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I have been briefed on the main recommendations, and I am very happy to say that some of the recommendations are already reflected in the decisions which the President and I have issued today. I will have more to say on other recommendations a little later. I now invite President Bush to share his thoughts and initiate the discussion. You have the floor, sir.

President Bush. Well, thank you, Mr. Prime Minister. I want to thank the CEOs for joining us from both India and the United States. Thank you all for coming.

The Prime Minister and I have had some really constructive dialog, starting in Washington, DC, and then here in New Delhi. I would characterize our relationship as warm and results oriented. Warm because he's a humble man who cares deeply about the people of India, and he's a good thinker. He can see beyond the horizon, which is necessary.

I say "results oriented" because it's one thing to shake hands and smile for the cameras; it's another thing to actually deliver results on behalf of our people. I am a firm believer that relations with India are important to the United States. It's important for the people of the United States; it's important for people who want to work in the United States. And to the extent that we are able to achieve mutually beneficial goals, to eliminate barriers, and to hear from people who are actually on the frontlines creating jobs, I think is useful for those of us in government.

So I'm looking forward to hearing some more on this. One of the action steps that we agreed to take last July was to set up this forum. And, Mr. Prime Minister, it's good to see things happening. It's good to see results. And this is a result of an historic meeting, set of meetings.

And so I want to thank you for your hospitality. Thank you all for coming. I'm looking forward to hearing what folks have to say. And once you say it, once we figure out kind of the roadblocks for further development, you have my commitment that we will work to remove those roadblocks.

Thanks for having me.

NOTE: The President spoke at 11:38 a.m. in the Hyderabad House. Prime Minister Singh referred to William B. Harrison, Jr., chairman of the board, JP Morgan Chase & Co.; and Ratan N. Tata, chairman, Tata Group. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With Prime Minister Manmohan Singh of India and an Exchange With Reporters in New Delhi

March 2, 2006

Prime Minister Singh. Shall I start?

President Bush. Please.

Prime Minister Singh. Mr. President, ladies and gentlemen of the press: President Bush and I have completed very cordial and productive discussions this morning. We reviewed the status of our cooperation, including the agenda that was set on July 18, 2005. The joint statement that will be shared with all of you today contains a number of announcements and initiatives that underline the significant progress in our relationship.

Many of the areas that our cooperation now covers are essential to India's national development. They include energy, agriculture, science and technology, trade and investment, high technology, health, and a clean environment. This is a highly ambitious agenda, one that is befitting our growing strategic partnership. When implemented, they will make a real difference to the lives of our people.

The President and I had an opportunity to review the global situation in our talks. As you're all aware, India and the United States are working together increasingly on global issues. This is not just good for our two countries but also benefits the international community, as we can complement each others' capabilities and share responsibilities. President Bush is admired for his strong position on terrorism. And I was particularly pleased that we agreed on the need to root out terrorism, of which India has been a major victim.

I'm particularly pleased that we have reached an understanding on the implementation of our agreement on civil nuclear cooperation of July 18, 2005. I have conveyed to the President that India has finalized the

identification of civilian facilities to which we had committed. I was also happy to hear from the President that he now intended to approach the U.S. Congress to amend U.S. laws and the Nuclear Supplier Group to adjust its guideline. We will discuss with the International Atomic Energy Agency in regard to fashioning an appropriate India-specific safeguards agreement. You will appreciate I cannot say more now, while our Parliament is in session.

Before concluding, I would like to express my warm appreciation for the personal interest shown and the leadership role that President Bush has played in the transformation of our ties. I have met the President a number of times, and on each occasion, I have admired his vision, his resolve, and his commitment to strengthening our bilateral relations. Our discussion today make me confident that there are no limits to the Indo-U.S. partnerships.

May I invite you, Mr. President, now to make your remarks.

