

**The President's News Conference
With President Kim Dae-jung of
South Korea in Seoul**

November 21, 1998

President Kim. Good afternoon. I wholeheartedly welcome President Clinton's visit today, which marks his third visit during his term in office. The fact that in the first year of the new government in Korea we have had an exchange of summit meetings demonstrates to our peoples and the rest of the world the solidity of the alliance that binds our two countries.

We, the two heads of state, as we had agreed during the summit meeting in June in Washington, have decided to take the Korea-U.S. relationship to a higher level of partnership into the 21st century based on our shared treasured values of democracy and market economy.

Through my second summit meeting with President Clinton after my inauguration, I have had a broad and indepth consultation with President Clinton on the political situation on the Korean Peninsula and Northeast Asia, the East Asian economic crisis, and regional and global issues of common interest. In particular, our consultation focused primarily on the following four areas:

First, we agreed that the security alliance between the two countries must stand firm and solid. President Clinton reaffirmed the unwavering security commitment of the U.S. toward the Republic of Korea, and we, the two heads of state, agreed that his visit has provided an opportunity to further strengthen the close security alliance.

Second, President Clinton and I reviewed North Korea's recent attitudes towards the Republic of Korea and the United States, and we appreciated the present state of exchanges and cooperation between the North and the South. Given the current situation on the Korean Peninsula, we also agreed that the policy of engagement is the best policy from a realistic standpoint and that this ought to be pursued with consistency.

We also noted the contribution of the Geneva agreed framework, the contribution the framework is making toward peace and stability on the Korean Peninsula as well as the global efforts for nuclear nonproliferation.

We affirmed that we will continue to work together to keep the light-water reactor construction going smoothly.

However, we, the two heads of state, we made it clear that we will not tolerate any possible attempt of North Korea to proliferate nuclear weapons, missiles, and other weapons of mass destruction, and decided to closely coordinate in talking with the North on a wide range of pending issues.

In particular, President Clinton and I had a full exchange of views regarding the suspicion surrounding underground construction activity within the North. I told President Clinton that the Korean Government considers this issue as a very serious one, given its implication for the security of the Peninsula, and we would continue to spare no efforts in supporting the U.S. endeavor to pursue its resolution.

We have stressed that all necessary steps should be taken to clarify the purpose and character of the underground sites through full access. We have required North Korea to clear the suspicion and help implement the Geneva agreed framework smoothly. We reaffirmed that the roles that the parties directly concerned, the South and the North, must play in resolving the problems on the Peninsula are important and agreed that the neighboring countries should spare no effort for the South and the North to make progress in dialog and play a leading role.

We have noted the establishment of the subcommittees and other positive developments in the third plenary session of the four-party talks and decided to continue to work together to produce more substantive results in the future.

Third, we, the two heads of state, had an indepth consultation on how to promote economic cooperation between the two countries. President Clinton reiterated his firm support for Korea's efforts to move past the economic crisis. I explained the steps the Korean Government has taken to reform the economy and President Clinton expressed the view that even though the Government reform measures might accompany short-term difficulties, they will eventually lead to an early resolution of the economic crisis. And he offered to lend as much support as possible.

I appreciated the leadership the United States has shown in the efforts to help Korea overcome the economic crisis and asked the President for further cooperation in this regard, emphasizing that greater foreign investment is what Korea needs to resolve the economic difficulties at an early date. President Clinton, for his part, said that he will send a trade and investment delegation, led by Commerce Secretary Daley, sometime early next year, and we decided to work together to ensure the early signing of a bilateral investment treaty.

I expressed my satisfaction with a smooth implementation of the economic measures that were agreed upon in the last summit meeting. In particular, I noted with gratitude that the U.S. Overseas Private Investment Corporation resumed investment guarantee programs in Korea and welcomed the productive discussions held through the Korea-U.S. economic subcabinet consultation that resumed in early November, after a hiatus of 3 years.

President Clinton and I also decided to work together to resolve economic and trade issues in a mutually beneficial manner, as seen from the amicable resolution of the automobile talks. We also agreed to make concerted efforts on the basis of internationally agreed principles to expand electronic commerce and to resolve the Y2K problem. Through extra meetings and other means, our two countries will closely cooperate in these areas as well.

Fourth, President Clinton and I decided to work together towards a closer partnership in regional and global issues. As part of these efforts, we agreed to search for measures to simultaneously foster democracy and market economy in Asia. In this regard, we decided to create a democracy forum to bring together young leaders from the Asian region, led by the U.S. National Endowment for Democracy and the Korean Sejong Research Institute. The two institutions will continue to work out further details.

