states. No one is calling that. That's not what's involved here. However, I believe and Bill believes the same thing, Bill Clinton believes the same, that these decisions that can be taken, they will be taken by all leaders of these nations, which is extremely, extremely important. I already mentioned this.

President Clinton. Let me say, Terry, in answer to the question you raised to me, emphatically no, this does not mean any new members would be second-class members. That's one of the things that we have committed ourselves to. There are no second-class members.

What are the two most important things that you get if you're a member? One is the security guarantee, the mutual security guarantee. The other is a place in the military command structure. These will be available to any new members taken in.

Now, we also want to make it clear that in addition to the security guarantee and participation in the military command structure, NATO is a different organization today than it was. We have a different mission. What is the most important thing NATO is doing today? Working in Bosnia. NATO has a major partnership with Russia in Bosnia. And a partnership, I might add, with a number of other nonmember nations who are in our Partnership For Peace, where we've done joint military exercises and other things.

Now, on the two questions you mentioned—on the nuclear question, the NATO military commanders reached an independent judgment that, based on the facts that exist in the world today, they have no reason, therefore, no intention and no plan to station any nuclear weapons on members' soil. Look, we just announced an agreement here that will reduce nuclear weapons, if we can implement it, within a decade by 80 percent below their cold war height, number one.

Number two, the NATO members have just tabled a proposal on conventional forces in Europe which would put strict limits and would freeze the conventional forces we could have in Europe now, along with having strict limits in the Visegrad countries themselves, which

would be the areas where you'd might expect an old difficulty to arise in new circumstances.

So I think we are doing the right thing, the sensible thing. If it is reassuring to Russia, so much the better. We have a clear, new, and different mission for NATO in the 21st century, but clearly not second-class membership.

Anti-Ballistic Missile Treaty

Q. President Clinton, it is known that in your Congress there's some criticism frequently that you are a supporter of the ABM Treaty. Today's meeting, did that convince you to strengthen the ABM Treaty?

President Clinton. Some people have criticized me in my Congress because I do support the ABM Treaty. Yes, that's accurate; they have. I do support the ABM Treaty. I think it's important. I believe in it. And we have, I believe, strengthened the chances that the ABM Treaty will survive by the agreement we have made today and the distinctions we have drawn between the missiles that are covered by the ABM Treaty and by theater defense missiles. I believe that very strongly.

There are those in the Congress of the United States, but they are not a majority—let me emphasize, they are not a majority—who would undermine the ABM Treaty because they don't believe it's in our interest. I believe they're wrong. I believe that the ABM Treaty has served us well and will continue to serve us well, especially in view of the questions that we have clarified today between us.

Laurie [Laurie Santos, United Press International].

Terrorist Attack in Israel

Q. In light of today's attack on Tel Aviv, sir, you just said the Palestinian Authority is unalterably opposed to terror. Are you saying that there was no green light for terrorist attacks like Prime Minister—

President Clinton. No, no. What I said is—let me clarify what I said. What I intended to say, what I believe I said was that the Palestinian Authority has to make it clear to the friends and to the enemies of the peace process that it is unalterably opposed to terror and must take all possible steps to make that clear and to prevent any terror from occurring. This is a formulation that has frequently been used in the Middle East, but everyone knows that no

one in the Middle East can guarantee 100 percent protection against terror. But all the people who participate in the peace process should guarantee 100 percent effort against terror.

Q. What about what Prime Minister Netanyahu—[inaudible]?

President Clinton. Well, I can't—first of all, I can't comment decisively, one way or the other, on exactly what was or wasn't done because I don't think any of us know. What I think is very important is that no matter how strongly Mr. Arafat and the Palestinian people feel about the Har Homa decision, nothing—nothing—justifies a return to the slaughter of innocent civilians. It cannot be justified. And we have to have a clear and unambiguous position.

