

6, as amended, shall be further amended by inserting the following:

“(g) The person who served as Chair of the Commission may continue to be a member of the Steering Committee after termination of the Commission.”

Sec. 3. A new section 7 shall be inserted, which reads:

“**Sec. 7. Review of Commission’s Report.**

(a) Upon the termination of the Commission as set out in section 6(f) of this order, certain of the Commission’s staff may be retained no later than March 15, 1998, solely to assist the Principals, Steering, and Advisory Committees in reviewing the Commission’s report and preparing recommendations to the President. They shall act under the direction of the Steering Committee or its designated agent. The Department of Defense shall continue to provide funding and administrative support for the retained Commission staff.

(b) Pursuant to Executive Order 12958, I hereby designate the Executive Secretary of the National Security Council to exercise the authority to classify information originally as “Top Secret” with respect to the work of the Commission staff, the Principals Committee, the Steering Committee, the Advisory Committee, and the Infrastructure Protection Task Force.”

Sec. 4. Sections 7 and 8 of Executive Order 13010, as amended, shall be renumbered sections 8 and 9, respectively.

William J. Clinton

The White House,
October 11, 1997.

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The President’s News Conference With President Cardoso in Brasilia

October 14, 1997

President Cardoso. Mr. President of the United States of America, William Clinton, ladies and gentlemen. May I say to you first what a pleasure it is, Mr. President, for me

and for Ruth, my wife, to welcome both you and Mrs. Clinton. And I’d like to take advantage of this opportunity to state our pleasure and, I’m quite sure, the pleasure of the Brazilian people as a whole. This is particularly due to the excellent relations between the two of us, which I think makes it obvious to everyone that there is a friendship that joins these two Presidents and that we share a great many interests—and by “we,” I mean our two peoples.

On both sides, we are interested in ensuring that we will draw closer together and bring our societies closer together as well in very practical ways. We’ve had a number of opportunities in which to chat. We’ve covered, I think, just about every problem that was on our agenda before this meeting, including the most general problems, such as peace throughout the world; including the possibility of working together in a number of situations which might require more direct action on the part of the United States or Brazil—not just in our region, of course, but also views were exchanged, opinions were exchanged about a number of international problems as well. And I can assure you that we both agree with regard to the overall objective, which is to increase the prosperity of peoples on the Earth as a whole.

It is also our conviction that prosperity is something that needs to be made a general phenomenon. The prosperity of one nation should not harm the prosperity of any other nation, and nothing leads us to believe this. On the contrary, we feel that what’s good for Brazil is good for the United States, and what’s good for the United States is good for Brazil as well.

Just in terms of commercial relations, for example, the United States is our number one trading partner. But Brazil, as we like to say, is also a major global trader. We have excellent relations with the MERCOSUR countries, other countries in Latin America, with Europe and Asia, not to mention Africa. And it is with a full understanding of the comprehensive nature, the global nature of our relationships that we, in turn, have been able to reach a closer relationship.

We have underscored our commitment to the sort of endeavor that we have embarked upon, for example, in MERCOSUR, which

is a very important part of our foreign policy in Brazil, which we feel to be an example of the success of the work of these four countries—Paraguay, Uruguay, Brazil, Argentina—and now Chile as well.

Much agreement has been reached with regard to trade, democracy, keeping peace. And we also believe that by working together we can move towards the integration of the Americas as a whole in such a way as to avoid harming our MERCOSUR interests and in such a way as to avoid harming the interests of the NAFTA countries. But we should integrate the hemisphere as a whole in line with the view that has already been expressed just a moment ago—in other words, prosperity for all is best for each and every one.

On the other hand, it also became quite clear that we agree on a number of other issues, even at a personal level. For example, our take on problems is quite similar in our two countries. An example of that fact can be seen via the declaration that we are now signing in the area of education, one of the social area endeavors. I was extremely pleased when I heard President Clinton's State of the Union Address because he spoke about education and what he said certainly made me feel quite enthusiastic. What he said moved us. As a former professor and as two human beings, I'm sure that we agree that education is an instrument which will allow us to equalize relations within a society and to do away with so many of the differences and asymmetries that can exist among countries as well.

In this meeting, we would like to reaffirm our full commitment to all the programs in the educational field as a symbol of our concern vis-a-vis social issues. The integration that we are seeking to pursue at the regional, sub-regional, and even at a broader level, as soon as that becomes timely, is going to be integration that will exclude no countries, no fragments within countries, either. Integration is designed to improve the standard of living of the peoples who integrate.

Another thing that we can go over is a list of key issues that have to do with, for example, the climate change. President Clinton, for example, holds the view that I think is quite proper vis-a-vis climate change. He talks about shared responsibility. He talks

about the fact that responsibility should exclude no segment of humanity because the climate is something that involves the preservation of the conditions of life for future generations throughout the planet. So, we must come up with mechanisms which will allow us to reduce the greenhouse gas effect. We should reduce the greenhouse gases, but in such a way as to ensure that we're not harming the interests or the development of any country—the United States, Brazil, or developing countries. These things should be done in a balanced way to ensure that we will solve the problems and do so in the best way for our countries, which is what we're going to try to do in Kyoto in December.