At the same time, President Clinton and I shared the view that coordination through the Asia-Pacific Economic Cooperation forum, APEC, and other multilateral institutions is needed, and agreed to work together

closely to overcome the East Asian economic crisis.

Likewise, we found today that our views over a wide range of issues are in total accord. In this respect, I believe today's meeting was a valuable opportunity to deepen the close policy coordination and the mutual trust between the two countries.

Thank you.

President Clinton. First of all, I would like to thank President Kim for making the American delegation feel so welcome here in Korea. The importance of our relationship with Korea is evidenced by the fact that this is the second meeting President Kim and I have had in just a few months and that I am accompanied on this trip by a very distinguished delegation, including five Members of our United States Congress, who are here with me today, and many distinguished members of our administration. We all view President Kim as one of the world's great champions of democracy, an inspiration because of his longstanding faith, his firmness, his capacity for forgiveness, and his foresight which I have seen again today.

We did a lot of work today to advance our common commitments and interests. Much of it has already been described by the President, but I would like to say a few words.

First, with regard to security, our goal is what it has always been, a peaceful Korea, part of a prosperous Asia. America stands by its unshakable alliance with the Republic of Korea. The alliance is based on a history of shared sacrifice and a future of united purpose, to defend freedom and to secure a stable and permanent peace on this Peninsula.

President Kim and I continue to support an approach that is a clear-eyed mix of diplomacy through the four-party talks and President Kim's engagement policy; nonproliferation through the agreed framework and the missile talks; and deterrence against North Korean aggression through our defense cooperation.

I support President Kim's policy of gradual engagement with North Korea. The four-party peace talks offer the best avenue to a lasting settlement, but they demand tremendous patience and perseverance. Both President Kim and I, as you heard him say, are convinced that the agreed framework is the

best way to prevent North Korea from developing nuclear weapons, provided Pyongyang abides by its commitments.

Now, North Korea's recent actions, including the Taepodong missile launch and the construction of a suspect underground facility, are cause for deep concern. We have made it clear to Pyongyang that it must satisfy our concerns and that further provocations will threaten the progress we have made.

The President and I, as he said, also addressed economics. Let me, first of all, say that the people of the United States extend their great support and understanding for all the pain and dislocation the people of Korea have endured in this economic crisis. But we admire the tough choices that President Kim's administration has made to address the financial crisis and to put Korea back on the path to economic growth.

We also admire the support that average citizens here have given to making tough choices for a better tomorrow. It is encouraging to us that interest rates have fallen and Korea's currency has stabilized. The U.S. has worked to support Korea's efforts with bilateral assistance and through the IMF and the multilateral development banks. To aid trade and investment, our Export-Import Bank, whose Director is here with us today, has offered an unprecedented \$4 billion in credit, which over the next 2 years will support \$8 billion in exports. The Overseas Private Investment Corporation has reopened its operations here to help the return of private investment. And we have just agreed to expand our agricultural export credits.

Earlier this week we joined with Japan to create the Asian growth and recovery initiative to help accelerating restructuring in the corporate and financial sectors, to help to work through the debt so that private sector growth can occur again here and throughout Asia.

And we particularly want to support President Kim's efforts to protect the most vulnerable members of Korean society. I know that Korea has endured much pain and still has a difficult road to travel, including reforming the financial sector, facilitating corporate restructuring, getting all the people back to work. The United States will support your

efforts. It is very important that all segments of this society, including all the conglomerates, pay their part, as well.

The President cannot do this alone. The Government cannot do this alone. The people, with all their good wishes, still need the help of all segments of this society. The United States looks to Korea for its leadership in maintaining and expanding open markets during Asia's economic difficulties. We are especially grateful for Korea's leadership in APEC and supporting our sectoral liberalization initiative that we have in common.

At the same time, we also hope Korea will continue to open its markets, resist the temptation to protectionism. As President Kim said, we are very encouraged by the recent agreement to open Korea's automobile markets to American manufacturers. And I did ask the President to make sure we have special care to prevent unfair trade practices or subsidization in sensitive sectors like steel and semiconductors.