And in the past, when Mr. Arafat has taken that position, I believe it strengthened him. I also believe that acts of terror undermine him because he, in the end, is the popularly elected leader trying to lead the Palestinian people to a peaceful resolution of these differences.

So I have made that very clear just in the last couple of days, and we will continue to work to that end.

Russia-U.S. Relations

Q. The question is to the Russian President. Boris Nikolayevich, you said that this meeting started a new phase for these U.S.-Russian relations. What precisely new was introduced into these relations?

President Yeltsin. Well, first of all, we finally were able to determine our positions on issues of European security. We've come to settle our position on NATO, and we have described for ourselves the parameters of the NATO-Russia agreement.

Secondly, there's an unprecedented reduction of nuclear weapons, that is, of START III—that's 85 percent of the overall arsenal of warheads is being reduced in connection with that. That is significant. This is a very principled issue, and this encompasses the interests of not only our two countries but of the entire European Continent and the whole world.

And the question on economics reflects a completely different approach. We won't conceal this. And I think that Bill Clinton will excuse me if I perhaps am incorrect here, but I think that a certain restriction on questions, holding back on the American side on the Russian economic relations—there was, along the lines of

the Ministry of Energy, on antidumping laws and also the Jackson-Vanik amendment, and many other items speak of the fact that the United States has not been that interested in developing a strong economic Russia or that trade would grow in a healthy way between Russia and the United States. Finally a breakthrough has been made. A joint statement has been signed. We've discussed these issues in great deal with President Bill Clinton.

And on chemical weapons, that, too; any issue we handled, we've been able to manage a major breakthrough. We didn't discuss small issues. We talked only about strategic issues, and on all five issues we were able to find an answer, we were able to find our common point of view. And that's what is reflected in our joint statements.

President Clinton. If I might just support that question, because I think that's a question all the Americans and all the Russians and others will be interested in. What came out of this meeting that was different? One, the idea that there will be a NATO-Russia agreement that all the leaders will support. That's a significant thing. We agreed to disagree about the question of expansion, but we agreed that there must be a partnership between NATO and Russia going forward into the future.

Two, the notion that Russia should play a larger role in international economic institutions and that if certain internal changes are made, which President Yeltsin has already announced his support for, then the United States will make a more vigorous effort to facilitate investment in Russia.

And third, and I think almost unexpected even among us—we were working along here hoping this would happen—we resolved a number of roadblocks relating to START II and other related issues which permitted us to say that President Yeltsin would seek prompt ratification of START II and we would together support guidelines for START III, which we would hope could be negotiated quickly after that, which would reduce the cold war arsenals by over 80 percent from the cold war height, to more or less 80 percent. These are dramatic and very substantial results, and I'm very pleased with them.

Wolf [Wolf Blitzer, Cable News Network].

President Yeltsin. Just a moment, I'd like to continue for a second longer. You've touched

on a very current issue which has to be clarified all the way.

Well, you understand, of course, why it is that the State Duma has not yet ratified START II—because ABM was suspended. There was no belief that the treaty from '92 on ABM is not only being complied with by the Russian administration but in the future, conditions are being created which would not allow circumvention of the treaty. In other words, we, for the State Duma, were able to prepare grounds so that the Duma could positively look at the issue of ratifying START II.

President Clinton. Wolf.

Russia-NATO Agreement

Q. Mr. President, Mr. President, one of the most contentious aspects of a potential agreement or charter between NATO and Russia was whether or not it would have to be legally binding on the 16 members of NATO or would simply be a political statement of intent. This agreement that you hope to forge with NATO, do you expect that the legislatures, the U.S. Senate, for example, would have to ratify this agreement, or it would simply be a statement that President Clinton would support?

President Yeltsin. As far as Russia is concerned, we intend to send this treaty and send this agreement to the State Duma for ratification. That's what our intention is.

