



For Immediate Release Office of the Press Secretary November 17, 2004

## **Background Briefing on the President's APEC and Colombia Trips**

James S. Brady Briefing Room

12:25 P.M. EST

MR. McCORMACK: This is the APEC-Colombia trip, pre-trip briefing. Normally, we would have Dr. Rice doing these briefings, as is practice, but because of yesterday's announcement we have three background briefers for you, three senior administration officials who are going to be talking about the President's visit down to Santiago, where he's going to have the APEC meeting, he's going to have a bilateral meeting with the Chilean President, then some other bilateral meetings while he's down there. He's going to travel on to Colombia, and these guys will fill you in on what's going to be going on, so I'll turn it over to them now.

Q Can we have them on the record, as we would have Dr. Rice?

MR. McCORMACK: I think for this briefing, Terry, if you'd bear with, we're going to do this one on background and we'll take a look at future briefings on the record.

Q Can we vote on that? (Laughter.)

MR. McCORMACK: Yes, and it's a democracy of one, and I vote that it's on background. (Laughter.)

Q They did vote on it, November 2nd -- they won. (Laughter.)

MR. McCORMACK: All right, let me turn it over to our briefers.

SENIOR ADMINISTRATION OFFICIAL: Good afternoon. On Friday, November 19th, the President and the First Lady will travel to Santiago, Chile to attend the 12th Asia Pacific Economic Cooperation leaders meeting. APEC is a unique forum that bridges the Pacific and links the world's most dynamic and fastest-growing economies. The President will meet individually with many Asian and Western Hemisphere leaders to discuss ways to promote free trade and economic growth, and deepen our security cooperation to ensure our continued prosperity.

Following the APEC leaders meeting, President Bush will remain in Santiago for an official visit with Chilean President Lagos. The President is looking forward to the opportunity to discuss important regional and bilateral issues with President Lagos. Chile is a good ally of the United States. The two

Presidents will explore ways to deepen our cooperation, strengthen democratic institutions and promote free trade in the Americas.

Upon departing Chile, the President will travel to Cartagena, Colombia, to meet with Colombian President Alvaro Uribe. The President looks forward to discussing with President Uribe the many ways the United States and Colombia are working together as close allies to protect and promote democracy, human rights and the rule of law, fight terrorism and drug trafficking, and promote prosperity through economic growth and opportunity.

The two Presidents will recognize the major progress made under Plan Colombia to win the war against narco-terrorist groups in Colombia, and will emphasize our mutual interest in advancing free trade throughout the Americas.

I'll outline the President's schedule and then we'll be happy to take your questions.

On Friday, November 19th, the President and Mrs. Bush will depart Fort Hood, Texas for Santiago, Chile. On Saturday, the President and Mrs. Bush will participate in a series of bilateral meetings with leaders of Canada, China, Japan, Republic of Korea, and Indonesia. Later, the President will attend APEC working meetings. That evening, the President and Mrs. Bush will attend the APEC leaders official dinner and cultural presentation.

On Sunday, the President will have a bilateral meeting with the President of Mexico. The President will attend a series of working APEC -- series of working APEC meetings, culminating with a reading of the meeting's final declaration. That evening, the President will participate in a bilateral meeting with President Lagos of Chile at the presidential palace, La Moneda. Following the bilateral meeting, the two Presidents will conduct a press briefing. To conclude the evening, President Lagos will host a social dinner for the President and Mrs. Bush.

On Monday, the President departs Santiago for Cartagena, Columbia. There, the President will meet President Uribe for a bilateral meeting and working lunch. Following lunch, the two Presidents will conduct a joint press availability. The President and Mrs. Bush will depart Columbia on Monday afternoon and arrive at the family's ranch in Waco, Texas, later that evening.

The press office can fill you in on schedule changes or additions, and if there are any other bilaterals, we will keep you informed of those, as well.

With that, we are happy to take your questions.

Q What do you expect in a way of an -- or do you expect an explicit endorsement from APEC of the U. S. approach to North Korea?

SENIOR ADMINISTRATION OFFICIAL: Well, we're working on a number of initiatives both on the security side, on the economic side. At this point, our primary objective on the security side is to get concrete implementation of the Bangkok commitments that were reached by the leaders last year, and

these were primarily focused on eliminating the weapons of mass destruction, eliminating transnational terrorist groups, and addressing other terrorist threats. In terms of any specific language on Korea, it's premature to say at this point whether we expect to get an agreement yet.

Q Well, last year there was not one. It was not obtained. Is it something you're seeking this year?