President Bush. Mr. Prime Minister, thank you very much. It's a joy to be here. Laura and I are really thankful for your hospitality, and I appreciate the lengthy and constructive dialog we just had on a wide range of issues. I particularly thank the CEOs from both the United States and India who have worked hard to help develop a way forward to make sure our relationship is constructive and long-lasting.

India and America have built a strategic partnership based upon common values. Our two democracies respect religious pluralism and the rule of law. We seek to foster economic development through trade and advancing the entrepreneurial spirit in both countries.

We're working as partners to make the world safer. India and America both suffered from terrorist attacks on our home soil. Terrorists attacked New Delhi. We're sharing information to protect each other. We have a common desire to enhance the security of our peoples. We're cooperating on the military front. We worked as partners in responding to the tsunami. I was struck, and so were the American people, that the Indian Air Force delivered Hurricane Katrina aid to an Air Force base in Little Rock, Arkansas. And for that, Mr. Prime Minister, thank you.

We are committed to promoting democracy worldwide. We are leaders in the United Nations Democracy Fund, which provides grants to help young democracies develop civil institutions in a free society. I particularly want to thank the Indian people and the Indian Government for supporting the new democracy in the neighborhood, and that being the democracy in Afghanistan, where you've pledged 565 million in reconstruction aid, plus 50 million for the new national assembly building.

On Burma, we agree on the deplorable state of human rights in Burma, and all nations to seek the release of Aung San Su Kyi. In Nepal, we agreed that the Maoists should abandon violence, and that the King should reach out to the political parties to restore democratic institutions. In other words, our discussions are more than just friendly handshakes. We discuss important international relations. We're partners in peace. And that's in the interests of our own people, as well as the interests of people around the world.

On trade and investment, ties are growing. We're partners in expanding global trade. The United States is India's largest trading partner, and India is one of the United States' fastest growing export markets. That's one of the reasons we met with the CEOs today, is to how to further trade and how to further commerce and how to further opportunities.

And, oh, by the way, Mr. Prime Minister, the United States is looking forward to eating Indian mangos. Part of liberalizing trade is to open up markets. And as a result of your leadership and our hard work, we are opening up markets. Our Agricultural Knowledge Initiative is an important initiative for both countries, where we'll fund joint agricultural research projects.

Prime Minister Singh and I established a trade policy forum to address bilateral trade issues. One of the areas we discussed today is how we can work together to make sure that the Doha negotiations end on a positive note. Trade is important. Trade is important for our peoples. Trade is important to help nations develop ways forward, help nations

overcome poverty. And I appreciate your understanding of that, Mr. Prime Minister. I'm looking forward to working with you.

As the Prime Minister mentioned, we concluded an historic agreement today on nuclear power. It's not an easy job for the Prime Minister to achieve this agreement, I understand. It's not easy for the American President to achieve this agreement. But it's a necessary agreement. It's one that will help both our peoples.

Again, I applaud you for your courage and your leadership. I'm looking forward to working with our United States Congress to change decades of law that will enable us to move forward in this important initiative.

Also, we talked about the Advanced Energy Initiative that I'm proposing in my own country. Listen, the whole purpose of the Advanced Energy Initiative is to end our dependence on oil, and as we develop technologies that will enable us to do so, we look forward to working with India so we can achieve the same objectives. Dependency upon fossil fuels causes, particularly during times of shortage, causes prices to rise in both our countries. And it's in our interests that we share technologies to move away from the era of fossil fuels.

India and Pakistan have an historic opportunity to work toward lasting peace. Prime Minister Singh and President Musharraf have shown themselves to be leaders of courage and vision. And I encourage them to continue making progress on all issues, including Kashmir.

India and America are partners in addressing other global issues like HIV/AIDS and pandemic flu. In other words, this partnership of ours is substantive, and it's important, and it's strategic. And I thank the Prime Minister for working with me to advance this relationship in such a way that we can define our previous meetings and today's meeting as historic in nature. I'm confident that the relationship between India and the United States is good for the United States of America. I hope it's good for the people of India, and I know it's going to be good for laying the foundations of peace in this world of ours.