At the same time, we understand that if 16 states will have to coordinate this issue with their parliaments, this will take up many, many months. And therefore, we've come to an agreement that, given these conditions, it will be quite enough, of course, given the good will of these states, simply a signature of the leaders of these countries that would be affixed to this agreement. How the U.S. would act in this regard, let President Bill Clinton respond.

President Clinton. If you look at the language, President Yeltsin has basically said it accurately. We think it's important to get this agreement up, get it signed, and get it observed—have it observed. And there are so many of the NATO countries. What we have called for is for each and every member country to make—and I believe the exact language of our agreement is—an enduring commitment at the highest political level. And President Yeltsin described to you how we will manifest that.

If our Secretary General, Mr. Solana, and Foreign Minister Primakov succeed in negotiat-

ing this agreement within the timeframe that we all anticipate they will be able to, then we would expect to all meet somewhere and publicly affix our signatures and reaffirm our commitment to the terms of the agreement.

Changes in NATO

Q. The question is to the U.S. President. Mr. President, you, both today and on earlier occasions, said that you intend to transform in some way the North Atlantic Treaty Organization. After today's meeting with President Yeltsin, what specifically do the United States plan to do to change the current structure of NATO? Thank you.

President Clinton. Well, first let me point out we have already transformed NATO. When I became President there was no Partnership For Peace, for example. There were no joint exercises where you had Russian troops, American troops, Polish troops, French troops, others. We didn't have these sorts of things. We didn't have a Partnership For Peace with more than two dozen other countries regularly participating with us now in military planning and training and sharing and working together. And we certainly had nothing like our cooperation in Bosnia.

I believe that the old NATO was basically a mirror image of the Warsaw Pact, and that's why I've been very sensitive to why the Russian people or the Russian leaders would wonder about what the new NATO is. There is no Warsaw Pact. There is no cold war. We just made an agreement to work to cut our nuclear arsenals by 80 percent from their cold war height, which I would remind you existed just 5 years ago.

And what we need to recognize is there will be new security threats to Europe. And you can see them. You have dealt—we've seen them in Bosnia. We've seen them in the other ethnic, religious, and racial traumas that you have dealt with along your borders. You see it in the continuing disputes between nations within the European community.

What we want to do is to provide a way for more and more countries, either as members or as members of the Partnership For Peace—Finland is a good example of an active member of the Partnership For Peace—or because of the special relationship of Russia and the special role Russia will play in the future of Europe and security in the context of the Russia-NATO

agreement, we want to provide an opportunity within which all of us can deal with the security aspects of trying to create a Europe that is undivided and democratic for the first time in history.

I would remind you, go back and read from the dawn of nation-states on the Continent of Europe, there has never been a time when all the people were living under democratic governments and were free of foreign domination. That has never happened. So we are simply trying to create the conditions in which we can grow together.

Will there be questions? Will there be skepticism along the way? Will there be uncertainty? Of course, there will be. But we are not attempting to draw a different dividing line in Europe, just somewhat further to the East. What we are trying to do is to develop structures that can grow and evolve over time so that there will be a united effort by free people to join their resources together to reinforce each other's security, each other's independence, and their common interdependence. And I believe we will succeed at that.

Let's see, someone else in the back row here. Alison [Alison Mitchell, New York Times].

Ratification of Agreements

Q. To both Presidents, both of you have had problems with your individual parliaments, and yet—

President Clinton. Seems to be a curse of democracy.

Q. Yes. You each have made arms control agreements here that, you know, the parliaments will want a say in. To Mr. Yeltsin, can you guarantee that the Duma will follow your lead and ratify this? And to Mr. Clinton, how can you assure Mr. Yeltsin that you won't have a rebellion in the Congress over the antimissile defense agreement?

President Yeltsin. As far as Russia is concerned, I expect that the State Duma will make a decision based on my advice. [Laughter]

President Clinton. Boy, I wish I could give that answer. [Laughter] Let me answer—you give me an opportunity, actually, to point out the full elements of this timetable on START III. And for those of you—if you haven't had time to study it, I want to make full disclosure here.

