

law and to human rights and democratic values. It has no foundation in any religion, national or cultural traditions, and it only uses them as a cover for its criminal goals.

The Presidents agree that every effort be undertaken to bring the perpetrators to justice, while protecting the rights and welfare of civilians. They stress that the fight against terrorism requires the unity of the entire international community to counter new challenges and threats on the basis of international law and the full use of the United Nations and other international organizations.

The Presidents call for all states to join a sustained global coalition to defeat international terrorism. Nations must make use of diplomatic, political, law enforcement, financial, intelligence, and military means to root out terrorists and their sponsors and bring them to justice.

The Presidents emphasize that the current situation in Afghanistan is a direct consequence of the policies pursued by the Taliban, which turned that country into an international center of terrorism and extremism. They reaffirm that the United States and Russia are ready to cooperate closely with the United Nations to promote a post-conflict settlement in Afghanistan that would provide for the formation of a representative, broad-based government capable of ensuring the restoration of a peaceful Afghanistan that maintains good relations with countries of the region and beyond it.

The leaders of the two countries view U.S.-Russian cooperation as a critical element in the global effort against terrorism. They reaffirm their personal commitment and that of their two countries to fight this deadly challenge through active cooperation and coordination, both bilaterally and within the framework of international institutions.

The Presidents note with satisfaction the fruitful cooperation between the United States and Russia in the United Nations and the UN Security Council, in the NATO-Russia Permanent Joint Council, and in the G-8. They also instruct their governments to reinforce bilateral cooperation throughout the U.S.-Russia Working Group on countering terrorist and other threats emanating from Afghanistan.

The Presidents agree that the financial, communications, and logistics networks of terrorist organizations must be destroyed. They call upon all nations without exception to take measures to block access of terrorist organizations to financial resources, to enhance law enforcement tools to combat terrorism, and to strengthen procedures to stop the transit of terrorists and their material within and between countries. They stress the importance of speedy ratification and implementation of existing international counterterrorism conventions.

The two Presidents are resolved to advance cooperation in combating new terrorist threats: nuclear, chemical and biological, as well as those in cyberspace. They agreed to enhance bilateral and multilateral action to stem the export and proliferation of nuclear, chemical and biological materials, related technologies, and delivery systems as a critical component of the battle to defeat international terrorism.

NOTE: An original was not available for verification of the content of this joint statement.

The President's News Conference With President Vladimir Putin of Russia in Shanghai

October 21, 2001

President Putin. Good afternoon, ladies and gentlemen. We will briefly inform you about the meeting and talks with the U.S. President.

In our assessment, in Russian assessment, the meeting was really productive and useful, as well as during our previous negotiations at Ljubljana and Genoa. It was a forthright and trustful talk.

Today, Russian-U.S. cooperation develops smoothly, and we take full note of the global changes that took place in the world, and we consistently strengthen the foundation of our new relations. In this century, our strategic priority is a long-term cooperation and partnership, a partnership which is based upon common values of one civilization, the partnership which works for our common goals of development and progress. And precisely in this direction we intend to move.

November this year, our full-fledged negotiations with the United States are to take place. And we will discuss U.S.-Russia relations in detail and the most significant issues of the world's policies. And the relevant instructions to prepare this meeting were given to our experts and agencies.

The consequences of the tragic events of September 11th—political, economic, psychological consequences—today are acutely felt in many countries and in all the continents. I think nobody has doubts the unprecedented carnage of the terrorists requires our united efforts, unification of the efforts of international community to fight terrorism. And we prepared and we issued a joint statement in this regard.

We analyzed in detail the developments of the Russia-U.S. dialog on strategic stability issue. As you remember, during Genoa meeting, there was an agreement to reach about joint work on strategic offensive and defensive weapons, which are interrelated. And in our assessment, we made progress here.

First of all, it relates to START issue. We reaffirmed our mutual intention to reduce strategic offensive weapons. And now our task is to develop parameters of such reductions and to design a reliable and verifiable method to reduce nuclear arsenals of Russia and United States.