So, Mr. Prime Minister, thank you very much for having me.

Prime Minister Singh. It's a great honor, Mr. President, to have you.

Civilian Nuclear Power Program in India/United Nations Security Council Membership

Q. Thank you, Mr. Prime Minister. Thank you, Mr. President. Sir, since you have said that India-U.S. nuclear cooperation agreement is on, what we would like to know from you that how are you going to ensure that India's concerns and Indian scientific community's concerns regarding nonstop supply of fuel, and also protecting India's three-phased nuclear research program?

And excuse me, sir, Mr. President, I have a question for you too, sir. Sir, you know, everybody is saying that India and the United States are natural allies. And you have also said many times that our strategic partnership is based on common values, shared values. Sir, then why the largest democracy of the world is reluctant or not forthcoming to support—the oldest democracy of the world is not supporting the largest democracy of the world to have a permanent membership of the United Nations Security Council? This is an issue India would like to hear from you more, sir. Thank you. Thank you, Prime Minister.

Prime Minister Singh. You have asked me about the nuclear agreement. As I mentioned, we have reached a mutually satisfactory understanding with regard to carrying forward the process that was outlined in the July 18 statement which I and President Bush signed.

An important step forward is the preparation of a separation plan, a separation plan which separates the civilian nuclear program from the military program. That phase has been successfully completed. Now it is for the United States to go to the Congress for necessary amendments in U.S. laws. Also, the U.S. will approach the members of the Nuclear Supplier Groups, and thereafter we'll also have to go to the International Atomic Energy Agency for India-specific safeguards.

So we have made very satisfactory progress. And I thank the President for his initiative. But for his leadership this day would probably have not come so soon.

President Bush. Thank you for your question on the U.N. Security Council. I'm not surprised you asked it. As a matter of fact, I gave an interview to a person from the India media in Washington, DC, prior to my trip, and that was one of the questions asked.

My answer hasn't changed, by the way, which is this: One, we support United Nations Security Council reform, and we're interested in different ways to reform the United Nations Security Council. My concern all along, however, is that if we only stick to the United Nations Security Council reform, we miss an opportunity to reform the United Nations overall. And so our position is, let's make sure reform overall moves forward as we think about the best way to reform the Security Council.

The United Nations is a very important international body. It's one that does, however, require better accountability and—accountability on how we spend money and accountability on getting results. One such area, for example, is the Human Rights Commission. The Human Rights Commission needs to be reformed in a way that actually is able to achieve significant results on behalf of the world.

And so we're openminded, and we're listening. But what we don't want to do is have a Security Council reform measure that causes the other reforms not to go forward.

Suzanne [Suzanne Malveaux, Cable News Network]. You probably need a microphone, unless you want to belt it out.

President's Upcoming Visit to Pakistan

Q. I'll try. Thank you, Mr. President. There are reports of multiple bombings out of Karachi, Pakistan, outside of the U.S. consulate, as well as the Marriott Hotel. What can you tell us about this? Will this impact your trip, your visit to that country? And how does this speak to Pakistan or even Musharraf's ability to contain terrorists?

President Bush. First of all, I've been briefed on the bombings. We have lost at least one U.S. citizen in a bombing, a foreign service officer, and I send our country's deepest condolences to that person's loved one and family. We also send the condolences to the people from Pakistan who lost their lives.

Terrorists and killers are not going to prevent me from going to Pakistan. My trip to Pakistan is an important trip. It's important to talk with President Musharraf about continuing our fight against terrorists. After all, he has had a direct stake in this fight—four times the terrorists have tried to kill him.

The Prime Minister and I talked about the need to continue working together to fight the scourge of terrorism. People—these terrorists will kill innocent life just like that. They have no conscience. You can't negotiate with them; you can't reason with them. They must be brought to justice. The bombing that took place prior to my trip is an indication that there are—that the war on terror goes on, and that free nations must come together to fight terrorism.