Another thing that we're doing is broadening our cooperation in the field of space studies in a clear demonstration of the number of possibilities that exist for cooperation between Brazil and the United States, certainly in terms of advanced technology.

I don't want to take up too much time, but may I reaffirm the fact that—very simply, because we did cover such a broad range of topics—the fact that we avoided no single topic is a clear sign that we can reach an understanding even upon those things that we have some slight misunderstanding on. And of course, misunderstandings usually just reflect the interests of our individual countries that we, of course, must defend properly, but at the same time in a way which shows that we have an old friendship, a long-term friendship, and this friendship allows us to deal with these issues in such a way.

I'd like to repeat something I said in the Planalto Palace. Since the Second World War, never have we seen so many possibilities for cooperation in so many broad fields—certainly nothing compared to the many opportunities that are opening up for Brazil and the United States right now, which is why I'm particularly pleased to speak via the media to the peoples of our countries to reaffirm the tremendous satisfaction that I feel in being able to welcome this great President, Bill Clinton, in our country.

Thank you so much.

President Clinton. Thank you very much, Mr. President. Let me begin by thanking you and Mrs. Cardoso and the representatives of your Government for the warm welcome you

have given to us, including our very large delegation, the senior members of our administration, a big percentage of our Cabinet, and the distinguished delegation from Congress. We are delighted to be here.

I believe this visit marks a new phase in the long friendship between the United States and Brazil. This is clearly a unique moment of opportunity in the Americas. A quiet revolution is bringing our hemisphere together around common values of democracy, free markets, mutual respect, and cooperation. It gives us the opportunity to advance the welfare, the freedom, and the security of all of our people in a way that has not been possible before.

Because we have the largest economies and the most diverse populations in the hemisphere, Brazil and the United States have both a special ability and a special responsibility to help lead the Americas into the 21st century. Under President Cardoso's leadership, Brazil clearly is meeting that challenge in fulfilling its destiny as a great nation. Through your own remarkable economic reforms, your strategic partnership with Argentina, your leadership in MERCOSUR and throughout the hemisphere and increasingly on the wider international stage, Brazil has helped to consolidate peace and democracy and to promote prosperity and stability.

Brazil and the United States share a fundamental belief that opening the markets of our hemisphere to trade and investment is the best way to create good jobs and strengthen democracy and cooperation in all our countries. Three years ago, when we met at the Summit of the Americas in Miami, we pledged to pursue a free-trade area of the Americas by early in the next century. Today, the President and I agreed that at the next Summit of the Americas in Santiago, we should launch comprehensive and balanced negotiations to achieve that goal, turning our common agenda into a common plan of action.

If I might, I'd like to just speak a moment about what I think has been the cause of some misunderstanding between our two countries, which is the question of what the American attitude toward MERCOSUR is and what its relationship to our support for a free trade area of the Americas is.

I support MERCOSUR. I think it has been a good thing for Brazil, a good thing for all the member nations, a good thing for stability, for growth and cooperation in the region, and quite a good thing for the United States. Our exports to the MERCOSUR countries have grown substantially since 1991. And we believe that these sort of regional trade arrangements everywhere—if they serve to open borders, to increase economic activities, and to promote growth—promote stability and opportunity that benefit Americans.

We believe that we can create a free-trade area of the Americas consistent with MERCOSUR and the leadership and role of Brazil and the other members in it. And so to me, this is a false choice that we don't intend to ask the Brazilians, the Argentinians, or the other members of MERCOSUR to make. We believe we can build on this and go forward to a free-trade area of the Americas.

Trade has produced about a third of the economic growth the United States has enjoyed since I became President in January of 1993. And I'm working hard to continue to expand our capacity to trade and to create good high-wage jobs in our own country by securing the Presidential negotiating authority necessary to tear down more of the trade barriers of the past so that we can open wider the doors of the future to good jobs and higher incomes.

Now, let me say that as we promote more free markets and more free trade, I believe that all of us must work harder to extend their benefits to all citizens. No great democracy has succeeded in doing that so far. We know we have to begin by ensuring that all of our citizens receive the education and training they need to succeed in this new economy. And I applaud the President's emphasis on education.

The education declaration we have just signed focuses on what I believe the keys to making education work in both our countries are: first, high standards for what children must learn and testing to measure their progress; second, training our teachers so that those to whom we entrust our children's future are themselves well-prepared; third, intensive parent and community involvement; and fourthly, something the President

has worked very hard on, access to technology to realize the possibilities of the information age for all of our children.

In the United States, we're working hard to make sure that every classroom and library in our country is hooked up to Internet by the year 2000. We're giving discounted rates to our schools so that they can afford to be on the Internet. And we are finding something I am certain will be the experience in Brazil as well, and that is that very often the largest benefit of this technology revolution will flow to the children who are most in need, who tend to be in isolated rural or urban school districts where they have not had the chances and the opportunities many of our other children have. So I think that the Internet can be an instrument by which we democratize as well as increase the excellence of educational opportunity.

