

at home and abroad. And I'm sure it comes as no surprise that my highest priority as President of the United States is to promote economic growth and jobs for our people. That goal is fully consistent with economic growth and jobs for Australians. You and I know that open markets generate growth, that international trade is not simply a zero-sum game.

And you also know that the nations who share the rewards of a vibrant and growing international trading system must also share the responsibilities. Australia has stood as a true leader in efforts to achieve success in the Uruguay round of the GATT negotiations. And you brought great skill and energy in seeking deep cuts in trade-distorting agricultural subsidies. Progress on agriculture is the key to the success of the GATT talks. Your farmers are not alone in feeling the pain caused by the heavy subsidies of the European Community. Our wheat production dropped by almost 30 percent last year. But I'm also aware of the concern such United States trade programs as this Export Enhancement Program can cause Australian farmers.

Our EEP program has one and only one objective, and that is to force the EC to stop its avalanche of subsidized exports. And the fact is that the EC subsidizes over 10 times the amount of farm exports that we do. Moreover, our program seeks to minimize the effects on Australia and other non-subsidizing nations. While I don't like having to use these remedies, I will safeguard the interests of American farmers. And without EEP, the European Community would absorb additional markets, forcing out those who can compete fairly, farmers in countries like Australia and the United States.

We both know, all of us know, that the real answer is what our two governments are doing, working hard for an historic new GATT arrangement that cuts back subsidies, especially for exports. That's why the U.S. is committed to working with GATT Director Dunkel's new text. We believe his draft moves us closer to finally concluding an agreement. While not perfect, it makes an important contribution, and the international trading system is too important to pass up this opportunity. I trust and hope

that Australia and other Pacific nations will join us to instill additional momentum in the Uruguay round negotiations when they resume later this month. This is the best comprehensive approach that we can offer to our hard-working farmers and ranchers.

We also see the potential for using regional organizations to expand and liberalize trade around the globe. We are especially encouraged by Australia's leadership in the APEC, in the Asia-Pacific Economic Cooperation process. The success of the November APEC ministerial in Seoul was proof that APEC is emerging as the economic forum in the Pacific and is increasingly fostering a sense of community around the Pacific Rim. North America—Mexico, the United States, and Canada—is part of this community. And so, let me just assure you, every one of you, both sides of this aisle, that the North America free trade agreement will not become an exclusive trading bloc. It will lower internal barriers without raising external barriers. Our growth will help stimulate yours, just as growth in Asia will spur our exports.

We also can do more bilaterally to expand trade. That's why I am proposing a United States-Australia trade and investment framework agreement, one way to enhance our already strong economic engagement. That's our agenda to expand exports and growth through reducing trade barriers, whether globally, regionally, or bilaterally.

Clearly, with the dramatic changes in the world we must adapt to new security realities as well. But let me simply pledge to you, our friends: No matter what changes may come about in the defense expenditures in the United States or in the nature of the threats to international peace, the U.S.-Australian alliance is fundamental to the stability of the Asia-Pacific region.

I understand that there is some concern in Asia about America's commitment given our imminent departure from Subic Bay in the Philippines. Let me put it plainly: I've served in Asia, personally, in time of war and in time of peace, and with changing times, our posture is going to change to suit different needs. But our role and our purpose as a Pacific power will remain constant. It is important that the people of Aus-