The way to defeat terrorism in the short run is to share intelligence and to take action. The way to defeat terrorism in the long run is to defeat the ideology of hate with an ideology of hope. And that's democracy. The great thing about being here in India is, it's a perfect opportunity to remind the world that it is possible for people of different religions to live peacefully together. That's precisely what this grand democracy has shown the world.

And my resolve has never been stronger about protecting our own people by working with other nations, to answer the call to history, and the call to history now is to stand strong in the face of these terrorist attacks. And we will.

War on Terror/India-U.S. Relations

Q. President Bush, two questions for you. First——

President Bush. Only two? That's good.

Q. First, on the nuclear deal, how do you plan to sell the agreement to a very powerful nonproliferation lobby in Washington which has opposed the deal? And second, on the issue of terrorism, in the context of today's bomb blasts in Karachi, how do you propose to work with India on terrorism, considering India considers that the epicenter of terrorism is in Pakistan?

President Bush. Well, one way we work together on terrorism is to make sure our intelligence services share information. The way you defeat terrorists is you—in the short

term—is you anticipate and react to their motives and their actions through good intelligence.

We're involved in a different kind of war. This is a war where people hide and plot and plan and then, all of a sudden, emerge and kill. And so it requires a different response. And part of the response is to commit our intelligence services to sharing information. We spent some time talking about that issue today.

As well, I will send—bring the same message to President Musharraf, that we will continue to work with the President to share information to bring terrorists to justice. Terrorism is not prevalent only in this part of the world. It's prevalent in the Middle East as well. In the long run, terrorism will be defeated by giving people hope and opportunity as opposed to systems of government which breed resentment and provide—and as a result of that resentment, provide opportunity for these killers to recruit.

In terms of convincing the Congress, the first thing I will say to our Congress is that our relationship is changing to the better. You know, sometimes it's hard to get rid of history, and short-term history shows that the United States and India were divided. We didn't have much of a relationship. And as a result, there are laws on the books that reflect that. Now the relationship is changing dramatically. People in the United States have got to understand that trade with India is in our interests, that diplomatic relations with India is in our interests, that cultural exchanges with India are in our interest.

One of the things that helps make that case, of course, is the—there's a lot of Indian Americans making important contributions to our country. And we welcome those contributions. I think there needs to be more student exchanges between our countries. I think we ought to expand H1B visas for Indian scientists and engineers and physicists and people in our country.

In other words, what I'm trying to explain to you is that it's a changing relationship, and part of that change is going to be how to deal with the nuclear issue. Now, proliferation is certainly a concern and a part of our discussions, and we've got a good faith gesture by the Indian Government that I'll be able to take to the Congress. But the other thing that our Congress has got to understand, that it's in our economic interests that India have a civilian nuclear power industry to help take the pressure off of the global demand for energy.

Obviously, nuclear power is a renewable source of energy, and the less demand there is for nonrenewable sources of energy like fossil fuels, the better off it is for the American people. Increasing demand for oil from America, from India and China, relative to a supply that's not keeping up with demand, causes our fuel prices to go up. And so to the extent that we can reduce demand for fossil fuels, it will help the American consumer.

And so there are several ways for me to make the case, which I'm kind of laying out for you now, so that—but this is what I'll be telling our Congress.

Axelrod [Jim Axelrod, CBS].

Civilian Nuclear Power Program in India

Q. Mr. President, Mr. Prime Minister, following up on this just a touch, what kind of message, sir, does it send to the world that India, which has been testing as late as 1998, nuclear testing, and is not—has not signed the Nuclear Nonproliferation Treaty—is this a reward for bad behavior, as some critics suggest? And what kind of message does it send to other countries that are in the process of developing nuclear technology? Why should they sign the NPT if India is getting a deal without doing so, sir?