We've also agreed that we can't have today's progress at tomorrow's expense. The President talked a little bit about our common commitment to the environment. The clean energy agreement we have signed will help Brazil to continue to grow, fueled by renewable and efficient energy technologies. Our park services will work together to protect wetlands like the Everglades and the Pantanal Park in Brazil. We share Brazil's determination to conserve the Amazon, one of the most wondrous and biologically diverse environmental habitats in the world. The United States will contribute another \$10 million to the G-7's cooperative program with Brazil to sustain the rainforests. And we will help Brazil to put 21st-century technology into this effort, including research done by Brazilians in space. The fires throughout the Amazon have added urgency to these efforts, and the uncertainties about the climatic effects of this El Niño, both in South America and in the United States, have also added urgency to our efforts.

We did, as the President said, discuss the challenge of climate change. Five years ago in Rio, the world community began to chart a common course to reduce the greenhouse gas emissions that lead to global warming. Developed countries have a special responsibility to lead. I told President Cardoso that the United States will meet that responsibility with a commitment to limit our emissions

when we meet in Kyoto on December 6th. But as we do our part, I believe so, too, must the developing world. Climate change, after all, is a global problem that requires a global solution.

So here is the question, it seems to me—and I would like to talk a little about this because I think it's quite important—I think it's very important that the people of Brazil understand that just as with the trade issue and MERCOSUR, the United States would never knowingly make any suggestion that would undermine the growth of Brazil or any other country. It is not in our interest. We, after all, only have 4 percent of world's people. We enjoy a very high standard living. We can only maintain our own standard of living if you grow. If there are more good jobs for Brazilians, higher incomes, more people are brought into the social compact in this country, then you can be a stronger partner, not only for us but for your neighbors in this continent and throughout the world.

So our strategy is to aggressively support the growth of the emerging economies of the world, the strength of their democracies, and our capacity to cooperate together. I do not believe that any reasonable person can look at the world of today and imagine the world of tomorrow and believe that America can gain by someone else's economic loss. We have an interest in finding a way to grow together.

By the same token, the world will not gain if some countries limit their greenhouse gas emissions and other countries grow in the same old way with the same old energy base so that the climate continues to warm more rapidly than it has at any time in the last 10,000 years. So what we want to do is to find a way for the developing countries to fulfill their responsibilities within the framework of Kyoto, recognizing that those of us in developed countries must do more but that we must all participate. And we want to be very explicit that any participation on your part would not come at the expense of economic growth.

Developing nations have an opportunity to chart a different energy future than some of the developed countries. And if we share our technology and we share our knowledge,

then we can achieve that. This is very important. Brazil has already gone a long way toward proving this point, because you have developed so many nontraditional fuels, biologically based fuels, for running your vehicles. So you have given evidence to the general point that I hope will be embraced by all the countries of the developing world. And I encourage that.

Finally, let me say, we talked about expanding our cooperation in regional and global security. And I want to say a word of appreciation to Brazil as the guarantor of the Peru-Ecuador peace process, and appreciation for its historic decision to join the Nuclear Non-Proliferation Treaty and to sign the Comprehensive Test Ban Treaty. In all these actions, Brazil has taken its place as a world leader for peace and security.

Today the Mutual Legal Assistance Treaty we signed will help us to crack down on drug production and trafficking, and fight transnational crime in a way that benefits all of our people.

President Cardoso said 2 years ago when he visited me at the White House—and I quote—“The vocation of Brazil and the United States is to stand together.” I believe we stand together today as never before. The issues we face are central to the well-being of both our peoples. The fate of our hemisphere, with strong democracies, a commitment to fight crime and drugs, to work for lasting peace, the future of the new economy, preparing our people for the 21st century—that’s what this trip is all about. These are all objectives we share, and they really matter to ordinary citizens in both our nations and throughout this hemisphere.

Thank you.

President Cardoso. President Clinton, I’d like to ask you to begin, if you don’t mind.

1996 Campaign Finance Inquiry

Q. Mr. President, Attorney General Reno has made her decision and will extend her inquiry into your telephone fundraising to determine whether a special counsel should be named. How do you feel about that hanging over you for another 60 days at least?

President Clinton. I feel nothing about it. There is a law, and there are facts. And I feel that it would be much better if she

were permitted to do her job. I know I didn’t do anything wrong. I did everything I could to comply with the law. I feel good about it. But I told you yesterday, the thing I don’t feel good about is the overt, explicit, overbearing attempt to politicize this whole process and to put pressure on more than one actor in it. That’s wrong. There’s a law. There’s a fact-finding process. And I’m going to cooperate with it in every way I possibly can.

Brazil-U.S. Trade Strategies

Q. Mr. Clinton, will the recent—[inaudible]—between the European Union and MERCOSUR affect how you formulate your strategy for commerce in the Americas?

And for President Fernando Henrique, the question is, what is the relative importance of Europe as far as Brazil’s commercial strategy or trade strategies concerned, especially vis-a-vis the United States?

President Clinton. Well, first of all, if I were in Brazil I would be trying to sell as much as I could to America and to Europe. I think that’s the way this market works. Both the European Union and the United States have increased our exports to Brazil and to the MERCOSUR countries in the last few years markedly. So I don’t feel threatened by it, I just want to make sure we’re fully competing. And if we don’t fully compete, it will be our fault, not yours and not Europe’s.