SENIOR ADMINISTRATION OFFICIAL: As you probably know, two years ago at Los Cabos, the 21 APEC economies put out a very strongly worded statement calling on North Korea to give up all of its nuclear weapons programs. And that stands as APEC's position on this. We since then have started the six-party talks, as you know. And at APEC, the leaders from the five parties in the six-party talks that are all calling on North Korea to give up its nuclear weapons programs will -- they'll attend and they'll talk to the President. This will be at the top of the agenda with President Hu, of China; President Roh, of South Korea; Prime Minister Koizumi; and President Putin. So the work on North Korea at APEC has already been done by APEC as a whole. This is an opportunity to use the meetings to start getting down to the business of getting North Korea to give up its weapons programs.

Q Did I miss it? Did you mention a Russian bilateral?

SENIOR ADMINISTRATION OFFICIAL: No Russian bilateral has been scheduled yet. We're working on a number of other potential bilaterals. And if there is going to be one, we'll make sure we let you know.

Q How do you do that, in terms of moving forward with North Korea? As you noticed, I'm sure, that President Roh is in Los Angeles. He mentioned that taking a hard line over North Korea's nuclear weapons program would have "grave consequences." What can the President say to him when they meet?

SENIOR ADMINISTRATION OFFICIAL: They've had several meetings -- President Bush and President Roh in person, and many calls on the telephone. And we've had excellent discussions and excellent cooperation in the six-party talks with our Republic of Korea allies. And if you look through the statements that have come out of Seoul, they have been quite firm that progress, for example, in north-south economic cooperation, would hinge on this issue. In the six-party talks, the ROK delegation has been quite firm and quite tough.

We've been successful with China, with Japan, Korea and Russia in getting in the North Koreans into this multi-lateral process -- they, of course, wanted it to be a bilateral U.S.-DPRK process -- and to getting everyone in the region saying with one voice, they have to give up the nuclear weapons.

The key now is to get the North Koreans to respond to the proposal that we, the U.S., put forward in the last session, which is a proposal for how we'd resolve this in a way that eliminates all the programs -- uranium, plutonium -- and also opens up possibilities for the DPRK to enjoy better relations not only with their neighbors, but with us.

So a lot of it is getting down to brass tacks and tactics. The general framework for a resolution everyone now is beginning to agree on.

Q Understood. And the South Koreans or -- and the Chinese want some new flexibility. Is the U.S. and the President willing to provide some new flexibility?

SENIOR ADMINISTRATION OFFICIAL: If you look at what both the Chinese and the ROK side are saying in these -- in some of their public statements, they're calling on all parties to be flexible. Both Beijing and Seoul want to get these talks going, and want to move forward with the diplomacy, as do we. And if the North Koreans are prepared to come and talk seriously, we're ready to go. And that's one thing that bonds all five parties: we're all ready to go; we're all trying to get the North Koreans to show up. I think that's part of what's behind some of the rhetoric coming out of Beijing and Seoul -- they're trying to encourage the North Korean side to come back.

Q On the same point, just to follow up on Norah's -- one interpretation is they're trying to entice them back, as you said. The other interpretation is that your proposal has been out there now since June -- is that right? Right. That it hasn't yet drawn the North Koreans out, and that the Chinese and the South Koreans have gone off in a significantly other direction. We've seen now very strong wording from both the South Korean President and from the Chinese, basically saying this proposal is not enough, and creating exactly the kind of fissure here that the President has been trying to avoid. So tell us how that closes up?

SENIOR ADMINISTRATION OFFICIAL: I think if you look at the totality of what the Chinese and the ROK officials and leaders are saying, and if you -- from our perspective -- hear what they're saying in the talks, themselves, we don't see the split. We still have more work to do. There's no doubt about that.

And we've made considerable yardage on some of the key issues, that this is multilateral, that all programs -- uranium and plutonium -- have to be included, that there has to be a strategic decision by the DPRK. Some of the big key elements now, all five parties agree on. And the North Koreans, themselves, did not reject our proposal in June. But they stalled. They stalled to see if they could get a better deal; they were holding out. And part of the business at APEC is for all of the leaders who participate -- whose countries participate, to talk and to find ways to make it clear to the DPRK that it's in their best interest to get back into the talks soon.

Q And last year, I think, the Presidents -- the President met together with the Koreans and the Japanese --

SENIOR ADMINISTRATION OFFICIAL: Two years ago at Los Cabos.

Q And you're not doing that this year?

SENIOR ADMINISTRATION OFFICIAL: This year, he's going to have separate bilats.

Q And last year he did separate bilats?