As for the ABM-related issues, we also made some progress—at least, I believe we do have understanding that we can reach agreements, taking into account national interests of Russia, United States, and taking into account the necessity to strengthen international stability in this very important area.

During the meeting, we exchanged opinions on the most pressing regional issues: Iraq, Middle East, the Balkans. We intend to discuss relations of Russian Federation with NATO. We attach special importance to deepening business relations between Russia and the United States.

We agreed in Ljubljana and Genoa to pay increased attention to that, and this agreement works. Russia-American trade, economic, and investment links have been considerably broadened. Over the last months, U.S. Secretary of Trade Minister Evans came to Moscow twice, and we received Paul

O'Neill and Robert Zoellick in Moscow. And we felt a clear signal from the U.S. President, and all our partners displayed a sincere desire to develop our relations.

Business in Russia with the United States is moving forward, and not only U.S. and Russian companies—big companies—participate in it but also small and medium enterprises. We agreed to work on concrete measures in economic interaction. We will discuss it with more details in November in Texas.

Thank you for your attention.

President Bush. My administration seeks a new relationship with Russia based on cooperation and mutual interests, instead of confrontation and mutual vulnerability. We must truly and finally move beyond the cold war. Today, after my third meeting with Vladimir Putin in 5 months and after the events of the last 5 weeks, we can report progress toward that goal—positive progress.

Within hours after September the 11th attacks, President Putin called. He extended his sympathy, and he extended his support. He did something more. He knew that the American military was moving to high alert status. To simplify our situation, to show solidarity, he ordered Russia's military to stop a set of exercises that were getting underway. America, and I in particular, will remember this act of friendship in a time of need.

Today, the world is building a broad international coalition against terrorism, and Russia is taking a full and responsible role in the coalition. Russia is sharing valuable intelligence on terrorist organizations, providing overflight clearance for humanitarian missions, and helping out diplomatically.

It is clear that President Putin understands the magnitude of the terrorist threat. It is clear there's a lot the United States and Russia can do together to defeat terrorism. The challenges and goals we share provide an opportunity to rethink and renew a broader relationship.

Both our nations are working to prevent proliferation and to reduce the threat from cold war weapon stockpiles throughout the former Soviet Union. We also see progress

in our efforts to build a new strategic framework. Today we discussed significantly lowering offensive nuclear weapon arsenals within a framework that includes limited defenses, defenses that are able to protect both our lands from political blackmail, from potential terrorist attack. Both our nations must be able to defend ourselves against the new threats of the 21st century, including long-range ballistic missiles. The events of September the 11th make it clearer than ever that a cold war ABM treaty that prevents us from defending our people is outdated and, I believe, dangerous.

Economic cooperation and progress will be an important part of our new relationship. With the right incentives and a firm commitment to rule of law, there is no question in my mind a new class of entrepreneurs can grow and flourish in Russia. And there's no question in my mind that American businesses and American investment can foster that trend. Both President Putin and I are anxious to see this happen.

And our new relationship is one of candor. I emphasized to Vladimir Putin that the war on terror is not and cannot be a war on minorities. It's important to distinguish between those who pursue legitimate political aspirations, and terrorists.

We're also looking at ways we can work together in the development of a free media in Russia. We had a good and serious exchange. Both of us see great opportunity. Both of us see positive good that has come out of the evil of September the 11th. Both of us are willing to work hard to seize the moment, to make sure we foster a new and unique and constructive relationship between our two great lands.

I'll be glad to answer some questions. Mr. Fournier [Ron Fournier, Associated Press], I take it you're the first one.

International Support Against Terrorism/ ABM Treaty

Q. Thank you, Mr. President. Sir, your communique did not mention the war in Afghanistan, and several leaders at this meeting have urged America to end the conflict quickly. What do you intend to do to cure this queasiness about your military initiative?