Number one, I expect that our Congress, those who believe in the ABM system but who

want us to be able to develop theater missile defenses, which may someday protect all of our friends in different circumstances, including our friends in Russia—who knows what use we will put to theater missile defenses when we have troops that have to be protected in the future—I would think that the Members of Congress who believe in the ABM Treaty but want us to be able to develop theater missile defenses will be quite pleased by this agreement. I think that that is not where the problem could come.

Let me explain what we agreed to today—and I did it, I might say, with the full concurrence of General Shalikashvili and Secretary of Defense Cohen, who is not here today, but we checked with him. In order to implement START II in a way that is economically feasible for Russia but does not in any way compromise the security of the American people, what we agreed to do in this framework is to set a date of 2007 for the full implementation of the reductions in START III but to delay the date of all the destructions in START II to 2007. We also agreed to move from the beginning of 2003 to the end of 2003 the time that Russia would have to deactivate the warheads covered by START II.

Now, since our Congress ratified START II based on different target dates for the deactivation of the warheads, on the one hand, and the destruction—ultimate destruction of the missiles, on the other, we will have to go back to them, either separately or in the context of a START III agreement, and ask them to ratify that. And they will have a full opportunity to debate and discuss this.

But I have to tell you, when the Russians advanced this possibility—when President Yeltsin advanced this possibility with me today, the thought that the American people might be able to live in a world, within a decade, where the nuclear arsenals had been reduced by 80 percent, and the thought that, in addition to that, accelerating the time we had anticipated it would take us to meet the START III targets would save our Department of Defense precious dollars that we need to secure our defense in other ways and will therefore enhance our national defense as well as reducing the threat, caused General Shalikashvili to recommend this to me, caused Secretary Cohen to sign off on it, and made me think it was a very good arrangement, indeed, for the Russian people and

for the American people and, indeed, for anybody else who would be affected by what we do on this issue.

So, yes, I've got to go back to the Congress. I believe they will, once they have a chance to fully review this, support the decision I have made today. It may take us a little longer than President Yeltsin indicated it would take him with the Duma, but I think we will both get a favorable result because this is so clearly in the interests of the Russian and the American people.

Would you like to take one more?

Russia-U.S. Economic Initiative

Q. Boris Nikolayevich, what's your thought on the version that the Russian giving way on the issue of NATO's expansion to the East will be paid by financial generosity of the West?

President Yeltsin. First of all, I don't see it that way at all. I don't see this generosity at all. If in the statement on economic issues which we had just signed, if there are formulas in there that investments will be supported, investments going to Russia, and certain sums of money will be appropriated by the American side, that does not mean that this is assistance to Russia. This is assistance to the private sector for making investments in Russia. This is assistance to American citizens, not to Russia. Why do you see an exchange here? There's no exchange. And I categorically disagree with that formulation that in place of one we sort of bartered here and as a result of that we have come up with these ideas. I don't agree with that.

I should say that even the order of looking at these issues—and we've held four tours lasting from 45 minutes to an hour and a half each—the order of looking at these issues was as follows: First, we looked at Europe security and NATO. Secondly, the ABM issue. Then we took up chemical weapons. Then we talked about START III, that is, the reduction of further strategic weapons. And only after that, we started talking of economic issues. I did not know that the American side was preparing this. But you see, first we resolved and discussed all of these issues, and only then we approached the economic question. This should tell you that this was not a case where we used this as a poker chip.

President Clinton. I'd just like to support that. And let me say, first of all, what President

Yeltsin said about the order in which we took these issues up is absolutely right, first. Second, I believe that the economic announcements which were made today are in the interest of the American people, both directly and indirectly. Let me deal with the indirect question first.