That’s one of the reasons that I’m seeking the fast-track authority. It’s up to the United States to decide whether it’s going to be a fully competitive nation, but we have—in the last 2 years, for the first time in a long time, more than half our new jobs have come in the higher wage categories. And it’s the direct result of our aggressive pursuit of trade opportunities.

So I’m prepared to compete, and all I want is a fair chance to compete with the Europeans here or anywhere else. But I don’t see that as a bad thing. If I were in your position, I’d be trying to sell more to everybody.

President Cardoso. Well, I believe that what President Clinton said is most helpful to us. The more competition we have between the United States and Europe for trade, the better it is for us because it makes

our products much cheaper. So I agree with President Clinton. It is true that Brazil's number one individual client is the United States today. But the European Union as a whole, or taken as a whole, imports and exports a bit more than the United States, actually. We are now, as I said before and I'm going to repeat this, global traders. We actually trade with a number of countries and areas throughout the world and we're very interested in increasing these trade flows.

With regard to the United States, we have increased such trade flows. Unfortunately, we have an increasing trade deficit as a result of the increased trade with the United States. So we have to review this situation and try to balance it better to the benefit of both. We want to increase imports and exports. We don't want a zero-sum game, and we don't want a game in which one loses and the other wins. We want a win-win situation in the trade arena.

That is why we say that our trade policy with Europe is very active. It will continue to be very active. But I agree wholeheartedly with President Clinton—we cannot think about such economic blocs as isolated fortresses. They have been designed to increase trade, and we're going to take advantage of every opportunity that we can find to intensify our trade abroad, to sell things abroad. We will do so whenever we can. We're not going to close off our economy, because our competitiveness, our progress in the area of technology, and the cheapening of the products for our own people depend on such trade.

Thank you.

Alternative Energy Sources

Q. Mr. President, in Venezuela your discussions included alternative energy sources. Here you've also discussed safe or clean energy sources. I wonder, given that in the United States there is opportunity for improvement in the area of both energy incentives and also reducing the amount of emissions, do you find it difficult to discuss this topic while abroad?

President Clinton. No, because I don't think the two things are inconsistent. I think we are under a real responsibility in the United States to do energy conversion. We were

on that path, ironically, 20 years ago when our experts underestimated the amount of natural gas reserves that would be available to us in the United States and throughout the world. And we thought we could move to a clean coal technology and do the job. We now know that that decision was not accurate. But the people who made the decisions 20 years ago did it based on the best evidence they had at the time.

So I think we're going to have more reliance on natural gas and other forms of energy that are even cleaner. And we have to do more conservation. If you were there at the climate change conference we had at Georgetown a couple of weeks ago, we learned, among other things, that two-thirds of all the heat generated in the production of electricity is wasted. If we can recover half of that waste heat, we will generate enormous new capacity for growth without adding one single pollutant in the form of greenhouse gases to the atmosphere. So we've got a lot to do on our own account.

But as I said—let me reiterate what I said. What I want to do is to try to help the developing countries grow their economy just as fast as would otherwise be the case, but chart a different energy future than the one we charted in the past when we were at the same stage of development. And the question is, can they do that? I think it's absolutely clear, crystal clear, that they can.

And this is a big problem. In China today, bronchial disease is, among children, the number one health problem for kids in the country already. So I want the Chinese economy to grow and the Chinese people to prosper, but I think they should choose a different energy course for the same growth. And I think they can and we should be trying to help them. If we don't do it, then no matter what we in the developed countries do, within 30 to 40 years we'll be right back in the same pickle we're in today, except worse.

Brazil-U.S. Trade Strategies

Q. I have two questions for both Presidents. For President Clinton, since 1995 both governments have worked on the bilateral trade with you, but so far they have no concrete results. And the perception is that Brazil is still complaining about trade barriers

and better access to the U.S. market. So I'd like to know if both Presidents have now a new orientation toward a new phase in the trade bilateral relationship.

For President Fernando Henrique, my question is, if there is no fast-track authority, if this is not granted, would Brazil be willing to negotiate—if there is no fast track, do you believe that there will be any continuity in the negotiations of FTAA? And if there isn't, would MERCOSUR take on this role, in other words, the role of the principal protagonist in terms of trade in the region?

President Cardoso. I don't want to make any bets on American policy. If there is going to be this sort of a policy or not is the United States' problem. I think that President Clinton is going to be in a position to get the fast-track authority he wants.

But integration, whether we're talking about integration throughout the hemisphere or MERCOSUR, are two processes that are very interesting to our economies, quite aside from any political issues, which will simply decide the speed at which such issues are decided. So what President Clinton said was crystal clear when he talked about his view of MERCOSUR and FTAA. He said there is no clash between the two, there is no opposition. There is simply a situation, and we have to give ourselves enough time so that we will be in a position to prepare for increased competition. It's just a matter of time, procedures, so that we will be in a position to participate fully in conversations and understandings.