SENIOR ADMINISTRATION OFFICIAL: Right. In Bangkok.

Q Was there a sense that trying to do this all together doesn't work?

SENIOR ADMINISTRATION OFFICIAL: No, it worked very well. One of the keys to success here, and one of the reasons we actually were able to create six-party talks was because the U.S., Japan, and the ROK have been coordinating very closely for some time now, as you know. And so that trilateral meeting was very useful. If you look back on it, this is two years ago, but President Bush and then President Kim Dae-jung, Prime Minister Koizumi came out with a joint statement that then propelled the broader statement by the 21 economies. So for that purpose, it was very helpful.

But logistically and because there are other issues bilaterally with Japan and Korea, we've decided this time, and they also wanted to do separate ones -- obviously, there will be overlap on this North Korea issue.

Q Can I follow on that? You mentioned the North Koreans have been stalling, and there was a sense in recent months that the North Koreans were waiting to see how the election was going to turn out. And I wonder if you could tell us how that piece affects the dynamic, what the President's message is going to be to his six-party talk partners, and how soon do you think next meeting could be put together?

SENIOR ADMINISTRATION OFFICIAL: Well, from our perspective, I think it sends a good signal that the President was reelected, that he's going to move forward with the six-party talks and with close U. S., Japan, and ROK coordination. We're going to work with China to get them working the problem in a way they never have before. They're already taking unprecedented steps to try to solve an issue that they once used to say was a purely U.S.-DPRK issue. So in terms of keeping on that path, it's going to be helpful.

We -- all five of the other parties, as I said, are ready to go, and all five are calling on North Korea to come to the table. The Chinese have recently had senior visitors to Pyongyang. The Russians, the Japanese and the South Koreans have all had their interactions. And this is a common theme that the people in Pyongyang are hearing. But as to when they'll come, I haven't checked KCNA this morning, but I haven't seen any acceptance yet.

Q Can I follow up on that? Regarding a Chinese -- the President's meeting with Chinese counterpart, what should be a specific message from President Bush to Chinese President Hu? Since the end of the election, nothing happened. And you might not have any good news from Pyongyang for China, so what -- maybe we should send a more stronger message to Chinese President and maybe kind -- are we going to twist muscle, or whatever? What is your specific message to Chinese authority at this moment?

SENIOR ADMINISTRATION OFFICIAL: You mean on North Korea or more generally?

Q Yes, on North Korea.

SENIOR ADMINISTRATION OFFICIAL: On North Korea. Well, the President and President Hu have a very good relationship. And it's clear to us that President Hu attaches great importance to this meeting and to his relationship with the President. And we're hoping they can have a very frank discussion about how to make progress. And a lot of that is getting the North Koreans to the table, getting them to acknowledge and include the dismantlement of their highly enriched uranium program, which everyone in the region knows exists, but the North Koreans continue to pretend doesn't. So it's figuring out ways, with China, to keep moving forward on that front.

Q Could I follow up on the China question? Does the United States recognize the 1992 consensus that there is only one China, that both sides should come to the table under that umbrella to negotiate about a resolution? And would the President talk to the Chinese President to urge the restart of the talks on the Taiwan issue?

SENIOR ADMINISTRATION OFFICIAL: You know our policy. The President's policy on this has been very consistent. We have a one China policy. We have obligations under the Taiwan Relations Act we take very seriously. We oppose any unilateral changes to the status quo. We don't support independence for Taiwan. And we'd like to see some dialogue. There's been dialogue before across the straits. We think that's good for both parties and for the entire region. We'd like to see that move forward.

We've noted that Chen Shui-bian has said some positive things about the 1992 meetings. We've noted that Beijing has at times put forward some positive notes about the future. In general, we'd hoped to see those continue and form the basis for progress.

Q But do you recognize in 1992 there was a consensus that there is only one China? That each side could interpret it differently?

SENIOR ADMINISTRATION OFFICIAL: We've not -- that was a meeting that we were not in, nor were we asked at the time or since to endorse.

Q Also on that meeting with China, will the President bring up the issue of foreign exchange, and particularly China's efforts or lack of efforts to de-link the yuan to the dollar? I know they've taken some minor steps towards that direction, but not much.

SENIOR ADMINISTRATION OFFICIAL: In terms of the specifics of what they discuss, it will depend on what actually transpires in the room. But the issue -- there has been a variety of economic issues that the President has consistently raised in his bilateral discussions with Chinese leaders, including President Hu. And he's had a consistent practice of raising this issue, among others, as something that's a matter of concern for us. So I expect that he will.