Let me finally say that President Kim is one of the world's most eloquent advocates for the proposition that democracy and prosperity must go hand in hand. Here in Asia, countries that are responding to the financial crisis by deepening their democracy, Korea, Thailand, for example, are faring better because the difficult solutions they propose have more legitimacy with their people. Over the long run, democracy and good governance will be vital to economic growth. The information-driven economies of the 21st century will be measuring the true wealth of their nations by the free flow of ideas and creativity.

Therefore, as President Kim has said, I welcome, too, the establishment here in Korea of a new forum on democracy and free markets to be led by the Korean Sejong Institute and our own NED.

I also want to thank President Kim for Korea's many contributions to peacekeeping, its defense of human rights and democracy in places like Burma, its growing support for the fight against global warming. We are proud of our strong alliance with Korea, proud that Korea has a visionary President willing to take on the challenges of today and the dreams of tomorrow. And we are committed to maintaining and improving our

partnership in security, in economics, in the pursuit of freedom and democracy.

Thank you very much.

South Korean official. Thank you very much. And now your questions, please. First, a Korean reporter and then a foreign reporter. We'll take turns. For the Korean reporters, I will be giving the speaking turns. For the foreign, American reporters, the White House spokesman will be giving the turns.

North Korea

Q. Regarding engagement, vis-a-vis the North, both of you are actively supportive of engagement. There are positive and negative signs, the Kumgang Mountain tourism development is a positive sign. But on the other hand, we have suspicions about its underground construction site. President Kim, without the nature of the underground construction site having been ascertained, do you still plan to stay with engagement? How far can you go?

And President Clinton, I know there are hard-liners in Congress vis-a-vis the North. The Congress has said that unless the suspicion is alleviated by May, it will be cutting its support for the heavy fuel oil to the North. Given the situation, do you think you will be able to ascertain the exact nature of the underground facilities?

President Kim. I will be answering first. North Korea, as you have said, is showing two sides, both negative and positive sides. Let us discuss the positive side first. As you know, the Kumgang Mountain tourism ship is in the North.

The tourism program is smoothly on track. This project was made possible because the North Korean leader, Kim Jong-il, personally met with the honorary chairman of Hyundai to conclude the agreement on this project. This, to us, indicates a significant change in the North Korean attitude.

Secondly, the military armistice commission, which was halted during the past 7 years, has been revived under a different name. We now call it the General Officers Talks, but it carries out the same functions. So the military dialog has been resumed.

Thirdly, over the suspected underground construction site, the United States continues to engage the North in dialog.

And fourth, the North Korean Constitution has been amended to introduce elements of the market economy. And given the nature of the North Korean regime, a very stiff ideologue regime which rules by ideology, the changes in the Constitution is very significant.

And finally, in the four-party talks—in the third plenary of the four-party talks, the four sides reached agreement to establish two subcommittees to discuss peace on the Korean Peninsula. These are the positive developments.

But as you say, there are the negative signs. For example, the infiltration of North Korean submarines into our territorial waters. The suspected underground construction site is another negative indication. And of course, the Taepodong missile launching has raised tension not only on the Korean Peninsula but in Japan and the United States; it was a great shock. These are some of the negative developments.

Thus, for the positive signals, we should further encourage that; we should try to build upon those positive signs. But on the negative side, these are all serious issues, especially the construction site, the suspicion over the construction site. We must require full access and ways to ascertain the nature and the purposes of the construction site. If it is, in fact, proven that it is nuclear-related, we should demand immediate close down.

On missiles, too, we must urge for solutions, for talks with the North toward resolving the issue. So we must be firm on these issues, and depending on how the North reacts, responds to these requirements, the United States, Korea, and Japan and the other countries can consult and come out with a common response.

Thank you.

President Clinton. I will be very brief. You asked about the feeling in our Congress. I do believe that next year when the time for review comes up, if there is a conviction in the United States Congress that North Korea has not kept its commitments under the agreed framework or has done other things which, in effect, make our efforts to

resolve nuclear and other issues doomed to failure, then there will be great reluctance to continue to fund the American responsibilities under the agreed framework.

That's why it's so important that we get access to this site, this questionable site where, I want to make it clear, we have strong information that raises a suspicion, but no one yet knows for sure, at least in our camp, what the facility is and what its intended purpose is, specifically. But it raises a strong suspicion. We need access to it.

Now, let me back up one step and just make two points very quickly. First point: To date, the agreed framework has done its job. We are convinced that without the agreement to prevent the reprocessing of spent nuclear fuel rods, North Korea already would have produced a sizable amount of weapons-grade plutonium. Also, the agreement framework has given us a forum, if you will, a means to deal with other issues, the MIA remains, terrorism, the four-party talks, and the missile issue, which is very important as well.