Russia, in the end, cannot be the strong partner that we seek in the 21st century and cannot be free to help create a very different future for Europe and for itself—a future in which we define our greatness by the way we treat other people and by our success in our free dealings, rather than our ability to dominate them—Russia cannot build that kind of future unless ordinary Russian citizens receive the benefit of free markets and democracy. That will not happen.

Secondly, I believe that Russia has the potential to have enormous economic growth in a short period of time by attracting large flows of investment from around the world, if the elements that President Yeltsin outlined in economic reform and the legal changes which he has proposed to the Duma can be embraced. I would be irresponsible as President of the United States if I did not bring into play the Export-Import Bank and our other mechanisms for investing our money to make American investors competitive with investors from around the world for new economic opportunities in Russia. It would be irresponsible of me.

If we do that and we put a lot of money in Russia, billions of dollars, will your people have more jobs and higher incomes? Yes, but so will Americans. And all the time I have to be looking at—it would be just like I can't walk away from Latin America. I would be irresponsible if we didn't try to invest in our neighbors in Latin America in the future. So that's the way I feel.

A lot of the areas where you're going to grow in Russia—in the energy sector, just for example, just to take one area—are areas where American businesses have enormous expertise and literally decades of experience. We would be foolish if we walked away from the opportunity that you present to make money and have opportunity.

So I entirely agree with what the President said, but I want to reinforce it from our perspective.

The lady in the back there in the red dress, go ahead.

Finland's Nonaligned Status

Q. I would like to ask something from both of you. How would you react, sir, if Finland would express its willingness to join NATO?

President Clinton. Maybe I should—you asked both. Since I discussed this with the President—he brought it up with me. President Ahtisaari said to me that he thought Finland had made the right decision to be a member of the Partnership For Peace and to maintain its independence and its ability to work constructively with Russia and with NATO nations and not be a member of NATO and that he had no intention of asking that Finland be considered for membership. But he thought that the policy of being able to be considered was a good one because it reinforced the feeling of independence and the security that Finland and other nations who decide to maintain relative independence and membership in the Partnership For Peace had. So I can do no more than to support the statement that your own President has made about this.

President Yeltsin. I, too, would like to respond on this issue. I should say that the reason we respect Finland as a state—its nation, its people, and leadership—is the fact that Finland is implementing a course of a neutral state, of non-aligning itself to any bloc. This is very important. This creates a very stable and calm balance within the country. This facilitates good neighborly relations with Russia.

We, with Finland, have a turnover of trade of 4.7 billion U.S. dollars. This is 40 percent of the entire turnover of trade. Find me another country that could equal this sort of turnover in trade with Russia. There is no other country. And for that reason, I believe—and, of course, this is the matter entirely of the people of Finland and its government, but that which the President of the Finnish Republic, President Ahtisaari, stated very clearly that he is not joining any blocs. This calls for the feeling of respect for him.

President Clinton. Let me say, since we took an equal number of questions from the Russian and the American journalists but we took a Finnish question, let me, in the interest of fairness—Mr. Donovan [John Donovan, ABC News], you have a question. We ought to take one more question from an American so we'll be even here.

Russia-NATO Agreement

Q. Thank you. I'll make it two questions, one very focused and one somewhat broader. [Laughter]

President Clinton. No good deed goes unpunished here.

Q. The focus question is this: In the Russia-NATO agreement, as envisaged, if there is disagreement—Russia disagrees with something NATO wants to do—does Russia have a veto power? The broader question is this. In the Second World War, it was very simple: We were enemies—we were allies, I meant to say. During the cold war, it was very simple: We were enemies. Today, what word describes this relationship where the situation is not so clear and not so simple?

President Yeltsin. I can respond by saying that the way we solve these issues is by consensus. That's how it is today, indeed, among the NATO countries. And that's how it will be once we conclude an agreement between Russia and NATO, already with the participation of Russia.