Q But what will be the message that the President will give the Chinese President in regards to foreign exchange? What will he say to him?

SENIOR ADMINISTRATION OFFICIAL: Well, there has been a consistent message that Secretary Snow has delivered publicly that I think you've heard, which is that we believe the best economic

systems are those that operate under the terms of free trade, free exchange rates, and free movement of capital. And that forms the basis of the comments that have been made by the Secretary and by the President.

Q Can you just -- if I remember correctly at Bangkok, there was the establishment of some kind of working group to examine the liberalization of the exchange rates in China. What happened to that?

SENIOR ADMINISTRATION OFFICIAL: Frankly, I don't recollect that there was a working group.

Q There was. It was a suggestion -- that was the big triumph. The suggestion was --

SENIOR ADMINISTRATION OFFICIAL: Right, right. It wasn't an APEC-specific mechanism. It was a --

Q No, no, it was a bilateral --

SENIOR ADMINISTRATION OFFICIAL: What we did is we created a bi-technical group, a technical working group with the Treasury Department on our side and relevant Chinese officials on their side, to bring together our experts and their experts to talk about a variety of issues, technical issues regarding the reform of the financial sector in China. The work under that technical group has been ongoing since that time.

Q Is there anything in particular to say, this is the stage that it's at, or that is what it has to show for that?

SENIOR ADMINISTRATION OFFICIAL: Well, there has been a series of things that you've probably seen if you've been watching what's happened in China, in terms of specific changes that they've adopted. A lot of them are incremental steps involving one aspect of reform of their financial system or another. And to one extent or another, we hope that our technical exchanges with the Chinese have been helpful in the decisions that they have made regarding ultimately reforming their financial system and laying the groundwork for additional steps going forward.

Q Could I ask you just one quick question about Hu Jintao, just to -- there has been a lot of talk here about the President's new mandate. Of course, in the year that has passed, Hu Jintao is a much empowered figure in Beijing. How is that changing your read of your capacity to do business with him and the nature of his diplomacy?

SENIOR ADMINISTRATION OFFICIAL: You're referring to Hu ascending to the Chairmanship of the Central Military Commission in the party plenum. I can't believe I just rattled that off. (Laughter.)

No, that was an important development for China and for Hu. And President Bush had an excellent relationship with his predecessor as President and as Chairman of the Central Military Commission, Jiang Zemin. But President Hu now does have something of a mandate, and he has a lot of tasks he has to tackle. And so they're going to have a broad discussion on a number of issues ranging from North Korea to the economic issues that my colleague mentioned, trade issues, to the question of

human rights and religious freedom, which is always on the agenda.

But we find increasingly that the leaders in Beijing are willing to talk about this in a way that's more forward-looking, future oriented. And regional issues -- the questions of APEC, itself, will all be on the agenda -- and the President, who has generally been quite engaging and willing to talk about these things frankly.

Q How much prominence with terrorism take at this summit as compared to the last two?

SENIOR ADMINISTRATION OFFICIAL: Well, since the 2001 summit, there's been -- APEC has increasingly turned its attention to security issues, starting with the issues of terrorism and then ultimately culminating last year with the Bangkok commitments, which focus on terrorism, WMD, and other threats. There are specific initiatives that we're working on that are designed to implement the commitments that were made last year and to advance further previous initiatives that were done through the APEC process. The specifics we'll have to see at the summit, itself, in terms of what ultimately comes out and what the leaders agree to.

Q But I take it, though, that there are other -- I was just going to say, I take it that there are other issues, though, that are taking prominence over terrorism this year?

SENIOR ADMINISTRATION OFFICIAL: You mean within the formal APEC agenda?

Q Yes.

SENIOR ADMINISTRATION OFFICIAL: No, if you look at the actual schedule of the discussions, you'll see that there are two retreats that have been scheduled. One is focused on economic issues -- if I describe it broadly as economic issues. And the second is focused on the issues of human security, which includes a broad range of security-related matters, including the issue of terrorism.

SENIOR ADMINISTRATION OFFICIAL: One thing -- if I could -- one thing I think you'll find in these discussions is that -- and one thing that's very encouraging from our perspective is that these initiatives -- which we're working and which we're making a lot of progress on -- that they are initiatives coming out of Beijing or Tokyo or Canberra or Jakarta. They're not American initiatives. These are -- some are, but they're coming from across the region, and there's now a real buy-in to this mission for APEC, which is important because the APEC member economies are building the capacity in the Asian Development Bank, in cross national cooperation on, for example, fighting bioterrorism and diseases in this new center in Singapore. There's a lot of sort of, cross cutting regional cooperation that's building in APEC, which is exactly what, I think, the President wanted in Shanghai when we had the first APEC meeting after 9/11.