And to President Putin, do you agree with President Bush that the ABM, post-September 11th, is dangerous to the world? And if so, are you more open to modifying it or scrapping it?

President Bush. I think I listened to probably 3 or 4 hours of discussions about our campaign against terrorism. And there was a very strong support for our activities, strong support for sharing intelligence, strong support for the diplomatic front we're waging, strong support to disrupt the financial operations of the terrorists, and strong support for our military operations in Afghanistan.

The people who came to this conference came because they wanted to show the world that they were not afraid of terrorists. They weren't going to let terrorists disrupt an important meeting. They also came to stand with solidarity with the United States. And I'm most appreciative of the support we received. It was strong; it was steady; and it's real. And the people of the United States need to know that we're not conducting these operations alone. We've got universal support around the world.

President Putin. I would like to tell a couple of words about the first question. First of all, I fully agree with the position of President Bush, and I believe that his action was measured and adequate to the threat that the United States was confronted with.

It's first. Second, and it is very important for everybody to know, if we started fighting terrorism, it should be completed, because otherwise, terrorists might have an impression that they are not vulnerable. And in that case, their actions would be more dangerous, more insolent, and would result in worse consequences.

As for the ABM Treaty of 1972, our position is well known, and I can reproduce it once again. We believe it is an important element of stability in the world. But we agree, and I said it several times, that we should think about future. We should look into the future, and we should react adequately to possibly threats in future. And we are prepared to discuss that with our American partners, of course, in case—if certain parameters for this discussion is provided to us.

Russia-U.S. Relations

Q. I have a question to the American President. Recently you talked much that U.S.-Russia relations gained a new strategic nature. And you even called Vladimir Putin your friend. Could you give specific examples of the changes in political, military, and especially economic sphere?

President Bush. Well, I think the first sign of our new relationship is that he knows I don't view Russia as an enemy, that we're not a threat to Russia. And I know that he's not going to threaten the United States. That's a different attitude from the old days.

The old days, we used to distrust each other. The old days, the discussions were not very frank and candid. They were probably bureaucratic in nature. And we have a very frank and open relationship because we're not a threat. As a matter of fact, we're looking for ways to form alliances and to find common ground. We actively seek ways to fight terrorism.

Vladimir Putin was the first person to call. That's what a friend does, calls in a time of need, and he called. It's clear to me that he understands that we're developing a new relationship. After all, in the old days, had an American President put their troops on alert, Russia would have responded. And then America would have upped the ante, and then Russia would have upped the ante, and we would have had two issues on our hands: one, a terrorist attack on America, plus a military standoff.

Instead, his first reaction was to stand down so as not to create any confusion, any doubt, so that the United States could stay focused on the terrorist attack. To me, that signals a brand new attitude, a different point of view, someone who doesn't fear America but someone who wants to find ways to work with America. And so it's an attitude change, for starters.

Secondly, I look forward to working with him on a new strategic framework. I also look forward to working with him on ways to encourage the flow of capital from the United States into Russia. Russia is a land of vast natural resources. It's also a land of a different kind of resource, and that's brainpower. Russia has got a lot of entrepreneurial talent. And I'm confident that the United

States and our entrepreneurs and Russian entrepreneurs will find ways to work together. So we've got a lot in common.

But the thing that really bound us together most right now is our common desire to fight terrorism. And he understands what I understand, that the new wars of the 21st century will be fought fighting evildoers, people that have no country, people that may try to take a country, parasites that may try to leech onto a host country. But that's the true threat and the true threat for both our Governments. And we'll work together to fight terrorism. And he is an active participant in the coalition, and I'm grateful for his support and advice.

Holland [Steve Holland, Reuters], I presume it's you, since you're about to stand up.

ABM Treaty/Nuclear Arms Reductions

Q. Yes, thank you very much, sir. Did you tell Mr. Putin that you would begin the process of withdrawing from the ABM Treaty by the end of the year? And did you give him a figure on missile cuts?