So, could missile launches without notification, the construction of suspect facilities, other provocations undermine the policy we are pursuing? Of course, it could. I have appointed my former Defense Secretary, Bill Perry, as our Special Coordinator for Korea Policy to intensify our efforts to make sure we have the best possible policy. But if it does not work, it will be because of actions by the North Koreans.

I am absolutely convinced that President Kim has done the right thing. I am absolutely convinced that the policies we have followed together have been correct. And it would be a sad thing, indeed, if for no good end over the long run the North Koreans were to make it impossible for us to go forward, because this is the right way forward.

Situation in Iraq

Q. Mr. President, in another trouble spot, Iraq today balked at a U.N. request for documents relating to its weapons program and laid out conditions for the U.N. inspectors. Is this a breach of Iraq's promise for unconditional cooperation and what would be the consequences?

President Clinton. Well, first of all, I think it's important that we not overreact

here on the first day. I want to make sure that I know exactly what the facts are. I believe that—the one thing that I would like to say, though, to Iraq and to the world, is that we think there are some affirmative obligations here. For most of the last several years, including the time when I've been President and the time before I was President, when most people would say that Iraq was cooperating with UNSCOM, their idea of cooperation was not to do anything affirmative to prevent UNSCOM from moving around a country that is a very large country. But for most of the time, they took no affirmative steps, as was their duty under the United Nations resolutions.

Now, I think that Mr. Butler is a professional person. They are testing Iraq's commitments. And I hope that Iraq will comply, as it said it would in the letters just a few days ago, with the letter and the spirit of the U.N. resolutions, and give them the information they seek. Now, if they have some independent grounds for objecting to some of this information—that is, if they think it's some effort to find out something having nothing to do with matters covered by the U.N. resolutions—they ought to say that, and then we should immediately resolve it.

But if they want the sanctions lifted because they have complied with all the U.N. resolutions on weapons, they have to give the information on the documents. And the longer they take to come up with the information on the documents and get to the bottom of this, the harder it's going to be to convince everyone else that they should get what they want.

So this documentation, this information issue, is quite important. I will get extensively briefed on it, and we'll see where the other folks are on it. But I think the important thing is, Mr. Butler is a professional, and he's clearly trying to get information that he believes is essential to do his job. And I think the rest of us should support that.

North Korea

Q. First of all, North Korea's long-range missiles development—a question to President Clinton. According to Washington Post, according to Madam Albright's comment,

North Korea's long-range missile development is a cause of great concern. She says that relations with the North are at a critical point. It represented a rather hard-line stance. The American administration, in cooperation with our Government, has maintained engagement vis-a-vis the North, but in light of these comments, the recent comments, and in light of President Clinton's remark that the North must cooperate in the efforts to ascertain the nature of the suspected facilities to our satisfaction, does this in fact require a change in your stance vis-a-vis the North?

President Clinton. Is that a question for me or President Kim?

Q. That was a question to you, Mr. President.

President Clinton. I don't see this as a change. I see this as the potential for changed circumstances; that is, we have proceeded on the assumption that we would be making progress and that North Korea would honor the agreed framework as we have honored it and others have. We just had a very hopeful development in Japan, for example, where the Japanese Government agreed to put in a very large amount of money to support the KEDO project, again in furtherance of this agreement we made with North Korea.

So let me say again, I do not want to change policy. I support what President Kim is trying to do here. I think it is a wise policy, and I hope that the North Koreans will not do anything to force us to change policy.

Indonesia

Q. Mr. President, more than a dozen people have died in Indonesia in the last 10 days in clashes between protesters and Indonesian military forces. In your view, is President Habibie moving fast enough on political and economic reform? And are the Indonesian forces using excessive force in confronting the protesters?

President Clinton. On the second question, I think the candid answer is the best. I don't know that I have enough facts at this moment to give you the right answer.

On the first, all I can tell you is that there have been some hopeful signs over the last several months and some troubling signs coming out of Indonesia. I think if you look

at the experience—I'll tell you what I hope will happen. If you look at the experience of Korea and the terrible difficulties the Korean people have endured, it is a profound argument in favor of having a government lead its people through tough times with the support of the people, not relying on power wielded in a military fashion but relying on the spirit and the support of the people.

And so I think the important thing is that the United States hopes very much that there will be no backsliding as we come up into the election season in Indonesia, and that every effort will be made to minimize any harm to people who are exercising their voices to make their political views heard.