So with or without a fast-track authority, the question is, is it good or bad for us to increase international trade? And the answer is always the same—it's always good to increase international trade. So I would say that the other factors are just conditioning factors, but the key objectives are out there and they're unchanging.

We will continue to work to our utmost to consolidate MERCOSUR, but simultaneously to work on the FTAA. We signed an agreement in Miami—I didn't sign it myself personally, but I was just the President-elect, but President Clinton was kind enough to ask me to come and observe. And this is not just a commitment on paper. It's a real

commitment—we really want to increase our trade foundation.

Now, people are talking about the United States, Europe, and so forth—trade is trade. We have to look at things one question at a time, how we're going to deal with the interests that are being affected, how can we build bridges in such a way as to benefit the parties involved. All of this involves a long construction process.

President Clinton. Let me say, first of all, I would only add to what the President said that I believe, and I think he believes, as well, that if we can proceed with this free trade area of the Americas, it's also a way of stabilizing the democratic governments of many smaller countries in our hemisphere and giving them some assurance that, if they stay with democracy and reform, their people will also be able to reap some economic benefit from it.

So I think it is important that Brazil assume a leadership role in this fashioning of this whole agreement. And I hope they will, because I think what we're trying to do is to say, this is, first and foremost, about economics, but economics supports freedom and democracy and stability if we do it properly.

Now, on the question you asked me, the trade question, let me just briefly say, we went over the specific trade issues that Brazil has with the United States and the specific trade issues the United States has with Brazil. And we—obviously, neither one of us are trade negotiators and these are somewhat specific and, in some cases, almost arcane issues involved, but what we did is we resolved that we would give both sides instruction that we want these matters resolved if at all possible and as quickly as possible. They're dragging on; they're an irritant to our relationship. And they're, in the context of our larger objective, a negative rather than a positive force, and we'd like to have them resolved. And that's basically the decision we made.

Attorney General Janet Reno

Q. Mr. President, just to go back for a moment to Janet Reno and her investigation—I'm wondering if you can tell us, has this whole affair complicated your relationship with her and your ability to actually function with your highest ranking law enforcement

official? For instance, do you find yourself not talking to her because you're hesitant to have too much contact with the Attorney General?

President Clinton. Well, I don't really have anything to add to what I said yesterday about that. I think you all are perfectly capable of drawing your own conclusions and evaluating whether this puts our political system in balance or out of balance, and I don't think that we should discuss it here.

The most important thing is we've got a law; we've got a fact-finding process. The fact-finding process should proceed with integrity. The law should be implemented without pressure either way. I am doing my part. I wish others were doing as well.

Brazil-U.S. Relations

Q. Mr. Fernando Henrique, I hope you don't mind if I ask Mr. Clinton the question. Mr. President, your visit was preceded by diplomatic turmoil. A document was disseminated that said that Brazilian corruption was endemic. This was commented on by the American Ambassador, and his comments made things worse. The head of the Supreme Tribunal, the superior court in Brazil, reacted badly, as did some other people in the federal government—even a Governor of the federal district. And they also reacted not just to this issue but to a number of other issues in which excess security was demanded by some of your advisers. Brazilian authorities called these people's attitude rather aggressive. Not only authorities but people as a whole in Brazil felt that they had been badly mistreated. I would like to know your view, sir. Do you think there was any exaggeration? Do you think there were any diplomatic mishaps in this situation?

President Clinton. Well, first of all, I became aware of this document and the characterization of Brazilian culture after it had been released. The document was wrong, and it represented an appalling error of judgment for anybody to write such a thing. It has been decisively rejected by every American authority, beginning with the Ambassador here now. And it has been excised from the document.

So I regret very much that it happened, but once in a while such a thing may even

happen in Brazil, where someone who works for some agency will put out something in printing which shouldn't happen. I can only ask the Brazilian people not to infer that that is the feeling of either the Government or, more importantly, the people of the United States toward Brazil. I assure you that no Brazilian could have been any more upset about it than I was. I thought it was terrible, and I did everything I could to correct it.

Now, in terms of the trip here, I just don't have enough facts to know. I know that our people historically, because of the problems that have periodically affected our Presidents—always on our own home turf, I might add, always when we're at home—that the security for an American President often seems to others to be too rigid and too uncompromising. But as I said, we've never had problems with our President's security in a foreign country. But we've had enough problems at home, over the last 35 years and before, that I hope you will at least understand that. But I try to make sure that our people are as understanding and cooperative with the people in every country and community they visit as possible, and I hope they have been. That's all I can say; I don't know the facts.

1996 Campaign Finance Inquiry

Q. Sir, does it embarrass you when these questions about fundraising follow you on foreign trips, as they have on this one, or does it embarrass the country?

President Clinton. Well, I can't be embarrassed by other people's judgment. I have no control over what you decide to ask about. That's your decision, not mine. That's a question you should ask somebody besides me. I didn't have anything to do with what was asked. I think other people sometimes in other countries wonder what it's all about, especially when everyone concedes that there was no request or improper public action in any way, nor did any occur as a result of whatever communications are in dispute.

But that's a decision for you. You have to decide what questions you're going to ask. I can't be embarrassed about how you decide to do your job.