President Bush. Let's see—no, to the second. Let me be a little more expansive. I told Mr. Putin that we are in the process of analyzing our nuclear arsenal and that I intended to fulfill a campaign process, which was that we were going to reduce our nuclear arsenal to a level that would help maintain the peace, on the one hand—on the other hand, that would also represent the realities of the 21st century.

Secondly, I reiterated exactly what I told Vladimir in Slovenia—that I felt like the ABM Treaty was outmoded and outdated, and it was time for us to see if we couldn't work together to move beyond the ABM Treaty.

Q. [Inaudible].

President Bush. Well, we've got work to do between now and Crawford, and I look forward to continuing to work with him. Let me just rephrase that—now and Washington/Crawford.

But he knows my feelings about the ABM Treaty, and so does America—actually, the world now, I think, fully understands it. It was a treaty written when our nations hated each other. We no longer hate each other. As a matter of fact, we're finding ways to

cooperate. It's also a treaty that prevents peace-loving nations from developing systems necessary to hold terrorists who might acquire weapons of mass destruction to be delivered by ballistic missiles—won't be able to hold them accountable.

And we're in a new war, a new environment. And it seems wise to me to react to that environment in a positive way. We'll continue working with each other and see if we can't find common ground on the ABM Treaty.

Russia-U.S. Cooperation

Q. I have question to both Presidents. It attracts our attention that you are building a good understanding on key problems. Can you say with certainty that your teams will act in the same spirit?

President Bush. [*Laughter*] That's a very interesting question, isn't it—a man who understands bureaucracy. Well, I can assure you that the Secretary of State understands my point of view and is working hard with his counterpart to achieve the common ground we seek. We have sent—as Vladimir mentioned, we sent our Secretary of Treasury and Secretary of Commerce and our Trade Representative to Russia to talk about ways to cooperate, talk about ways to enhance the flow of capital from the United States into Russia.

And so the answer to your question is, absolutely, that we will—that this attitude will be shared throughout our Government. And it's a very good question you ask, because sometimes the intended top doesn't necessarily get translated throughout the levels of Government. I'm confident, though, in this case, that it will happen. It's too important a relationship to allow bureaucratic intransigence to delay what I believe is going to be one of the more interesting relationships as we head into the 21st century.

I think it's necessary that United States and Russia cooperate. I think it's going to make the world more peaceful. I think it will lend a lot of stability in Europe, as well, when we find ways to cooperate.

President Putin. President Bush told a lot of warm words about myself in public, and I'm grateful to him for that. And I feel his attitude outside formal events, and I hope

that he has the same feeling when he talks to me.

By the way, it does not prevent us from protecting our viewpoints and from having our viewpoints, defending the national interests of our countries. In particular, with regard to the ABM, we continue our discussion. You can see that.

I agree with many positions that President Bush puts forward, and one cannot but agree with them. In such complex issue like the ABM Treaty, we have common approach on the basis of which we can discuss it and propose solutions. But it would be difficult for me to agree that some terrorists will be able to capture intercontinental missiles and will be able to use them. So we always have discussions, but our good relations does not impede this process.

Speaking about teams, of course, there is always a bureaucratic threat. But I would like to draw attention to the fact that, if we talk about teams, it's a group of like-minded men that we choose ourselves. And if a team, a so-called team does something different from what we recognize as the right way of developing our relations, I wouldn't like to have such people around us.

Thank you very much.

NOTE: The President's news conference began at 7:40 p.m. at the Portman Ritz-Carlton Hotel. President Putin spoke in Russian, and his remarks were translated by an interpreter.

Executive Order 13232—Further Amendment to Executive Order 10789, As Amended, To Authorize the Department of Health and Human Services To Exercise Certain Contracting Authority in Connection With National Defense Functions

October 20, 2001

By the authority vested in me as President by the Constitution and the laws of the United States of America, including 50 U.S.C. 1431–35, and in order to authorize the Department of Health and Human Services to exercise certain contracting authority in connection with national defense functions, it is hereby ordered that Executive