North Korea

Q. President Kim, during your visit to the U.S. in June, President Clinton and you, I believe, discussed the easing of economic sanctions to the North. Was this issue discussed during today's meeting?

President Kim. During our meeting today, there was no mention regarding the easing of sanctions, but there were some—in the discussion I think you can find answers to your question. As of now, North Korea, should it continue to engage in troublesome activities, we will deal with a firm, resolute attitude. If it responds to our calls for peace and cooperation, then we will return that with cooperative measures.

That was the extent to which our discussions went. The suspicion over the North Korean suspected underground site, on missiles—if the North responds in a cooperative fashion to our requirements in these regards, then, of course, we can respond with positive incentives, favorable responses. And I think the spirit of such an attitude is quite clear in the statement that the two of us made today.

President Clinton. I know you didn't ask me a question, but I would like to say something to support President Kim here.

Yesterday when we came here, our whole American delegation, including all the members of the press, a lot of us went into our rooms, and we turned on the television. And what was the picture? The picture was the tourist ship going into the North. Right?

That's what the picture was. To us, this was amazing, and it was a very beautiful picture.

Now, what is the picture in our minds in this press conference? It is of some hole in the ground somewhere in North Korea where something might or might not be done, which might or might not be threatening to us in the future. Now, I ask you—I ask the North Koreans to think about this—they have a great opportunity here, an historic opportunity with the leadership of President Kim and the position that he has taken. We strongly support it. Never, nothing could ever be put into that hole in the ground—given our defense partnership here, nothing could ever be put in that hole in the ground that would give the North Koreans as much advantage, as much power, as much wealth, as much happiness as more of those ships going up there full of people from here. I think that is the most important message I would like to leave with you today.

Closure on the Impeachment Issue

Q. Mr. President, you said before that it's up to Congress to decide your fate, but you have also said that you want to restore honor to your Presidency and bring closure to the Nation. Sir, do you personally believe that you should face some kind of punishment and that this requires some kind of punishment to bring closure to the Nation, like an apology before Congress?

President Clinton. Well, first of all, again I say, there has been a lot of suffering—that is different from punishment, although it's hard to see the difference sometimes as you're going through it. For me, this long ago ceased to be a political issue or a legal issue and became a personal one. And every day I do my best to put it right, personally.

It is simply not appropriate at this time, in my view, for me to comment on what the Congress should do. The American people and Congress can—I hope will do the right—I trust the American people, and I hope Congress will do the right thing in a nonpolitical way, if you will, to get beyond the partisanship and go on.

I do believe that the long-awaited acknowledgement that there is nothing on which to proceed in the travel issue and the file issue and Whitewater—which this matter was sup-

posed to be about—is a positive thing. I think, surely, it will help us to get this over with. But my only concern, as I said, is that we get this behind us and go on with the business of the country. But I think the less I say about what should happen to me at this point, the better. To me it's—I need to focus on the work I came here to do, and others need to make that decision.

NOTE: The President's 166th news conference began at 1:53 p.m. in the Press Conference Hall at the Blue House. In his remarks, he referred to Richard Butler, executive chairman, United Nations Special Commission (UNSCOM); and President Bacharuddin Jusuf Habibie of Indonesia. President Kim referred to Chung Ju-yung, founder and honorary chairman, Hyundai Group conglomerate. President Kim spoke in Korean, and his remarks were translated by an interpreter.

Remarks at a Dinner Hosted by President Kim in Seoul

November 21, 1998

Mr. President, thank you for your kind words and your kind welcome to Korea. I am very conscious that this visit, my third to Korea as President, comes at a pivotal time in the history of this great nation. In that regard, Mr. President, I would like to thank you for giving my fellow Americans and me the opportunity to have dinner tonight with such a broad range of people from every aspect of Korean society. And especially, thank you for having so many young people here, for it is their lives that will be most affected by the decisions we must make.

First, this is a moment of opportunity, on the 50th anniversary of your Republic, to complete what you, Mr. President, have called Korea's second nation building—securing in freedom the gains of your remarkable postwar transformation. It is also a challenging moment, for the Korean people have suffered from the whims of economic disruption and dislocation that have blown so strongly throughout all Asia. We in the United States have been heartened by the signs that your efforts at reform and recovery are beginning to succeed.

Mr. President, if Korea is on the right path—and I believe it is—it is not simply because economists have given good advice and