Brazil-U.S. Relations

Q. I have a question that I want to ask both Presidents. People who monitor relations between Brazil and the United States feel that the problems that we have had most recently are often exacerbated by the bureaucracies of our two countries simply because there's not enough involvement of the Presidents and the leaders of the two countries. This is criticism that's been leveled against our countries. I wonder if you would agree?

The United States has a difficulty, being a superpower, and the only superpower, to deal with an emerging power in the Americas that is asserting its leadership as a democracy, as a freer market. Former Secretary Kissinger told me recently that he believed that really you have to adapt, because you are not used to that; you have to adapt intellectually to that. I'd like you to talk about this issue. Does our emerging role bother Americans or the United States of America?

President Cardoso. Well, at least as far as the Brazilian side is concerned, I was so very pleased because the touchiest issues are always being brought up for President Clinton. No one is asking me these touchy questions. I was so pleased up until now.

However, my involvement and President Clinton's involvement can only be that of people who are involved at a very general level involving problems between our two countries. Of course, there are always going to be some sort of bureaucratic problems, but I'm quite sure that we can deal with them quite easily. I think bureaucratic problems and redtape dissolve as soon as people see the warmth of our warm and direct personal relations, which are much more important than any bureaucratic entanglement.

Now, of course, we do understand fully that for security reasons, you do have some problems of your own. Luckily enough, we in Brazil don't have to face these major threats. It's not the case of every country. The United States particularly has had to face some very difficult situations. Of course, our security forces try to pay attention at all times in Brazil. But I'm always breaking the rules in Brazil, and so far nothing has ever happened. And things are very tranquil, and I'm sure they'll continue to be so in the future.

But I'm quite sure that anything that comes up can be dealt with quite easily because of the warmth and the openness that President Clinton and Mrs. Clinton have shown to us in Brazil at all times. They have shown to all Brazilians that their trip is an open-hearted visit.

President Clinton. I'd actually like to respond, if I might, to both your questions. Because the question you asked the President, I think the answer to your question is a lot of—people who work in government bureaucracies the world over are following established policies, and they tend to acquire an interest in maintaining the established policies, and most of them don't have the authority to change it, which is why these kind of personal relationships are so important. Because it's our responsibility, if we want to change the direction of the country, not to blame the people who work for us—and particularly the people who may not even be political appointees, they work through from one administration to another—but to try to give different instructions, to send different messages down there.

And that's why—sometimes I think, with all respect, sometimes members of the press and even our own publics say, well, why did they spend all that money and do that foreign trip, all the money we spent to come here, all the money you spent to entertain us—why did they do all that? There didn't seem to be any great earth-shaking specific agreement. And the main reason is the very thing you said, that we have to increase understanding, we have to increase sensitivity. And even subtle shifts in our position can send a different message to those down in the governmental hierarchies that have to implement these decisions on a daily basis. So I think that's a very good question.

The second thing is, does the United States, at the end of the cold war, left as being the world's only superpower, feel threatened by the emergence of Brazil or any other country? The answer to that is, I actually support the emergence of countries to a greater role of influence and responsibilities, as long as they share our basic values—not agree with us on everything but share our basic values.

If they're committed to freedom and democracy, if they're committed to open trading systems, if they're committed to giving all their people a chance to participate in the wealth that the global economy generates, if they're committed to a responsible global approach on the environment, if they're committed to working with us against threats that cross national borders—terrorism, weapons proliferation, criminal syndicates, and drug trafficking—if they're committed to those things, then I don't see this as competition. I see this as people emerging to take on more responsibility. And if we work together, more good will happen.

I'll give you another example. When I became President, there was the question of whether the United States would object if, in addition to NATO in Europe, there were an independent European security force working with NATO. And I made it clear from the beginning, I support this. I don't see these things as competing.

We have to change, because most of the threats to nations in the years ahead will come not from other nations but from threats that cross national borders—guerrillas, terrorists, weapons proliferation, drugs, crime, environmental and disease problems—number one. And because most of the benefits that nations can derive for their own people require them to cooperate with people beyond their borders, we will have to change our conception of how national power and influence is acquired. National power and influence is acquired, ironically, by becoming more interdependent and cooperative with others who are strong and self-sufficient and self-reliant but need to be allied with you. And I do believe, frankly, that this will require a big change in the way people look at politics, not just in the United States but elsewhere.

1996 Campaign Finance Inquiry

Q. Since you spoke yesterday on Air Force One, it's been reported that the White House and the Justice Department have been negotiating to figure out a way that you could speak to investigators about campaign finance. Have you reached such an agreement? And under what conditions would you speak to the Justice Department?

President Clinton. I know nothing about that I didn't say yesterday. I literally—no one has talked to me about it, and I know nothing to add to what I said yesterday.

Trade Policy and International Relations

Q. President Clinton, Mr. President of Brazil, Fernando Henrique Cardoso, Brazil defends negotiations with the FTAA in complementation to tariff laws. Now, what complements are we talking about specifically as long as Brazil adheres to the calendar?

And for President Bill Clinton, last night, Mr. Clinton, you said that you felt touched by Brazil and had felt touched by Brazil for over 30 years. Have you been touched enough to say that you're going to give support to Brazil's candidacy on the Security Council so that Brazil will become a full member of the Group of Nine as well next year?