President Clinton. The short answer to your question is, a voice but not a veto. And the answer to your second question is that we are partners, and like all partners in any partnership, starting with a society's most basic partnership, a marriage and a family, and going to business partnerships, there are sometimes disagreements. But partnerships are bound together by shared values, shared interests, and the understanding that what you have in common is always more important than what divides you.

And so you work for the consensus that President Yeltsin outlined. And that's where we are, and I think that's exactly where we ought to be. And that's why we are not going to have the kind of cataclysmic bloodshed in the 21st century that we saw through three world wars, the cold war, and countless others in the 20th century. If we can stay with that attitude and work on it, we will have a Europe that's not only peaceful but free and undivided.

Thank you very much.

Presidents' Health

Q. How are you both feeling?

President Yeltsin. Thank you. [Laughter]

President Clinton. Great. I can tell you he feels great. He looks great, and he feels great. And I feel fine.

NOTE: The President's 139th news conference began at 6:45 p.m. at the Kalastaja Torppa Hotel. In his remarks, President Clinton referred to President Martti Ahtisaari and Prime Minister Paavo Lipponen of Finland; NATO Secretary General Javier Solana; Foreign Minister Yevgeniy

Primakov of Russia; and Chairman Yasser Arafat of the Palestinian Authority. A reporter referred to Prime Minister Binyamin Netanyahu of Israel. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter.

Russia-United States Joint Statement on Parameters on Future Reduction in Nuclear Forces

March 21, 1997

Presidents Clinton and Yeltsin underscore that, with the end of the Cold War, major progress has been achieved with regard to strengthening strategic stability and nuclear security. Both the United States and Russia are significantly reducing their nuclear forces. Important steps have been taken to detarget strategic missiles. The START I Treaty has entered into force, and its implementation is ahead of schedule. Belarus, Kazakstan, and Ukraine are nuclear-weapon free. The Nuclear Non-Proliferation Treaty was indefinitely extended on May 11, 1995 and the Comprehensive Nuclear Test Ban Treaty was signed by both the United States and Russia on September 24, 1996.

In another historic step to promote international peace and security, President Clinton and President Yeltsin hereby reaffirm their commitment to take further concrete steps to reduce the nuclear danger and strengthen strategic stability and nuclear security. The Presidents have reached an understanding on further reductions in and limitations on strategic offensive arms that will substantially reduce the roles and risks of nuclear weapons as we move forward into the next century. Recognizing the fundamental significance of the ABM Treaty for these objectives, the Presidents have, in a separate joint statement, given instructions on demarcation between ABM systems and theater missile defense systems, which will allow for deployment of effective theater missile defense and prevent circumvention of the ABM Treaty.

With the foregoing in mind, President Clinton and President Yeltsin have reached the following understandings.

Once START II enters into force, the United States and Russia will immediately begin negotiations on a START III agreement, which will

include, among other things, the following basic components:

- Establishment, by December 31, 2007, of lower aggregate levels of 2,000–2,500 strategic nuclear warheads for each of the parties.
- Measures relating to the transparency of strategic nuclear warhead inventories and the destruction of strategic nuclear warheads and any other jointly agreed technical and organizational measures, to promote the irreversibility of deep reductions including prevention of a rapid increase in the number of warheads.
- Resolving issues related to the goal of making the current START treaties unlimited in duration.
- Placement in a deactivated status of all strategic nuclear delivery vehicles which will be eliminated under START II by December 31, 2003, by removing their nuclear warheads or taking other jointly agreed steps. The United States is providing assistance through the Nunn-Lugar program to facilitate early deactivation.

The Presidents have reached an understanding that the deadline for the elimination of strategic nuclear delivery vehicles under the START II Treaty will be extended to December 31, 2007. The sides will agree on specific language to be submitted to the Duma and, following Duma approval of START II, to be submitted to the United States Senate.

In this context, the Presidents underscore the importance of prompt ratification of the START II Treaty by the State Duma of the Russian Federation.