Q Two more Latin America questions?

Q Yes, I need to ask one.

Q When the President -- a couple of weeks after he took office, he said, "Good foreign policy begins in our backyard." And I'm wondering, by that standard, what achievements do you think the administration goes to Chile with, and what are the top priorities for the second term, with respect to reaching out to Latin America?

SENIOR ADMINISTRATION OFFICIAL: It's important to note that the first foreign trip the President is taking after this election is to Chile, obviously for the APEC leaders summit, but that APEC leaders summit includes Canada, Mexico, Peru, Chile and the United States. And this gives us an opportunity to highlight the fact that the Americas don't sit alone in the world, that they're actually connected to Asia, and that the APEC countries on the American side of the Pacific and the Asian countries on the Asian side of the Pacific actually form some of the most dynamic economies in the region. So that's a big focus, bridging the Americas and Asia.

But he's following it up with a trip to Cartagena, Colombia, and then at the end of the month he's going to Canada. So within a month of being elected, he will have visited three countries within the Western Hemisphere.

And from our point of view, we're going to Chile with a strong record in the hemisphere; a strong record on trade, a strong record on democracy promotion, a strong record on building relationships and addressing some of the big challenges we face in the hemisphere now, especially as we kind of move from a stage in which we had one hemisphere-wide commitment to democracy, to free markets and to economic integration, and actually trying to make those real, and deliver the benefits of democracy to the people of the region.

Q What is the message that President Bush is going to convey to his Mexican counterpart? And I wonder if immigration will be part of the agenda, since the immigration was also in the agenda on the recent bilateral commission meeting in Mexico City?

SENIOR ADMINISTRATION OFFICIAL: Migration issues are always on the agenda with Mexico there. They're important issues for the United States; they're important issues for Mexico. Secretary Powell was in Mexico City recently during the binational commission and highlighted the fact that migration issues remain a priority for the Bush administration. And that, obviously, will be one of the important topics that the two discuss.

But Mexico and the United States have developed a very important and cooperative relationship, not just on bilateral issues, but on larger regional issues. And those regional issues are also going to be high on the agenda.

Q Thank you. You have already answered some of my question, but there is a big problem with drugs and terrorism in the Americas. Does the President plan to offer Colombia and other countries more money to fight the drug war?

SENIOR ADMINISTRATION OFFICIAL: Well, I mean, we're still -- we've got plenty of money devoted to drugs and terrorism, and we're still at the bottom -- at the back end of a budget cycle. We're, obviously, looking ahead to a budget cycle, and there is going to be more money for -- to fight drugs

and terrorism. So the short answer to the question, of course, is, yes.

But the bigger answer to the question is that one of the important reasons we're going to Cartagena is that it allows us to stand with a leader like President Uribe, who has really made a tough stand against terrorism, against drug trafficking, and who has actually linked the two in the region. And we, through our policy, have linked these two, and effectively we are attacking both terrorism and drug trafficking as a single phenomenon. And this is an important message, and it's one that we hope will resonate through the region.

Q China has been cutting -- a trade question -- China has been cutting a number of trade pacts with countries in South Asia, and we're starting to hear from some U.S. companies that they're concerned about getting shut out of those markets. Can you speak to that a little bit? Do they have reason to be concerned?

SENIOR ADMINISTRATION OFFICIAL: Yes, the issue of free trade agreements is actually -- the proliferation of trade agreements is something that I -- will be on -- we expect will be on the mind of a number of the leaders at the -- during the discussions on economic issues, because there has been an increasing network of free trade agreements among the Asia Pacific nations. Part of it, it reflects the fact that the Asia Pacific countries are now developing strong linkages among themselves, but with that come the issues that you're describing where among -- in the business community and others, there's a concern that these, what people call the spaghetti bowl of trade agreements, could create conflicting rules and ultimately divert trade or shut people out of particular markets.

What we've done here is we -- here in this administration from the beginning has been push the agenda of competitive trade liberalization where we've pushed for trade liberalization through bilateral means, regional means, and as well as global means. And we're pursuing that through the -- the global track of that through the WTO, the bilateral track through willing partners such as the Singaporeans and others in the Asia Pacific region, and then regionally as appropriate.

So it's a factor -- to answer your question directly, that dynamic you're describing is a factor that informs and motivates the broader agenda that we have to open markets more generally. But it's not a specific concern.

Thank you.

END 1:51 P.M. EST

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