President Cardoso. Okay, I'm going to break a couple of the rules here once again. Go ahead, one last additional question very, very quickly before we answer.

Q. The United States Government wants that Brazil open the Brazilian market, but there are many restrictions against Brazilian products, like orange juice or steel. My question is, why not the U.S.A. don't change the situation, keep the situation and allow the free commerce for many Brazilian companies?

Fernando Cardoso, I would like to know what the Brazilian Government's view on these nontariff barriers against a number of Brazilian products that are trying to get into the U.S. market.

President Cardoso. All right, I'm going to begin by answering the question on the additional agreements or side agreements to the FTAA. I think that President Clinton talked about his views very clearly when he talked about the meaning of the overall proposal for hemisphere-wide integration. And he made his comments in a way that I think was quite proper. He said it's not just a matter of tariffs—I'm going to talk about the tariffs in a minute—but it's not just a matter of tariffs. It's a much broader concept that we're fighting for here, because we're talking about the fact that there are some political

considerations that come into play. And of course, political considerations are based on values: a common desire, a shared desire to keep the peace, to control drug trafficking, to avoid criminal activities on the international level or in the international sphere.

So we're not just talking about trade here, so much so that what we proposed in the meetings that we've had thus far and that we're going to continue to have over the next few days, is that the key topic be education. And in Santiago, we're going to keep insisting on education as the key issue, because people can say, all right, very generously, let's talk about something that will move people, but that means that we have to talk about something that goes beyond tariffs. Tariffs, of course, are very important to countries and their economies and especially interesting to specialists. But countries have much more that they talk about and disagree with in the area of international relations aside from tariffs. And we have to talk about things that will bring our people closer together.

Education is ideal because the basic tenet of education is equality, and I think that what President Clinton said here pretty much follows along the same line of thought. And we do not want to limit our relationship to issues that don't even require a meeting between Presidents because technical-level meetings will be enough; what we are here to express and symbolize is something far greater than this. It's the desire for democracy and greater equality. A country such as Brazil, that has no reason to hide its problems, especially our social problems, which are so great in nature, is in a position to want very much to improve the standard of living of its people. Within MERCOSUR, outside of MERCOSUR, we're very interested in seeing that all agreements be broader in scope, just as President Clinton just said.

So with regard to the specific issues that were brought up—you talked about steel and orange juice and footwear and—everywhere throughout Latin America where President Clinton goes, he's going to hear the same issues being brought up, and elsewhere as well, because the French, the Japanese, the British, they all have the same problems. To the degree that our countries move forward and progress, especially Brazil, where the in-

dustrial sector is growing rapidly, of course we're going to begin to compete and problems are going to crop up. And of course, some moment in time is going to require arbitration of some nature, which is not meant to be just political in nature. But the greater our understanding is, the better our possibilities will be of reaching an understanding as to these issues.

Now, there are specific points on the agenda of demands of our two countries that neither one of us have really talked about them much. Some were brought up now, but we both know what they are. And when President Clinton goes back to the United States, people are going to ask him, "Did they ask you about this, that, or the other?" I'm not even going to mention what they are. He's going to say, "Yes, I did talk to President Cardoso about it. What did he say? Well, President Cardoso said he's going to give utmost consideration to these issues." And that's what I'm going to say to you. We're both going to work hard to try to solve these issues.

President Clinton. Let me say again, on balance, the United States has a lower tariff structure than virtually any country in the world, and fewer restrictions on trade than the European Union, for example. And I hope we can work these last remaining areas out. If you think about how big and complicated our countries are and the fact that we have now two-way trade in the neighborhood of \$23 billion a year, the number of disputes is actually relatively small, and I'm encouraged by that.

I'm not going to ignore the gentleman's clever question on the United Nations. First of all, you should know that today Brazil has been elected to a 2-year term on the Security Council. Congratulations, Mr. President, that's a very good thing for the United Nations, as well as for Brazil.

The United States position has been that the Security Council ought to be expanded, that a permanent seat ought to be given to Latin America, and that the Latin American nations themselves should resolve how that permanent seat should be filled. This really is one of those areas where I don't think it's our place to tell the people of Latin America how to proceed here. I hope we will proceed

and give a permanent seat on the Security Council to Latin America, because I think that the actions of the last several years clearly warrant that. And again, that's another one of those questions like the gentleman who asked me about Brazil's emergence. The more there is a stable, constructive presence in global affairs presented by Latin America, the better off the world's going to be.

White House Communications Agency Videotapes

Q. Thank you, Mr. President, and good afternoon. Based on your comments yesterday on Air Force One, sir, it would seem that you've been briefed on the videotapes that are soon to be released. What is your understanding of what's on them? And is there anything on them that causes you any concern?

President Clinton. No, I think it's the same old stuff. As I said, those of you who have been going to the fundraisers with me, you've already seen it live so the replay will probably be boring for you. That's what I understand, and I'm not worried about it.