President Bush. What this agreement says is, things change, times change, that leadership can make a difference, and telling the world—sending the world a different message from that which is—what used to exist in people's minds.

I—listen, I've always said this was going to be a difficult deal for the Prime Minister to sell to his Parliament, but he showed great courage and leadership. And it's difficult for the American President to sell to our Congress, because some people just don't want to change and change with the times. I understand that. But this agreement is in our interests, and therefore, Jim, I'm confident we can sell this to our Congress as in the interest of the United States and, at the same

time, make it clear that there's a way forward for other nations to participate in a—in civilian nuclear power in such a way as to address nonproliferation concerns.

India has charted a way forward. You heard the Prime Minister talk about going to the IAEA. That group exists to help safeguard the world from proliferation.

Listen, I proposed reprocessing agreements—that stands in stark contrast to current nuclear theology that we shouldn't reprocess for proliferation concerns. I don't see how you can advocate nuclear power, in order to take the pressure off of our own economy, for example, without advocating technological development of reprocessing, because reprocessing will not only—reprocessing is going to help with the environmental concerns with nuclear power. It will make there—to put it bluntly, there will be less material to dispose.

And so I'm trying to think differently, not to stay stuck in the past, and recognize that by thinking differently, particularly on nuclear power, we can achieve some important objectives, one of which is less reliance on fossil fuels; second is to work with our partners to help both our economies grow; and thirdly is to be strong on dealing with the proliferation issues.

Well, Mr. Prime Minister, it's been a joy.

Prime Minister Singh. Thank you very much, Mr. President. We have made history today, and I thank you.

President Bush. Thank you, sir. Thank you.

NOTE: The President spoke at 12:26 p.m. in the Mughal Garden at the Hyderabad House. In his remarks, he referred to Aung San Su Kyi, leader of the National League for Democracy of Burma; King Gyanendra of Nepal; President Pervez Musharraf of Pakistan; and David Foy, a U.S. State Department official who was killed in a terrorist attack in Karachi, Pakistan, on March 2.

Remarks at a Luncheon Hosted by Prime Minister Manmohan Singh of India in New Delhi

March 2, 2006

Mr. Prime Minister and Mrs. Kaur, thank you for your hospitality. Mr. Prime Minister, I'm sorry you brought up the Taj Mahal. I've been hearing about it from Laura ever since I told her that we weren't going. But we pledged if you invite us back to come back, we'd love to see the magnificent part of your country that we will be unable to see this trip.

This is an historic trip. It's a chance to continue to build on the progress we made in Washington, DC, progress being a relationship that is—that lasts beyond our time in office. It's a relationship that is based upon our common values, that every person matters, every person belongs, and everybody should be able to worship as freely as they want to, the common values of recognizing the right to people to express themselves in a peaceful way.

Our relationship is one that's important for peace and prosperity in this world. It's important that we continue to work together to battle the terrorists, to give them no quarter, and to never yield. Terrorism has no place in democracy and terrorism must be defeated for our children and grandchildren to be able to live in a peaceful world.

Our relationship is one based upon our belief that free and fair trade is in the interests of our people; that when trade moves freely and fairly, that people in our respective countries will be able to find good work and good jobs and improve their standard of living. I believe India has got a really important role to play in showing parts of the world what is possible when it comes to having people live side by side in peace. India is such a wonderful example of pluralism, of religious freedom, of human rights. This relationship of ours is a vital relationship; it's a strategic partnership.

And so Mr. Prime Minister, thank you very much for our dialogs and our work together. Thank you for your hospitality. I want to thank the leaders who are here with us today for taking time out of your busy schedules to welcome Laura and me and our delegation.

And so I, too, would like to propose a toast, a toast to the Prime Minister, his wife, and to the people of India.

NOTE: The President spoke at 1:39 p.m. in the Taj Palace. In his remarks, he referred to Kaur Gursharan, wife of Prime Minister Singh. The