

the cold war, setting up an institutional framework of a Breton Woods style but in trade.

And we see this best being accommodated with the GATT, a successful conclusion of the GATT round, as a framework for the reentry of countries reentering the world economy for the first time in either half a century or most of a century.

So, on those very broad fronts we've had extensive discussions, as the President said. On the other issues, we've dealt with them in a working-like way. And he has very kindly met our farm representatives, and I think we have a reasonable understanding of our positions on those issues.

So, could I now invite questions.

U.S. Export Enhancement Program

Q. My question is in relation to the EEP. I understand, following your discussions with the farmers, you've agreed to have some sort of consultative process operate in the future before decisions are made. How exactly do you envisage that consultative mechanism will work? And do you envisage that it will have the effect in future of stopping the areas that have in the past affected Australia?

The President. Well, we discussed having some consultative arrangement, and I suggested it would be very useful to the farm leaders if they'd come—they've been to the States, I think, several of them—they come again and consult on this EEP.

There were some factual differences presented at the meeting by our expert and by them. And so, I think we ought to just try to eliminate differences where possible. And I made very clear to them, and I'd like to say it once more, that the EEP legislation was not aimed at Australia. It was aimed to try to get the EC, who are subsidizing 10 times as much as the United States, to come into line and to get on board on a sound GATT agreement.

So, we'll see how that works out. But we didn't set up any procedures in any exact, you know, three-point program for eliminating differences that we might have. The answer, though, that they do agree with me on, and I'm sure the Prime Minister does, is to get a successful conclusion of the GATT round. And I told them that we are

pledged to that end. And I know they've tried. These farm leaders have traveled to Europe, and they've been to England and, I believe, France and Germany. And so, they are fully engaged, private sector.

I think now it's important, given the Dunkel report, that I as President and the Prime Minister as Prime Minister engage to the fullest to try to get the one answer to EEP that's going to make the most sense. And that is a successful conclusion to the GATT round on agriculture.

Japan-U.S. Trade

Q. Mr. President, last weekend your Commerce Secretary, Bob Mosbacher, said that Japan was partly responsible for the recession in the United States. Was he reflecting official policy in saying that?

The President. Well, Mr. Mosbacher always reflects official views except when I disagree with him. [*Laughter*] And that is very, very seldom. And on this one I haven't heard his statement, so I would only want to see it in full context.

But look, we've got a tremendous imbalance with Japan, tremendous. And one of the reasons we're going there is to see if we can't find ways to sort that matter out. But we're enjoying sluggish times, and not enjoying them very much. And the Prime Minister has impressed on me that Australia is having difficult economic times. And the answer to all of this, whether it's in Japan-U.S. or Australia-U.S., is to get these economies going through expanded trade.

And so, I'd want to know in context what Bob said, but anytime you have an extraordinarily big trade imbalance, I think you would say that that would be contributing to a lack of economic growth. And so, if that's what he said, I certainly couldn't find a way to differ with him.

Q. Could I cheat a little and ask a very closely related double-hitter?

The President. Sure.

Multilateral Trade Negotiations

Q. Mr. Bush, are you able to give a commitment, irrespective of what might happen in other sectors of the Uruguay round, the United States Government will accept nothing less in agricultural trade