Greenhouse Gas Emissions

Q. Mr. President, most of our allies are already saying that—[inaudible].

President Clinton. I've not made a decision yet about what to do. But let me say this, I intend to take a strong position there, and I expect to probably be criticized by all sides. The United States, as our friends in Europe are well aware, is in a particularly difficult position when the benchmark is 1990, for three reasons.

Number one, we've had economic growth since 1990 far greater than Europe, so our greenhouse gas emissions have gone up more, which means we have more to do to go down.

Number two, the Europeans are—particularly if they're treated together—benefit from the incorporation of East Germany into Germany and the dramatic drop in production in East Germany, which had a high level of pollution. Therefore, they get a big reduction in pollution for something that—not because of any independent policy action taken but because of the incorporation of East Germany into Germany.

And thirdly, the presence of the North Sea oil for Great Britain gave Britain the ability to sell the oil, which is relatively polluting, to other countries and keep the natural gas, which is quite clean, and substitute that for coal. So using the 1990 base mark, they have a lot of inherent advantages over the United States in terms of the degree of rigor required to meet any given target.

Nonetheless, I think there's so much we can do through technology and different purchasing patterns and conservation patterns, that I think that we can do quite a great deal. And I intend to propose that we do a great deal. What I'm trying to do is to put together a comprehensive agreement in Kyoto that will actually do what everybody wants, which is to reduce greenhouse gas emissions into the atmosphere substantially in the next century.

Right now we're at about double the volume of greenhouse gases in the atmosphere that existed before the dawn of the Industrial Age. If we don't do something, we'll triple the volume by the middle of the next century, and we know that something bad will happen. Even though the skeptics on the other side say we don't know exactly what and when, we know enough to know it's not going to be good, and we've seen enough evidence of that so far.

So I'm going to have a credible plan. I'm going to do my best to get everybody involved in it. I hope I'll even have some success at selling it to the Congress. Right now, it may be a lot easier to sell it to the environmentalists and to the business community than to sell it to the Congress, but I'll do my best.

Line Item Veto

Q. Mr. President, have you decided against using your line item veto authority? And am I mistaken, or is this becoming habit forming?

President Clinton. Well, it's not habit forming but, yes, I used it again today, as I told you yesterday I would, on I can't remember exactly how many projects, but more than a dozen worth more than \$140 million that were not either in my budget or recommended by the Department of Defense. I thought it was appropriate.

I know that a lot of Members that voted for the line item veto in Congress now wonder whether they did the right thing, now that I'm exercising it. But I'd like to remind you that again I have deferred, in great measure, to Congress. Congress put in 750 projects not requested in our budget or in the Defense Department plan and reduced overall weapons procurement, reduced overall research and development to pay for virtually all of them.

And I'm hoping that in the years ahead I won't be using it as much and future Presidents won't use it as much because it will lead to a different kind of negotiation in the budgeting process. But I think what I did today was responsible and quite restrained. And I believe that it's important to send a signal to the American people that we're going to stay on the budget track we started on and we're going to stay within these numbers and balance the budget. That's one of the things that's given us the big economy we've got.

Alternative Energy Sources

President Cardoso. I'd like to thank all the Brazilian and American journalists for having joined us and for being so good about answering all our questions.

And may I say that the emphasis that President Clinton has put on the environmental issue is one that I would like to bring up for Brazil as well. We have an energy matrix that is very, very clean. We use hydro power and now gas, natural gas. And we are strengthening our links with regard to the energy matrix throughout the rest of Latin America. So I think that our dialog in terms of climate has been extremely positive.

Thank you to everyone.

NOTE: The President's 151st news conference began at 1:40 p.m. in the Garden of Alvorada Palace. President Cardoso spoke in Portuguese, and his remarks were translated by an interpreter. During the news conference, a reporter referred to former Secretary of State Henry Kissinger.

Declaration of the United States-Brazil Partnership for Education

October 14, 1997

We the Presidents of the United States and Brazil recognize that a new reality is reshaping the world and that our citizens must be prepared to meet the challenges of a globalized world in the 21st century. Education is the key to the future. We recognize that working together we will harness inevitable change to the benefit of families in our countries.

Literacy and a first-class educational foundation are critical determinants to the well-being of our citizens, the strength of our economies, and preserving the values we as democratically-elected leaders hold dear.

Skilled and educated people are the foundations of strong democracies and market economies. We must, therefore, ask more of our educational systems than ever before. Our governments have similar initiatives promoting the development of modern information infrastructures that will facilitate economic growth and will be the foundation of new ways to teach and learn. Our students must be able to compete in a new and constantly-changing job market. This requires access to life-long learning programs and the ability to participate in and benefit from varied cultures outside our borders as well as to process and organize more disparate information than ever before. Education is needed to participate actively and knowledgeably in democratic, plural and diverse societies.

The democracies of our hemisphere, which will take part in the next Summit of the Americas to be held next April in Santiago, agree that education must be a central element in our shared agenda. Bearing in mind the urgency of prompt, effective action, as a top priority we have separately launched, within our respective countries, new initiatives to raise the quality of education, particularly in the primary and secondary levels.

And together, today, we hereby establish the United States-Brazil Partnership for Education. Expanding exchanges, upgrading